

PUBLIC DISCLOSURE

February 24, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

One Community Bank
RSSD# 247140

733 North Main Street
Oregon, Wisconsin 53575

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

One Community Bank Overall CRA Rating: Satisfactory

Performance Test Rating Table

The following table presents the performance level of One Community Bank with respect to the lending, investment, and service tests.

One Community Bank			
Performance Levels	Performance Tests		
	Lending Test	Investment Test	Service Test
Outstanding			
High Satisfactory	✓		
Low Satisfactory		✓	
Needs to Improve			✓
Substantial Noncompliance			

**Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating*

Summary of Major Factors that Support the Rating

Lending Test:

- Lending levels reflect good responsiveness to assessment area credit needs;
- A high percentage of loans were made in the bank's assessment areas;
- The geographic distribution of loans reflects adequate penetration throughout the assessment areas;
- The distribution of borrowers reflects, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes.
- The bank exhibits a good record of serving the credit needs of low-income individuals and areas and very small businesses.

- The bank made a relatively high level of community development loans; and
- The bank makes limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

Investment Test:

- The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position;
- The bank made occasional use of innovative and/or complex investments to support community development initiatives; and
- The bank exhibits adequate responsiveness to credit and community development needs.

Service Test:

- Delivery systems are reasonably accessible to the bank's geographies and individuals of different income levels in its assessment area;
- The bank's record of opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals;
- Services do not vary in a way that inconveniences the needs of its assessment area, particularly to low- and moderate-income geographies and/or low- and moderate-income individuals; and
- The bank provides a limited level of community development services.

ONE COMMUNITY BANK

DESCRIPTION OF INSTITUTION

One Community Bank (OCB) is a wholly owned subsidiary of Bosshard Financial Group, a one bank holding company, headquartered in La Crosse, Wisconsin. The main office is located in Oregon, Wisconsin with 15 additional branches (13 full service, one drive-through only, and one drive-through with a lobby that is open by appointment only) in central Wisconsin. On September 1, 2023, the bank acquired Farmers State Bank located in Hillsboro, Wisconsin, which added an additional five branches (two in Wonewoc, one in each Hillsboro, La Farge, and Readstown).

As of September 30, 2024, OCB had \$2.2 billion in assets and is primarily a commercial lender with commercial loans representing 79.7 percent of the bank's loan portfolio. Additional credit product offerings include residential real estate, agricultural, and consumer loans. The bank also offers a full range of traditional deposit products to meet the banking needs of its assessment areas. The composition of the loan portfolio is largely unchanged since the previous evaluation, when commercial loans also represented the vast majority of the portfolio; however, consumer loans were a key business line for Farmers State Bank and as a result of the merger, the consumer portfolio itself has experienced significant growth since the previous evaluation.

The following table reflects One Community Bank's loan portfolio composition as of September 30, 2024.

Loan Portfolio Composition As of September 30, 2024		
Loan Type	Dollar Volume \$ (000s)	of Portfolio
Commercial	1,460,552	79.7
Residential	276,635	15.1
Agricultural	40,474	2.2
Consumer	36,934	2.0
Other	17,269	0.9
Total	1,831,864	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

According to the June 30, 2024, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, OCB ranked sixth out of 49 FDIC-insured financial institutions operating within the seven counties of the combined assessment area. The bank held roughly \$1.6 billion in deposits, representing a market share of 5.5 percent. In an increasingly competitive market, the bank has maintained its presence since the previous evaluation, where the bank's market share as of June 30, 2022, (5.7 percent) ranked sixth out of 38 FDIC-insured financial institutions. The financial institutions with the largest percentage of the deposit market share on June 30, 2024, was BMO Harris Bank National Association (N.A.) (14.2 percent), Associated Bank N.A. (10.0 percent), and

Lake Ridge Bank (7.6 percent).

The bank delineates two contiguous assessment areas in the state of Wisconsin. The Madison, Wisconsin Metropolitan Statistical Area (MSA) #31540 (Madison, WI MSA) and a five-county region of non-MSA Wisconsin. The Madison, WI MSA consists of Dane County and Columbia County, in their entirety, a change from the previous evaluation where the bank only delineated Dane County. The non-MSA Wisconsin assessment area consists of Adams, Juneau, Marquette, Sauk, and Vernon counties in their entirety, this is also a change from the previous evaluation where the bank only delineated Adams and Marquette counties, as part of the non-MSA Wisconsin. The primary factor contributing to changes within the bank's non-MSA assessment area was the bank's acquisition of Farmers State Bank in September of 2023. Furthermore, with the issuance of the July 2023 Office of Management and Budget (OMB) Bulletin No. 23-01, Vernon County has been integrated into the La Crosse-Onalaska, Wisconsin-Minnesota MSA #29100. However, for purpose of this evaluation, Vernon County is considered a part of the contiguous non-MSA Wisconsin assessment area.

The bank operates eight locations (including its main office) in the Madison, WI MSA and eight locations in the non-MSA Wisconsin assessment area, including two branches in moderate-income census tracts in Adams County. The combined assessment area consists of 190 census tracts, including five low-, 29 moderate-, 109 middle-, and 40 upper-income census tracts. There are also seven unknown-income census tracts within the University of Wisconsin-Madison campus and nearby lakes. Additionally, Marquette County has five middle-income census tracts designated as underserved (9601.00, 9602.00, 9603.00, 9604.00, and 9605.00) due to their remote rural location. For more detailed information, please reference the individual assessment area descriptions. The following table presents branch distribution by census tract designation.

Distribution of Branches by Assessment Area and Census Tract Income Designation										
Assessment Area	Low		Moderate		Middle		Upper		Total	
	#	%	#	%	#	%	#	%	#	%
Madison, WI MSA	0	0.0	0	0.0	5	62.5	3	37.5	8	100.0
Non-MSA Wisconsin	0	0.0	2	25.0	6	75.0	0	0.0	8	100.0
Total	0	0.0	2	12.5	11	68.8	3	18.8	16	100.0
Note: Percentages may not total 100.0 percent due to rounding.										

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

At its previous evaluation conducted on November 28, 2022, the bank was rated **Satisfactory** under the CRA.

SCOPE OF THE EXAMINATION

OCB's CRA performance was evaluated using the Federal Financial Institution Examination Council's (FFIEC) Large Institution CRA Examination Procedures. This is the bank's first evaluation under these procedures. The CRA performance evaluation assesses the bank's responsiveness and effectiveness in meeting the credit and community development needs in its assessment areas. The bank's performance was evaluated within the context of information about the institution including asset size, financial condition, market presence of other financial institutions, the combined record of aggregate lenders in each assessment area, as well as local economic and demographic characteristics.

Full scope reviews were selected for both of the bank's assessment areas based on the bank's number of offices, loan and deposit volume, demographic factors, the needs of communities located in the assessment areas, and given the changes to the composition of both assessment areas since the previous evaluation. Performance in both assessment areas are given consideration when assessing the bank's ratings; however, the Madison, WI MSA received more weight in the rating, given it is the bank's primary market.

The retail lending analysis was based on 2022 and 2023 Home Mortgage Disclosure Act (HMDA)-reportable loans primarily home purchase and home refinance due to the overall volume of these originations. The analysis also included an evaluation of 2023 CRA-reportable loans, specifically loans to small businesses. CRA-reportable small business loans received greater weight in the analysis as they reflect the bank's primary loan product. Also, greater emphasis was placed on 2023 figures to evaluate the bank's performance, while 2022 HMDA figures were used for comparison purposes. Community development activities are evaluated from the prior evaluation date to the current evaluation date. The previous evaluation observed a 49-month period between evaluations and this evaluation has a 27-month evaluation period; thus, monthly comparisons of increased or decreased performance have been considered.

Performance within all assessment areas was evaluated using the following performance standards:

- *Level of Lending Activity:* HMDA-reportable loans originated from January 1, 2022, through December 31, 2023, and CRA-reportable loans originated from January 1, 2023, through December 31, 2023, were reviewed to determine the responsiveness to credit needs in the assessment areas.
- *Lending in the Assessment Area:* HMDA-reportable loans originated from January 1, 2022, through December 31, 2023, and CRA-reportable loans originated from January 1, 2023, through December 31, 2023, were analyzed to determine the percentage of loans originated in the bank's combined assessment area.

- *Geographic Distribution of Lending in the Assessment Area:* HMDA-reportable loans originated from January 1, 2022, through December 31, 2023, and CRA-reportable loans originated from January 1, 2023, through December 31, 2023, were analyzed to determine the extent to which the bank is lending in census tracts of different income levels, particularly those designated as low- or moderate-income.
- *Lending to Borrowers of Different Incomes and to Businesses of Different Sizes:* HMDA-reportable loans originated from January 1, 2022, through December 31, 2023, and CRA-reportable loans originated from January 1, 2023, through December 31, 2023, were analyzed to determine the distribution among borrowers of different income levels, particularly low- or moderate-income borrowers, and to businesses of different revenue sizes.
- *Community Development Lending:* The number, dollar volume, innovativeness and complexity of community development loans originated from November 29, 2022, to February 24, 2025, were reviewed to determine responsiveness to community development needs.
- *Innovative or Flexible Lending Practices:* The degree to which the bank uses innovative and flexible lending practices to address the credit needs of low- and moderate-income individuals or geographies and small businesses, from November 29, 2022, to February 24, 2025, was assessed.
- *Investments:* Qualified investments, grants and donations made within the individual assessment areas from November 29, 2022, to February 24, 2025, were reviewed to determine the bank's responsiveness to community development needs. Qualified investments were also evaluated to determine the bank's use of innovative or complex investments.
- *Services:* The distribution of the bank's branch offices, banking services, hours of operation, availability of loan and deposit products, and the extent and innovativeness of community development services were reviewed. The review included community development service activities conducted from November 29, 2022, to February 24, 2025.

Three community representatives were contacted to understand the credit needs of the assessment areas, in addition to gathering information regarding local economic and socio-economic conditions in the assessment areas. Please refer to individual assessment area summaries for community representative information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

OCB's performance relative to the Lending Test is rated High Satisfactory based on its performance across the combined assessment area. Factors contributing to the rating include: lending activity reflects good responsiveness to assessment area credit needs; a high percentage of loans were originated in the bank's assessment areas; the geographic distribution of loans reflects adequate penetration throughout the bank's assessment area, including low- and moderate-income geographies; the bank demonstrates an adequate distribution of loans among individuals of different income levels and businesses of different revenue sizes; the bank exhibits a good record of serving the credit and community development needs of low-income individuals and very small businesses; the bank makes a relatively high level of community development loans; however, it makes limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

Level of Lending Activity

OCB's lending levels reflect good responsiveness to credit needs in its assessment areas, considering the number and amount of home mortgage and small business loans in its assessment areas.

During 2022 and 2023, the bank originated 751 HMDA- and CRA-reportable small business loans, totaling approximately \$415 million, of which 83.8 percent were HMDA-reportable and 16.2 were CRA-reportable small business loans. Although the portion of commercial lending that is CRA-reportable trends below the number of HMDA-reportable loans, the bank continues to be predominately a commercial lender. A significant portion of the properties on both the 2022 and 2023 HMDA Loan Application Registers (LARs), are reported as non-owner occupied, or investment properties, indicative of commercial purpose loans. At the previous evaluation, two years (2020 and 2021) of HMDA-reportable loans and one year (2021) of small business loans were reviewed, the bank was not previously a CRA-reporter. At that evaluation, the bank made 2,216 HMDA-reportable and small business loans during the review period totaling approximately \$662 million. HMDA-reportable loans have declined by 70.3 percent by number (from 2,118 to 629). All categories of HMDA-reportable loans declined in origination numbers.

Home purchases make up the largest portion of the bank's HMDA-reportable loans at 57.4 percent of total loans for this evaluation, while refinancing was the largest portion at the previous examination (65.1 percent). Community representatives across assessment areas stated home prices are rising due to inflation, and there are inventory shortages due to low interest rates acquired by many borrowers in the strong refinance market in the years prior to 2022. The higher interest rate environment in 2022 and 2023 also resulted in significantly decreased demand for home loans. Meanwhile, small business reportable loans increased by 24.5 percent (from 98 to 122)

since the previous evaluation. Dollar volume originations for small business loans increased by 11.8 percent.

The following table presents the bank's level of lending activity across the combined assessment area during the review period.

Summary of Lending Activity				
HMDA: January 1, 2022 – December 31, 2023				
Small Business Reportable: January 1, 2023 – December 31, 2023				
Loan Type	#	%	\$(000s)	%
Home Improvement	12	1.6	2,694	0.6
Home Purchase	431	57.4	162,764	39.2
Multi-Family Housing	41	5.5	163,670	39.4
Refinancing	145	19.3	54,052	13.0
Total HMDA Reportable	629	83.8	383,180	92.3
Total Small Business Reportable	122	16.2	32,058	7.7
Total Loans	751	100.0	415,238	100.0
<i>Note: Percentages may not total to 100.0 due to rounding.</i>				

Assessment Area Concentration

OCB made a high percentage of loans in its assessment area. The majority of loans, across both product lines analyzed, were originated in the assessment area, both by dollar and number. The bank originated 79.1 percent of its loans by number and 78.3 percent by dollar amount inside its assessment area. The bank originated 86.9 percent of small business loans by both number and dollar volume inside its assessment area. Additionally, the bank originated 77.6 percent of HMDA-reportable loans by both number and dollar amount inside its assessment area. The majority of the bank's HMDA originations made inside its assessment area were home purchase loans accounting for 75.2 percent of its loans by number and 76.3 percent by dollar. Despite the changes to the delineated assessment area, the bank's performance is consistent with its performance at the previous evaluation.

The following table summarizes the bank's lending inside and outside its assessment areas for 2022 and 2023 HMDA-reportable loans and 2023 CRA-reportable small business loans.

Lending Inside and Outside of the Assessment Area HMDA-Reportable: January 1, 2022 – December 31, 2023 CRA-Reportable Small Business: January 1, 2023 – December 31, 2023								
Loan Type	Inside				Outside			
	#		\$(000s)		#		\$(000s)	
Home Improvement	8	66.7	2,145	79.6	4	33.3	549	20.4
Home Purchase – Conventional	324	75.2	124,157	76.3	107	24.8	38,607	23.7
Refinancing	126	86.9	48,992	90.6	19	13.1	5,060	9.4
Multi-Family Housing	30	73.2	122,061	74.6	11	26.8	41,609	25.4
Total HMDA Reportable	488	77.6	297,355	77.6	141	22.4	85,825	22.4
Total Small Business Reportable	106	86.9	27,849	86.9	16	13.1	4,209	13.1
Total Loans	594	79.1	325,204	78.3	157	20.9	90,034	21.7
<i>Note: Percentages may not total to 100.0 due to rounding.</i>								

Geographic and Borrower Distribution

OCB's lending activity reflects adequate distribution throughout the assessment area. Additionally, the bank's lending activities reflect adequate distribution, particularly in its assessment areas, of loans among individuals of different income levels and to businesses of different revenue sizes. The rise in home mortgage interest rates following the COVID-19 pandemic, as well as cessation of Paycheck Protection Program loans has stymied the higher home mortgage and small business lending activity observed in prior years when economic conditions were more favorable for lenders. Detailed discussion of geographic and borrower distribution performance and data can be found in the individual assessment area analyses.

The bank exhibits a good record of serving the credit needs of low-income individuals and areas and very small businesses; however, the bank made limited use of innovative or flexible lending practices in serving assessment area credit needs.

Details of the innovative or flexible lending products the bank offered during the review period are highlighted below:

- *Small Business Administration (SBA) Loans:* The bank utilizes SBA 504 Programs that are designed for small businesses in the community. The program has net worth and net income thresholds, targeting smaller businesses.
- *Habitat for Humanity Loan Funding:* The bank partners with its local Habitat for Humanity affiliate to fund loans for borrowers eligible for Habitat homes.
- *United States Department of Agriculture (USDA) Mortgage Loans:* Loans are available to homeowners with little or no down payment. Loans may exceed home value and include 100.0 percent of purchase as well as closing costs. Loans have a 30-year fixed rate with a

USDA guaranty.

- *Federal Home Loan Bank Downpayment Plus Program:* Downpayment Plus is a program that provides down payment and closing cost assistance for income-eligible homebuyers. The assistance is provided in the form of a forgivable grant paid on behalf of the borrower at the time the borrower closes on mortgage financing. Grants are forgiven on a monthly basis over a five-year retention period.
- *Federal Home Loan Mortgage Corporation Home Possible:* Home Possible® offers qualified very low- to low-income borrowers a three percent down payment financing option. Many types of down payment sources are acceptable including family, employer-assistance programs, secondary financing, and sweat equity.
- *OCB "Welcome Home" Loan:* Mortgage loans targeted to low- and moderate- income borrowers with a purchase price cap at \$195,000 and a \$1,500 lender credit at closing that could be used for any closing cost including pre-payments.
- *OCB "First Time Home Buyer" Program:* A first-time home buyer program with no loan cap and a lender credit of \$1,000 that could be used for any closing costs including pre-paid fees. One of the borrowers must be classified as a first-time homebuyer as defined by Federal Home Loan Mortgage Corporation guidelines.

Community Development Lending

OCB makes a relatively high level of community development loans. The bank originated 15 community development loans, totaling \$62.6 million during this evaluation period. This is a significant increase since the previous evaluation, when the bank originated zero community development loans. The vast majority of dollars went to economic development projects. The bank also made three high dollar loans over \$10 million in the Madison, WI MSA. One loan was made outside the assessment area but still benefited individuals in the broader region. Additional details of the bank's community development lending can be found within the individual assessment area analyses. The following table presents the bank's community development loans during the evaluation period.

Community Development Loans by Purpose November 29, 2022 - February 24, 2025						
Assessment Area	Affordable Housing		Economic Development		Total	
	#	\$ (000s)	#	\$ (000s)	#	\$
Madison, WI MSA	6	3,349	8	55,744	14	59,093
Non-MSA Wisconsin	0	0	0	0	0	0
Broader Statewide or Regional Area	0	0	1	3,524	1	3,524
Total	6	3,349	9	59,268	15	62,617

Conclusions are based upon the bank's record of lending in the two full-scoped review assessment areas, with more emphasis on the Madison, WI MSA. Please refer to the individual assessment area summaries for further detail.

INVESTMENT TEST

OCB's performance relative to the Investment Test is Low Satisfactory. The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, and rarely in a leadership position. In addition, the bank made occasional use of innovative or complex qualified investments to support community development initiatives and demonstrates adequate responsiveness to the credit and community development needs of its assessment areas.

As of February 24, 2025, the bank had \$17.2 million of qualified investments (21 total investments), a 58.6 percent increase from the previous evaluation's \$10.9 million. During the 27-month evaluation period, the bank originated \$7.8 million (seven new) in current period investments and had \$9.4 million dollars in 14 prior period investments with current outstanding balances. When investments are considered on a monthly basis (the previous exam had a 49-month review period and the current exam has a 27-month review period), the increase is 187.8 percent. While the investment dollars were heavily concentrated in the Madison, WI MSA assessment area, one investment was made in the broader statewide/regional area. The bank's investments were primarily made in affordable housing and community services for affordable housing purposes. The following table provides a summary of the bank's community development investments during the review period.

Community Development Investments by Purpose November 29, 2022 - February 24, 2025						
Assessment Area	Current Period			Current Period Totals (\$)	Prior Period Outstanding Balance (\$)	Total (\$)
	Affordable Housing (\$)	Community Service (\$)	Economic Development (\$)			
Madison, WI MSA	7,522	100	0	7,622	9,424	17,046
Non-MSA Wisconsin	0	0	0	0	0	0
Broader Statewide or Regional Area	184	0	0	184	0	184
Total	7,706	100	0	7,806	9,424	17,230

In addition to the bank's community development investments, the bank made a total of \$42,200 in community development grants and donations during the 27-month evaluation period. Although when compared to the total dollar volume made from the previous evaluation, the bank's donation amount represents a 31.1 percent decrease, when adjusted to account for the difference in review periods, the bank increased its donations and grants total by 25.0 percent. All donations were to community service organizations, with missions of serving low- and moderate-income families.

Community Development Donations by Purpose November 29, 2022 - February 24, 2025										
Assessment Area	Affordable Housing		Community Service		Economic Development		Revitalize/ Stabilize		Total	
	#	\$	#	\$	#	\$	#	\$	#	\$
Madison, WI MSA	0	0	16	41,400	0	0	0	0	16	41,400
Non-MSA Wisconsin	0	0	3	800	0	0	0	0	3	800
Total	0	0	19	42,200	0	0	0	0	19	42,200

SERVICE TEST

OCB's performance relative to the Service Test is Needs to Improve. The bank's retail delivery services are reasonably accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment areas, particularly low- or moderate-income geographies or low- or moderate-income individuals. Given its size, the bank provided a limited level of community development services.

Retail Services

The bank operates 16 locations throughout its two contiguous assessment areas, two of which (12.5 percent) are located in moderate-income census tracts. During the evaluation period, and as a result of the Farmers State Bank acquisition, in September 2023, the bank added six branches, of which five are located in the non-MSA Wisconsin assessment area, all in middle-income census tracts. The bank also opened a new branch in a middle-income census tract in the Madison, WI MSA (Cottage Grove) in March 2024. The branch distribution in low- and moderate-income areas throughout the combined assessment area is slightly lower than the census tract distribution by income, where 17.9 percent of the assessment area's tracts are low- or moderate-income. The bank also operates 15 Automated Teller Machines (ATMs) (10 Interactive Teller Machines (ITMs) and five cash-only ATMs) in the combined assessment area. ATMs are operational 24 hours a day, while the ITMs are operational from 7:30 AM to 6:00 PM Monday to Friday, and 8:00 AM to noon on Saturdays, outside of those hours the ITMs operate as ATMs. The two branches in moderate-income census tracts do not have ATMs or ITMs.

Branch locations are typically open from Monday to Friday, 8:30 AM to 5:00 PM and Saturday 8:00 AM or 9:00 AM to noon, though there are some exceptions. One notable exception is the shortened hours, from 9:00 AM to 2:00 PM Monday through Friday, with no hours open on Saturday, at the Grand Marsh location, in a moderate-income census tract in Adams County; however, this is unchanged from the previous evaluation. Additionally, 12 of the 16 branches have drive-through facilities, including one of the two branches in moderate-income tracts. The Stoughton drive-through only branch, in a middle-income census tract, is open Monday to Friday, 8:00 AM to 11:00

AM only. The bank offers standard products through its website (www.onecommunity.bank) and via mobile banking applications.

Community Development Services

OCB provides a limited level of community development services. Bank personnel provided 158 community development service hours to organizations during the evaluation period of 27 months. When considering service hours on a monthly basis, the bank increased its hours by 66.7 percent, averaging roughly 5.9 hours per month this evaluation and 3.5 hours per month during the previous evaluation. Though the monthly rate of service hours increased at OCB, the hours served are not at an adequate level for a bank of its size. Both 5.8 hours per month and 3.5 hours per month are a limited level of hours compared to the bank's peers of similar asset size, the bank's capacity to carry out hours, and the combined assessment area's opportunity to participate in service hours. Service hours qualified included financial literacy and fundraising. The bank provided few repeat service hours activities and had no hours at affordable housing organizations, which is a critical need of its communities, per community representatives.

Service hours in the non-MSA Wisconsin assessment area made up 16.5 percent of total hours, but 50.0 percent of the bank's branches are located in the non-MSA Wisconsin assessment area. However, the Madison, WI MSA is approximately four times as populous as non-MSA Wisconsin and provides adequate opportunities for community development volunteer hours.

Community Development Services November 29, 2022 - February 24, 2025					
Assessment Area	Affordable Housing	Community Service	Economic Development	Revitalize /Stabilize	Total Hours
	# Hours	# Hours	# Hours	# Hours	
Madison, WI MSA	0	124	6	0	130
Non-MSA Wisconsin	0	0	26	0	26
Broader Statewide or Regional Area	0	2	0	0	2
Total	0	126	32	0	158

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.

MADISON, WI MSA #31540 - Full Review

SCOPE OF THE EXAMINATION

OCB's operations in the Madison, WI MSA received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; please refer to the more detailed scope description contained in the introduction section.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MADISON, WI MSA #31540¹

OCB's primary market is the Madison, WI MSA. The bank delineates a portion of the Madison, WI MSA as its assessment area, including Dane and Columbia counties, in their entirety and excludes Iowa and Green counties. This is a change from the previous evaluation, where the bank only designated Dane County as its Madison, WI MSA assessment area. The bank's main office is located in Oregon (Dane County) with seven additional branches in the cities of Cottage Grove (opened March 2024), McFarland, Middleton, Stoughton, Sun Prairie, and Waunakee, throughout the assessment area. The bank also operates 13 ATMs (10 ITMs and three cash-only ATMS) throughout the assessment area. One of the branches in Stoughton is a drive-through only location with an ATM. Madison is the principal city of the Madison, WI MSA and is both the state capital and location of the main campus for the University of Wisconsin-Madison.

The assessment area is comprised of 138 total census tracts (five low-, 23 moderate-, 69 middle-, 34 upper-, and seven unknown-income census tracts). The unknown-income census tracts include a portion of the University of Wisconsin, municipality land, Lake Mendota, Lake Monona, and adjacent coastlines. There are no underserved or distressed middle-income census tracts located in the assessment area. All bank branches, including the recently opened, Cottage Grove branch (March 2024), are located in middle- or upper-income census tracts.

According to the June 30, 2024, FDIC Deposit Market Share Report, OCB ranked eighth among 37 FDIC-insured financial institutions operating in the Madison, WI MSA assessment area. The bank held \$1.3 billion in deposits inside of the market, representing 5.0 percent of the market share. The top three leaders in market share include BMO Harris Bank, N.A. (14.3 percent), Associated Bank, N.A. (11.0 percent), and Lake Ridge Bank (8.6 percent). The 37 banks competing for deposits and loans, including OCB, have 146 total offices in the assessment area. Although the institution operates in a competitive banking environment, the bank's performance demonstrates an ability to maintain a stable presence in the assessment area among institutions of similar asset sizes and large national institutions.

¹ Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

In 2023, OCB ranked 18th among 335 HMDA-reporters, originating 116 HMDA-reportable loans in the assessment area. By comparison, the first ranked institution, Summit Credit Union, originated 5,096 HMDA-reportable loans and the second ranked institution, University of Wisconsin Credit originated 4,057 HMDA-reportable loans. Of note, approximately 110 of the 335 HMDA-reporters only originated one loan in the assessment area. In 2022, OCB ranked 10th among 421 HMDA-reporters, originating 327 HMDA-reportable loans in the assessment area. By comparison, the first ranked institution, Summit Credit Union, originated 5,756 HMDA-reportable loans and the second ranked institution, University of Wisconsin Credit originated 5,642 HMDA-reportable loans.

In 2023, OCB ranked 13th among 94 CRA-reporters, originating 104 CRA-reportable loans in the assessment area. By comparison, the first ranked institution, JP Morgan Chase Bank N.A., originated 3,004 CRA-reportable loans and the second ranked institution, American Express National Bank originated 2,052 CRA-reportable loans.

Tract Designation Change Data

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

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of ACS data, 2011-2015 and 2016-2020. Please note that the following table shows that the table compared Dane County alone to Dane and Columbia Counties combined due to the change in the assessment area since the previous evaluation.

Census Tract Designation Changes American Community Survey Data (ACS)				
Tract Income Designation	Dane County	Columbia and Dane Counties		
	2021 Designations (#)	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	4	4	5	+1
Moderate	17	20	23	+3
Middle	51	60	69	+9
Upper	29	29	34	+5
Unknown	6	6	7	+1
Total	107	119	138	+19
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: American Community Survey Data: 2016-2020				

2023 Madison, WI MSA 31540 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	3.6	1,977	1.4	329	16.6	24,870	17.5
Moderate	23	16.7	21,851	15.4	2,705	12.4	26,275	18.5
Middle	69	50.0	80,821	57.0	2,907	3.6	33,642	23.7
Upper	34	24.6	36,613	25.8	836	2.3	56,965	40.2
Unknown	7	5.1	490	0.3	128	26.1	0	0.0
Total AA	138	100.0	141,752	100.0	6,905	4.9	141,752	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	8,819	1,209	0.8	13.7	6,776	76.8	834	9.5
Moderate	43,994	19,519	12.9	44.4	22,234	50.5	2,241	5.1
Middle	140,185	89,448	58.9	63.8	44,382	31.7	6,355	4.5
Upper	63,178	41,398	27.3	65.5	19,596	31.0	2,184	3.5
Unknown	6,904	262	0.2	3.8	6,112	88.5	530	7.7
Total AA	263,080	151,836	100.0	57.7	99,100	37.7	12,144	4.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,429	5.0	1,236	4.8	187	7.9	6	1.8
Moderate	4,056	14.2	3,606	14.0	409	17.3	41	12.3
Middle	14,939	52.5	13,662	53.0	1,095	46.2	182	54.5
Upper	7,196	25.3	6,511	25.3	595	25.1	90	26.9
Unknown	844	3.0	746	2.9	83	3.5	15	4.5
Total AA	28,464	100.0	25,761	100.0	2,369	100.0	334	100.0
Percentage of Total Businesses:				90.5		8.3		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	0.4	4	0.4	0	0.0	0	0.0
Moderate	52	4.9	51	4.9	1	4.8	0	0.0
Middle	812	76.2	798	76.5	12	57.1	2	100.0
Upper	195	18.3	187	17.9	8	38.1	0	0.0
Unknown	3	0.3	3	0.3	0	0.0	0	0.0
Total AA	1,066	100.0	1,043	100.0	21	100.0	2	100.0
Percentage of Total Farms:				97.8		2.0		0.2
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

Population Characteristics

According to the U.S. Census Bureau’s 2020 Decennial Census, the assessment area’s population is 619,994. This represents a 9.4 percent increase since 2015. This growth is primarily driven by the population increase in Dane County, where the majority (90.6 percent) of assessment area residents live, which grew 10.1 percent in the same period, while Columbia County only grew 3.3 percent. Growth within the assessment area also slightly outpaced the entire Madison, WI MSA, which grew at 8.5 percent and significantly outpaced the state of Wisconsin as a whole, which grew at 2.6 percent. Community representatives stated that the city of Madison and the city of Verona are both fast growing areas in Dane County, attracting talent to the local technology sector. A community representative also stated that the University of Wisconsin-Madison has approximately 48,000 students on campus as of fall 2024, accounting for approximately 8.5 percent of Dane County’s population.

The following table presents the population trends for the assessment area, counties within the assessment area, the entire MSA, and the state of Wisconsin.

Population Change			
Area	2015 Population	2020 Population	Percent Change (%)
Assessment Area	566,805	619,994	9.4
Columbia County, WI	56,607	58,490	3.3
Dane County, WI	510,198	561,504	10.1
Madison, WI MSA	627,618	680,796	8.5
State of Wisconsin	5,742,117	5,893,718	2.6
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

Income Characteristics

According to 2023 FFIEC Census Data, the assessment area is comprised of 141,752 families of which 17.5 percent are designated as low-income, and 18.5 percent are designated as moderate-income. Families living below the poverty level within the assessment area at 4.9 percent, is lower than the state of Wisconsin’s poverty rate of 6.8 percent. Dane County has experienced the highest growth in median family income (MFI) (inflation adjusted) from 2015 to 2020 at 10.1 percent. Columbia County’s MFI has grown at a lesser rate at 6.3 percent. The state of Wisconsin’s MFI increase of 8.7 percent is just below the assessment area’s increase at 10.9 percent, though slightly higher than Columbia County. Dane County’s 2020 MFI of \$101,806 is also higher than the other geographies, particularly the state of Wisconsin as a whole.

The following table presents the income trends for the assessment area, counties within the assessment area, the entire MSA, and the state of Wisconsin.

Median Family Income Change			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change (%)
Assessment Area	89,319	99,099	10.9
Columbia County, WI	78,730	83,664	6.3
Dane County, WI	92,453	101,806	10.1
Madison, WI MSA	88,849	97,334	9.5
State of Wisconsin	74,365	80,844	8.7
<i>Source: 2011 - 2015 U.S. Census Bureau American Community Survey 2016 - 2020 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.</i>			

Housing Characteristics

There are 263,080 housing units in the assessment area, 57.7 percent is owner-occupied, rentals comprise 37.7 percent of the total housing units, and 4.6 percent of the total housing units in the assessment area are currently vacant. In comparison to the state of Wisconsin, 58.9 percent are owner-occupied, while rentals comprise 28.8 percent, and 12.2 percent are vacant units. Rentals also make up 39.3 percent of housing in Dane County, whereas they only make up 28.8 percent of housing in the state of Wisconsin. Community representatives stated that the multi-family housing market is an important consideration in Dane County, due to both college students and young professionals in the area.

Households are considered housing cost burdened when their gross monthly housing costs in relation to gross monthly income is 30.0 percent or above. As shown in the following table, large percentages of both low-income households, whether they are renters or homeowners, are housing cost burdened and more residents across all income levels and ownership categories in the assessment area are housing burdened when compared to residents in the state as a whole. Moderate-income renters are less cost-burdened with percentages varying from 21.8 to 27.3 percent in the assessment area, its counties, and the entire MSA. Community representatives indicated that there is a critical housing shortage, specifically of single-family homes, in the assessment area and existing affordable housing is generally older. The median age of housing stock in the assessment area is 43 years old, while in Dane County the median is 38 years old, and Columbia County the median is 45 years old. A community representative also stated the local housing market has been impacted by a shortage of skilled trades, specifically in home building, which is driving up the cost and slowing down the rate of new construction.

The following table presents the housing cost burden for the assessment area, counties within the assessment area, the entire MSA, and the state of Wisconsin.

Housing Cost Burden						
Area	Cost Burden – Renters (%)			Cost Burden – Owners (%)		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	79.0	26.9	40.5	69.9	33.2	17.4
Columbia County, WI	63.6	21.8	29.4	66.2	28.8	17.9
Dane County, WI	79.8	27.3	41.2	70.5	33.8	17.3
Madison, WI MSA	78.0	26.6	39.9	68.9	32.9	17.4
State of Wisconsin	75.0	25.2	38.4	63.9	29.3	16.9
<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), 2017-2021 Comprehensive Housing Affordability Strategy</i>						

Unemployment Characteristics

The unemployment rate in the assessment area is 2.3 percent, representing a slightly lower rate than the entire state of Wisconsin at 3.0 percent. Columbia County experienced an unemployment rate (2.6 percent) similar to that of the state of Wisconsin (3.0 percent). The assessment area's unemployment rate peaked in 2020, due to the COVID-19 pandemic, but has since dropped below 2019 levels. A community representative indicated that both small and large businesses are having difficulty attracting applicants as the area has a workforce shortage. Further, the area's practical minimum wage (\$15-\$20 per hour) is much higher than the state of Wisconsin's legal minimum wage of \$7.25, which has created challenges for small businesses to start-up or grow.

The following table presents the unemployment rates between 2019 and 2023 for the assessment area, counties within the assessment area, the entire MSA, and the state of Wisconsin.

Unemployment Rates (%)					
Area	2019	2020	2021	2022	2023
Assessment Area	2.4	5.0	2.9	2.2	2.3
Columbia County, WI	2.9	6.0	3.5	2.6	2.6
Dane County, WI	2.3	4.9	2.9	2.1	2.3
Madison, WI MSA	2.4	5.1	3.0	2.2	2.3
State of Wisconsin	3.2	6.4	3.9	2.9	3.0
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

Community Representatives

Two community representatives were contacted, one from an economic development organization and one from an affordable housing organization. Representatives stressed the need for affordable housing in the area. One representative stated that the Madison, WI MSA is growing due to private sector growth in technology companies, such as software companies and the bio-technology sector, bringing high paying jobs to the area and attracting a large number of workers. The small business economy has not fully recovered from the COVID-19 pandemic, especially in the downtown areas, where not all workers have returned from work-from-home arrangements. Representatives stated there are sufficient credit opportunities for small businesses with SBA lenders, Community Development Financial Institutions (CDFIs), City of Madison programs, and flexible layered financing.

One representative described that a “housing crunch” began 25 years ago and indicated the area has been behind on home building, especially middle market housing, for decades due to zoning challenges, including building zones. Due to inflation, housing construction costs are elevated, with a new single-family build starting at \$500,000. The representatives stated that smaller, entry-level single-family homes and condominium units (not multi-family rentals) are needed. A representative stated that rentals do not provide the long-term security that homeownership, even of a condominium, would. Other issues related to housing included availability of land, pricing of mortgage loans, lack of downpayment assistance programs, and current homeowners holding on to low interest rates.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS MADISON, WI MSA #31540

LENDING TEST

OCB has an adequate geographic distribution of loans in the assessment area; adequate distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank; a good record of serving the credit needs of low-and moderate-income individuals, or small businesses with gross annual revenues of \$1 million or less; makes limited innovative and flexible lending practices in serving assessment area credit needs, and a relatively high level of community development loans.

Geographic Distribution of Loans

Loans made in calendar years 2022 and after were analyzed based on income designations from the 2016-2020 American Community Survey data.

OCB lending activities reflect adequate distribution throughout the assessment area. The geographic distribution of loans of HMDA-reportable loans reflects good penetration throughout

the assessment area and geographic distribution of loans of CRA-reportable loans reflects adequate penetration throughout the assessment area. The CRA-reportable small business loans were given more weight in the analysis as commercial lending is the bank's primary business line.

A gap analysis was also conducted during the loan dispersion evaluation. In 2023, the bank originated loans in 58.7 percent of the 138 total census tracts in the assessment area. However, the bank only originated HMDA-reportable loans in 42.0 percent of the total census tracts, with no loans in four of the five low-income census tracts and no loans in 11 of the 23 moderate-income census tracts. In 2022, the bank's lending penetrated a higher percentage of its total census tracts. The bank originated HMDA-reportable loans in 70.3 percent, including three of the five low-income census tracts and 17 of the 23 moderate-income census tracts. In 2023, the bank only originated CRA-reportable loans in 32.6 percent of the total tracts, which included loans in only two of the five low-income census tracts and seven of the 23 moderate-income census tracts. There were no conspicuous lending gaps in the bank's lending distribution across the assessment area, including to low- and moderate-income census tracts.

HMDA-Reportable Lending

The geographic distribution of HMDA-reportable loans reflects good penetration throughout the assessment area. In 2023, the bank made a total of 116 HMDA-reportable loans in the assessment area, of which one loan was in a low-income tract and 16 loans were in moderate-income census tracts.

The bank's distribution of home mortgage lending across geographies of different income levels in 2023 was consistent with the distribution of loans in 2022. Due to low volume, home improvement loans and multi-family loans were not considered within the analysis of HMDA-reportable lending.

In 2023, the bank made 0.9 percent of its total HMDA-reportable loans, by number, in low-income census tracts, which was comparable to both the aggregate of lenders at 0.6 percent and the demographic of owner-occupied units in low-income census tracts at 0.8 percent. The bank made 13.8 percent of its loans, by number, in moderate-income census tracts, which was comparable to both the performance of the aggregate of lenders at 12.9 percent and the demographic of owner-occupied units in moderate-income census tracts at 12.9 percent. The bank made 59.5 percent of its loans, by number, in middle-income census tracts, which was comparable with the performance of the aggregate of lenders at 58.3 percent and the demographic of owner-occupied units in middle-income census tracts at 58.9 percent. The bank made 25.9 percent of its loans, by number, in upper-income census tracts, which was slightly below the performance of the aggregate of lenders at 28.0 percent and the demographic of owner-occupied units in upper-income census tracts at 27.3 percent. The bank made no loans in the unknown-income census tracts, comparable to the aggregate of lenders at 0.2 percent and to the demographic of owner-occupied units in unknown-income census tracts at 0.2 percent.

Home Purchase Loans

In 2023, the bank made 82 home purchase loans (70.7 percent of total HMDA-reportable loans). The bank did not originate any of its loans in the five low-income census tracts, which was consistent with the performance of the aggregate of lenders at 0.7 percent and the demographic of owner-occupied units in low-income census tracts at 0.8 percent. The bank made 14.6 percent of its loans, by number, in moderate-income census tracts, which was slightly above both the performance of the aggregate of lenders at 12.8 percent and the demographic of owner-occupied units in moderate-income census tracts at 12.9 percent. The bank made 57.3 percent of its loans, by number, in middle-income census tracts, which was comparable with the performance of the aggregate of lenders at 57.0 percent and the demographic of owner-occupied units in middle-income census tracts at 58.9 percent. The bank made 28.0 percent of its loans, by number, in upper-income census tracts, which was comparable with the performance of the aggregate of lenders at 29.2 percent and the demographic of owner-occupied units in upper-income census tracts at 27.3 percent. The bank made no loans in the unknown-income census tracts, which was comparable with the performance of the aggregate of lenders at 0.2 percent and the demographic of owner-occupied units in unknown-income census tracts at 0.2 percent. The bank's performance in 2022 was comparable to its 2023 performance in the low-income census tracts and slightly below 2023 performance in the moderate-income census tracts.

Refinance Loans

In 2023, the bank made 25 refinance loans (21.6 percent of total HMDA-reportable loans). The bank made 4.0 percent of its loans, by number, in the five low-income census tracts, which was above with the performance of the aggregate of lenders at 0.4 percent and the demographic of owner-occupied units in low-income census tracts at 0.8 percent. The bank made 16.0 percent of its loans, by number, in moderate-income census tracts, which was above the performance of the aggregate of lenders at 12.7 percent and above the demographic of owner-occupied units in moderate-income census tracts at 12.9 percent. The bank made 56.0 percent of its loans, by number, in middle-income census tracts, which was slightly below the performance of the aggregate of lenders at 58.4 percent and the demographic of owner-occupied units in middle-income census tracts at 58.9 percent. The bank made 24.0 percent of its loans, by number, in upper-income census tracts, which was below the performance of the aggregate of lenders at 28.3 percent and the demographic of owner-occupied units in upper-income census tracts at 27.3 percent. The bank made no loans in the unknown-income census tracts, which was comparable with the performance of the aggregate of lenders at 0.2 percent and the demographic of owner-occupied units in unknown-income census tracts at 0.2 percent. The performance in 2022 in the low- and moderate-income census tracts was slightly below 2023 figures.

The following table presents the geographic distribution of HMDA-reportable loans in the assessment area in 2022 and 2023.

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Madison, WI MSA 31540													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	0.5	0.6	84	0.1	0.5	0	0.0	0.7	0	0.0	0.5	0.8
Moderate	20	9.5	12.3	7,018	8.1	9.2	12	14.6	12.8	2,646	8.9	9.7	12.9
Middle	112	53.1	57.2	39,886	46.3	54.4	47	57.3	57.0	17,424	58.7	54.3	58.9
Upper	78	37.0	29.7	39,236	45.5	35.5	23	28.0	29.2	9,625	32.4	35.2	27.3
Unknown	0	0.0	0.2	0	0.0	0.3	0	0.0	0.2	0	0.0	0.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	211	100.0	100.0	86,224	100.0	100.0	82	100.0	100.0	29,695	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.5	0	0.0	0.4	1	4.0	0.4	80	1.8	0.3	0.8
Moderate	10	11.1	12.0	17,528	41.3	10.2	4	16.0	12.7	403	8.9	10.0	12.9
Middle	49	54.4	59.9	10,961	25.9	55.1	14	56.0	58.4	2,351	51.7	55.1	58.9
Upper	31	34.4	27.4	13,913	32.8	33.8	6	24.0	28.3	1,716	37.7	34.4	27.3
Unknown	0	0.0	0.2	0	0.0	0.4	0	0.0	0.2	0	0.0	0.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	90	100.0	100.0	42,402	100.0	100.0	25	100.0	100.0	4,550	100.0	100.0	100.0
Home Improvement Loans													
Low	1	12.5	0.8	600	28.0	0.9	0	0.0	0.4	0	0.0	0.2	0.8
Moderate	0	0.0	10.6	0	0.0	8.5	0	0.0	13.2	0	0.0	10.1	12.9
Middle	6	75.0	59.4	1,245	58.0	56.1	0	0.0	60.6	0	0.0	57.2	58.9
Upper	1	12.5	29.0	300	14.0	34.5	0	0.0	25.7	0	0.0	32.4	27.3
Unknown	0	0.0	0.2	0	0.0	0.1	0	0.0	0.1	0	0.0	0.1	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	8	100.0	100.0	2,145	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	4	22.2	7.0	9,854	9.2	5.0	0	0.0	7.3	0	0.0	10.8	8.3
Moderate	3	16.7	23.9	3,671	3.4	25.8	0	0.0	21.9	0	0.0	11.8	23.1
Middle	9	50.0	51.5	57,173	53.4	34.5	8	88.9	47.8	11,986	91.6	49.0	36.8
Upper	1	5.6	12.9	4,900	4.6	25.5	1	11.1	16.3	1,096	8.4	22.9	24.4
Unknown	1	5.6	4.8	31,500	29.4	9.2	0	0.0	6.7	0	0.0	5.5	7.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	18	100.0	100.0	107,098	100.0	100.0	9	100.0	100.0	13,082	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	6	1.8	0.7	10,538	4.4	1.4	1	0.9	0.6	80	0.2	2.4	0.8
Moderate	33	10.1	12.1	28,217	11.9	12.7	16	13.8	12.9	3,049	6.4	10.2	12.9
Middle	176	53.8	58.7	109,265	45.9	50.7	69	59.5	58.3	31,761	67.1	53.5	58.9
Upper	111	33.9	28.4	58,349	24.5	33.2	30	25.9	28.0	12,437	26.3	32.7	27.3
Unknown	1	0.3	0.3	31,500	13.2	2.0	0	0.0	0.2	0	0.0	1.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	327	100.0	100.0	237,869	100.0	100.0	116	100.0	100.0	47,327	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Small Business Lending

The bank's performance with respect to the geographic distribution of small business loans was adequate. In 2023, the bank made 2.9 percent of its small business loans, by number, in low-income census tracts, which was slightly below the aggregate of lenders at 3.9 percent and the 5.0 percent of total businesses located in low-income census tracts. The bank made 6.7 percent of its small business loans, by number, in moderate-income census tracts, which was below the aggregate of lenders at 14.3 percent and the 14.2 percent of total businesses located in moderate-income census tracts. The bank made 49.0 percent of its small business loans, by number, in middle-income census tracts, which was slightly below the aggregate of lenders at 50.2 percent and below the 52.5 percent of total businesses located in middle-income census tracts. The bank made 39.4 percent of its small business loans, by number, in upper-income census tracts, which was above the aggregate of lenders at 29.4 percent and the 25.3 percent of total businesses located in upper-income census tracts. The bank made 1.9 percent of its small business loans, by number, in the unknown-income census tracts, which was comparable with the performance of the aggregate of lenders at 1.9 percent and the 3.0 percent of total businesses located in unknown-income census tracts. The ten loans in low- and moderate-income census tracts represent an increase from the previous evaluation when the bank made three loans in such tracts.

The following table presents the geographic distribution of small business loans in the assessment area in 2023.

Distribution of 2023 Small Business Lending By Income Level of Geography							
Assessment Area: Madison, WI MSA 31540							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Low	3	2.9	3.9	870	3.1	4.9	5.0
Moderate	7	6.7	14.3	2,600	9.4	13.8	14.2
Middle	51	49.0	50.2	12,758	46.0	51.4	52.5
Upper	41	39.4	29.4	10,746	38.7	27.2	25.3
Unknown	2	1.9	1.9	771	2.8	2.6	3.0
Tract-Unk	0	0.0	0.3	0	0.0	0.1	
Total	104	100.0	100.0	27,745	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes
Loans made in calendar year 2022 or after were analyzed based on 2016-2020 American Community Survey income designations for individuals.

OCB's lending activities reflect adequate distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

HMDA-Reportable Lending

In 2023, the bank's borrower distribution performance relative to home mortgage loans was adequate. The bank's distribution of home mortgage loans across individuals of different income levels in 2022 was consistent with the borrower distribution of home mortgage loans in 2023. Due to the low volume of loans, home improvement and multi-family loans were not considered within the analysis of HMDA-reportable lending.

In 2023, the bank made 5.6 percent of its total HMDA-reportable loans, by number, to low-income borrowers, which was slightly above the aggregate of lenders which made 7.7 percent of these loans and below the 17.5 percent demographic of low-income families within the assessment area. The bank made 13.1 percent of its total HMDA-reportable loans, by number, to moderate-income borrowers, which was below the aggregate of lenders which made 19.9 percent of these loans and the 18.5 percent demographic of moderate-income families within the assessment area. The bank made 17.8 percent of its total HMDA-reportable loans, by number, to middle-income borrowers, which was below the aggregate of lenders which made 26.8 percent of these loans and the 23.7 percent demographic of middle-income families within the assessment area. The bank made 27.1 percent of its total HMDA-reportable loans, by number, to upper-income borrowers, which was below the aggregate of lenders which made 39.2 percent of these loans and the 40.2 percent demographic of upper-income families within the assessment area. Lastly, the bank made 36.4 percent of its total HMDA-reportable loans, by number, to unknown-income borrowers, which was well above the aggregate of lenders, which made 6.5 percent of these loans and the zero percent demographic of unknown-income families within the assessment area.

Home Purchase Loans

In 2023, the bank made 2.4 percent of its home purchase loans, by number, to low-income borrowers, which was below the aggregate of lenders which made 6.1 percent of these loans and the 17.5 percent demographic of low-income families within the assessment area. The bank made 14.6 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the aggregate of lenders which made 19.3 percent of these loans and the 18.5 percent demographic of moderate-income families within the assessment area. The bank made 19.5 percent of its home purchase loans, by number, to middle-income borrowers, which was below the aggregate of lenders which made 25.8 percent of these loans and the 23.7 percent demographic of middle-income families within the assessment area. The bank made 29.3 percent of its home purchase loans, by number, to upper-income borrowers, which was below both the aggregate of lenders which made 37.4 percent of these loans and the 40.2 percent demographic of upper-income families within the assessment area. Lastly, the bank made 34.1 percent of its home

purchase loans, by number, to unknown-income borrowers, which was well above the aggregate of lenders which made 11.4 percent of these loans and the zero percent demographic of unknown-income families within the assessment area.

Refinance Loans

In 2023, the bank made 16.0 percent of its refinance loans, by number, to low-income borrowers, which was above the aggregate of lenders which made 9.3 percent of these loans and slightly below the 17.5 percent demographic of low-income families within the assessment area. The bank made 8.0 percent of its refinance loans, by number, to moderate-income borrowers, which was below the aggregate of lenders which made 20.5 percent of these loans and the 18.5 percent demographic of moderate-income families within the assessment area. The bank made 12.0 percent of its refinance loans, by number, to middle-income borrowers, which was below the aggregate of lenders which made 26.7 percent of these loans and the 23.7 percent demographic of middle-income families within the assessment area. The bank made 20.0 percent of its refinance loans, by number, to upper-income borrowers, which was below the aggregate of lenders which made 39.1 percent of these loans and the 40.2 percent demographic of upper-income families within the assessment area. Lastly, the bank made 44.0 percent of its refinance loans, by number, to unknown-income borrowers, which was significantly above the aggregate of lenders which made 4.4 percent of these loans and the zero percent demographic of unknown-income families within the assessment area.

The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2022 and 2023.

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Madison, WI MSA 31540													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	8	3.8	8.0	1,228	1.4	4.1	2	2.4	6.1	162	0.5	2.9	17.5
Moderate	20	9.5	20.6	5,079	5.9	15.1	12	14.6	19.3	2,880	9.7	13.5	18.5
Middle	38	18.0	25.5	12,313	14.3	23.8	16	19.5	25.8	4,741	16.0	23.0	23.7
Upper	113	53.6	35.3	56,497	65.5	46.0	24	29.3	37.4	11,040	37.2	48.8	40.2
Unknown	32	15.2	10.6	11,107	12.9	10.9	28	34.1	11.4	10,872	36.6	11.8	0.0
Total	211	100.0	100.0	86,224	100.0	100.0	82	100.0	100.0	29,695	100.0	100.0	100.0
Refinance Loans													
Low	12	13.3	11.8	1,770	4.2	7.5	4	16.0	9.3	280	6.2	5.9	17.5
Moderate	13	14.4	22.7	3,035	7.2	18.1	2	8.0	20.5	160	3.5	15.9	18.5
Middle	13	14.4	25.3	2,593	6.1	22.7	3	12.0	26.7	703	15.5	23.8	23.7
Upper	32	35.6	35.0	11,242	26.5	43.0	5	20.0	39.1	1,053	23.1	47.6	40.2
Unknown	20	22.2	5.1	23,762	56.0	8.7	11	44.0	4.4	2,354	51.7	6.8	0.0
Total	90	100.0	100.0	42,402	100.0	100.0	25	100.0	100.0	4,550	100.0	100.0	100.0
Home Improvement Loans													
Low	1	12.5	7.6	75	3.5	5.3	0	0.0	8.1	0	0.0	5.4	17.5
Moderate	0	0.0	18.4	0	0.0	13.6	0	0.0	18.5	0	0.0	14.1	18.5
Middle	1	12.5	28.0	40	1.9	24.3	0	0.0	27.0	0	0.0	23.1	23.7
Upper	2	25.0	43.5	547	25.5	52.5	0	0.0	44.7	0	0.0	54.7	40.2
Unknown	4	50.0	2.5	1,483	69.1	4.2	0	0.0	1.8	0	0.0	2.7	0.0
Total	8	100.0	100.0	2,145	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	21	6.8	9.2	3,073	2.3	5.2	6	5.6	7.7	442	1.3	3.7	17.5
Moderate	33	10.7	21.1	8,114	6.2	15.9	14	13.1	19.9	3,040	8.9	14.1	18.5
Middle	52	16.8	26.2	14,946	11.4	23.5	19	17.8	26.8	5,444	15.9	23.3	23.7
Upper	147	47.6	36.9	68,286	52.2	45.8	29	27.1	39.2	12,093	35.3	49.2	40.2
Unknown	56	18.1	6.6	36,352	27.8	9.6	39	36.4	6.5	13,226	38.6	9.7	0.0
Total	309	100.0	100.0	130,771	100.0	100.0	107	100.0	100.0	34,245	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Small Business Lending

The bank's borrower distribution performance relative to small business loans was adequate. In 2023, the bank made 104 small business loans, of which 51.9 percent, by number, were to businesses reporting annual revenues of \$1 million or less. The bank's performance was below the aggregate of lenders which made 57.6 percent of such loans, by number. The bank's performance was also well below the percentage of businesses reporting annual revenues of \$1 million or less at

90.5 percent. Of the 54 small business loans to businesses reporting annual revenues of \$1 million or less, 50.0 percent were made in amounts of \$100,000 or less, which are considered most beneficial to small businesses. Additionally, the bank made 20 of its total small business loans (19.2 percent) to businesses of unknown-income, which exceeds the 1.2 percent of businesses in the assessment area with unknown-income.

The following table presents the borrower distribution of small business loans in 2023.

Distribution of 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: Madison, WI MSA 31540							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
By Revenue							
\$1 Million or Less	54	51.9	57.6	10,257	37.0	31.0	90.5
Over \$1 Million	30	28.8		9,539	34.4		8.3
Revenue Unknown	20	19.2		7,949	28.7		1.2
Total	104	100.0		27,745	100.0		100.0
By Loan Size							
\$100,000 or Less	42	40.4	92.1	2,445	8.8	30.8	
\$100,001 - \$250,000	28	26.9	3.5	4,986	18.0	14.2	
\$250,001 - \$1 Million	34	32.7	4.4	20,314	73.2	55.0	
Total	104	100.0	100.0	27,745	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	27	50.0		1,580	15.4		
\$100,001 - \$250,000	15	27.8		2,618	25.5		
\$250,001 - \$1 Million	12	22.2		6,059	59.1		
Total	54	100.0		10,257	100.0		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Community Development Lending

OCB makes a relatively high level community development loans in the Madison, WI MSA assessment area. The bank originated 14 community development loans, totaling \$59.1 million during this evaluation period. This represents a significant increase compared to the previous evaluation, when the bank originated zero community development loans. Six loans were made to affordable housing projects and eight were made to economic development projects with the vast majority of dollars (94.3 percent) afforded to economic development projects. These loans

demonstrate responsiveness to the credit and community development needs of the assessment area, as affordable housing was noted as a need by community representatives. Furthermore, the bank offers its SBA Loan Programs to assist qualified small businesses in obtaining financing when it would not otherwise be available through standard lending channels. The following table presents the bank's community development loans during the evaluation period.

Community Development Loans by Purpose November 29, 2022 - February 24, 2025						
Assessment Area	Affordable Housing		Economic Development		Total	
	#	\$ (000s)	#	\$ (000s)	#	\$
Madison, WI MSA	6	3,349	8	55,744	14	59,093

INVESTMENT TEST

OCB's performance relative to the Investment Test is Low Satisfactory. The bank made an adequate level of qualified investments, particularly those not routinely provided by private investors, and rarely in a leadership position. The bank made occasional use of innovative or complex qualified investments to support community development initiatives. Finally, OCB demonstrates adequate responsiveness to the credit and community development needs of its assessment area.

During the evaluation period, the bank made six community development investments totaling \$7.6 million within the assessment area. The majority of these investments were in mortgage-backed securities, for the purpose of affordable housing. This highlights the bank's responsiveness to community development needs, as community representatives explained there is a shortage of affordable housing options in the assessment area. The bank also had \$9.4 million in outstanding balances associated with 14 prior period investments, including an innovative program for direct lending to small businesses for economic development and a flexible Federal Home Loan Bank (FHLB) program. During the previous evaluation, the bank had \$10.1 million in investments in the assessment area and thus the total investment of \$17.0 million in this review period represents a 68.8 percent increase. The following table presents the bank's qualified community development investments during the review period.

Community Development Investments by Purpose November 29, 2022 - February 24, 2025						
Assessment Area	Current Period			Current Period Totals (\$)	Prior Period Outstanding Balance (\$)	Total (\$)
	Affordable Housing (\$)	Community Service (\$)	Economic Development (\$)			
Madison, WI MSA	7,522	100	0	7,622	9,424	17,046

In addition, the bank made a total of \$41,400 in community development grants and donations in the 27-month evaluation period, which is a 10.5 percent decrease from the \$46,280 in donations from the previous evaluation, which was over a 49-month review period. Once the difference in length of review period is considered, the bank increased its donations and grants by 62.3 percent on a per month basis. All the qualified donations were to community service organizations, with missions of serving low- and moderate-income families.

Community Development Donations by Purpose November 29, 2022 - February 24, 2025										
Assessment Area	Affordable Housing		Community Service		Economic Development		Revitalize/Stabilize		Total	
	#	\$	#	\$	#	\$	#	\$	#	\$
Madison, WI MSA	0	0	16	41,400	0	0	0	0	16	41,400

SERVICE TEST

OCB's performance relative to the Service Test is Needs to Improve. The bank's retail delivery services are reasonably accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment areas, particularly low- or moderate-income geographies or low- or moderate-income individuals. However, given its size and capacity, the bank provided a limited level of community development services.

Retail Services

OCB retail delivery services are reasonably accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals.

The bank has eight locations in the Madison, WI MSA assessment area, all located in middle- and upper-income census tracts, even though low- and moderate-income tracts make up 20.3 percent of all census tracts in the Madison, WI MSA assessment area. During the evaluation period, the bank opened a new branch in a middle-income census tract in the city of Cottage Grove (March 2024). The bank operates 13 ATMs (10 ITMs and three cash-only ATMs) in the assessment area. The bank's ATMs are open 24 hours a day, while ITMs are open from 7:30 AM to 6:00 PM Monday to

Friday, and 8:00 AM to noon on Saturdays, outside of these hours, the ITMs operate as ATMs. Branch locations are typically open from Monday to Friday, 8:30 AM to 5:00 PM and Saturday 8:00 AM or 9:00 AM to noon, though there are some exceptions. The Stoughton drive-through only branch, in a middle-income census tract, is open Monday to Friday, 8:00 AM to 11:00 AM only. In addition to the bank's physical branch locations, standard products are offered through its website (www.onecommunity.bank) and its mobile banking application.

Community Development Services

OCB provides a limited level of community development services. Bank personnel provided 130 community development service hours to organizations during the evaluation period of 27 months. The service hours were mainly provided to community service organizations, but a small number were also provided to economic development organizations. Service hours included financial literacy education and fundraising for non-profit organizations. The bank provided few repeat service hour activities and contributed no service hours to affordable housing organizations, which is a critical need among the communities, according to community representatives. Opportunities for services hours in the Madison WI, MSA are readily available as according to the Madison Community Foundation's non-profit directory, there are over 5,000 non-profits in Dane County alone, including over 1,000 organizations that list affordable housing as their mission and 77 that list economic development in their mission. The level of service hours provided by the bank is very low compared to peer institutions of a similar asset size, operating in the same assessment area. Further, the number of employees in the assessment area is not commensurate with the level of service hours provided. Given its resources, the bank has the necessary capacity to increase its community development qualified service hours in the assessment area. When comparing this performance to the previous evaluation, when the bank was evaluated under Intermediate Small Bank Procedures and had an asset size of \$1.8 billion, the performance has increased slightly. Specifically, when considering service hours on a monthly basis, the bank increased its hours by 49.8 percent, averaging 4.8 hours per month for this evaluation and 3.2 hours per month for the previous evaluation. Both 4.8 hours per month and 3.2 hours per month are considered a limited level based on the comparison to peers, opportunities for service hours, and the bank's capacity to carry out service hours at community development qualified organizations.

Community Development Services November 29, 2022 - February 24, 2025					
Assessment Area	Affordable Housing	Community Service	Economic Development	Revitalize /Stabilize	Total Hours
	# Hours	# Hours	# Hours	# Hours	
Madison, WI MSA	0	124	6	0	130

NON-MSA WISCONSIN - Full Review

SCOPE OF THE EXAMINATION

OCB's operations in the non-MSA Wisconsin assessment area received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NON-MSA WISCONSIN²

OCB's non-MSA Wisconsin assessment area consists of Adams, Juneau, Marquette, Sauk, and Vernon counties in their entirety. This is a change from the previous evaluation, where the non-MSA Wisconsin assessment area consisted only of Adams and Marquette counties in their entirety. The addition of Juneau, Sauk, and Vernon counties is the result of the bank's acquisition of Farmers State Bank (September 2023). The non-MSA Wisconsin assessment area is comprised of 52 total census tracts including six moderate-income, 40 middle-income, and six upper-income census tracts. There are no low- or unknown-income census tracts located in this assessment area; however, in 2023, five middle-income census tracts in Marquette County (9601.00, 9602.00, 9603.00, 9604.00, and 9605.00), are designated as underserved, due to their remote rural nature.

According to the June 30, 2024, FDIC Deposit Market Share Report, OCB ranked sixth among 23 FDIC-insured financial institutions operating in the five counties of the assessment area. The bank held approximately \$329 million in deposits inside of the market, representing 8.4 percent of the market share. The top three leaders in market share include BMO Harris Bank, N.A., (13.7 percent), Bank of Prairie du Sac (12.9 percent), and Baraboo State Bank (9.7 percent).

In 2023, OCB ranked 35th among 295 HMDA-reporters, originating 13 HMDA-reportable loans in the assessment area. By comparison, the first ranked institution, Summit Credit Union, originated 770 HMDA-reportable loans and the second ranked institution, Westby Co-Op Credit Union originated 316 HMDA-reportable loans. In 2022, OCB ranked 31st among 304 HMDA-reporters, originating 32 HMDA-reportable loans in the assessment area. By comparison, the first ranked institution, Summit Credit Union, originated 797 HMDA-reportable loans and the second ranked institution, Westby Co-Op Credit Union originated 374 HMDA-reportable loans.

In 2023, OCB ranked 28th among 76 CRA-reporters, originating three CRA-reportable loans in the assessment area. By comparison, the first ranked institution, JP Morgan Chase Bank N.A., originated 349 CRA-reportable loans and the second ranked institution, Capital One N.A. originated 327 CRA-reportable loans.

² Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

Tract Designation Change Data

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

Census Tract Designation Changes American Community Survey Data (ACS)				
Tract Income Designation	Adams and Marquette Counties	Adams, Juneau, Marquette, Sauk, Vernon Counties		
	2021 Designations (#)	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	0	0	0	+0
Moderate	2	4	6	+2
Middle	10	34	40	+6
Upper	0	1	6	+5
Unknown	0	0	0	+0
Total	12	39	52	+13
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020				

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

2023 WI Non MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	8,080	19.5
Moderate	6	11.5	4,244	10.2	451	10.6	7,730	18.6
Middle	40	76.9	32,965	79.5	2,371	7.2	9,878	23.8
Upper	6	11.5	4,279	10.3	202	4.7	15,800	38.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	52	100.0	41,488	100.0	3,024	7.3	41,488	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	11,241	5,106	10.4	45.4	2,431	21.6	3,704	33.0
Middle	69,171	39,394	79.9	57.0	12,199	17.6	17,578	25.4
Upper	7,324	4,803	9.7	65.6	1,624	22.2	897	12.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	87,736	49,303	100.0	56.2	16,254	18.5	22,179	25.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	842	13.5	753	13.6	67	12.9	22	11.8
Middle	4,772	76.4	4,241	76.6	377	72.8	154	82.8
Upper	629	10.1	545	9.8	74	14.3	10	5.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,243	100.0	5,539	100.0	518	100.0	186	100.0
Percentage of Total Businesses:				88.7		8.3		3.0
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	47	6.4	43	6.0	4	21.1	0	0.0
Middle	634	85.9	619	86.2	14	73.7	1	100.0
Upper	57	7.7	56	7.8	1	5.3	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	738	100.0	718	100.0	19	100.0	1	100.0
Percentage of Total Farms:				97.3		2.6		0.1
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Population Characteristics

According to the U.S. Census Bureau, the assessment area grew slightly at 2.6 percent from 2015 to 2020, consistent with population growth in the overall state of Wisconsin and at a higher rate than the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin). The growth was driven by Marquette and Sauk Counties, which experienced growth at 3.0 and 4.4 percent, respectively, while the other three counties in the assessment area experienced growth rates below 2.0 percent. Sauk County experienced the highest rate of growth, at 4.4 percent, and is also the largest county, in terms of population. The population in the area is generally stable.

The following table presents the population trends for the assessment area, counties which make up the assessment area, the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin), and the state of Wisconsin.

Population Change			
Area	2015 Population	2020 Population	Percent Change (%)
Assessment Area	155,356	159,441	2.6
Adams County, WI	20,451	20,654	1.0
Juneau County, WI	26,494	26,718	0.8
Marquette County, WI	15,140	15,592	3.0
Sauk County, WI	62,992	65,763	4.4
Vernon County, WI	30,279	30,714	1.4
Non-MSA Wisconsin	1,476,482	1,503,031	1.8
State of Wisconsin	5,742,117	5,893,718	2.6
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

Income Characteristics

According to 2023 FFIEC Census Data, the assessment area is comprised of 41,488 families of which 19.5 percent are designated as low-income, and 18.6 percent are designated as moderate-income. Families living below the poverty level within the assessment area is at 7.3 percent, which is slightly higher than the state of Wisconsin's poverty rate of 6.8 percent. The state of Wisconsin's MFI increase of 8.7 percent is consistent with the assessment area's rate of 8.8 percent. MFI growth in all counties in the assessment area is consistently between 8.5 and 9.9 percent, which is higher than the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin) at 8.1 percent. Sauk County has the highest MFI at \$76,662, while Adams County has the lowest MFI at \$61,847.

The following table presents the income trends for the assessment area, counties within the assessment area, the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA

Wisconsin), and the state of Wisconsin.

Median Family Income Change			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change (%)
Assessment Area	64,211	69,831	8.8
Adams County, WI	56,687	61,847	9.1
Juneau County, WI	59,429	64,504	8.5
Marquette County, WI	61,082	67,139	9.9
Sauk County, WI	70,658	76,662	8.5
Vernon County, WI	64,057	69,961	9.2
Non-MSA Wisconsin	66,365	71,740	8.1
State of Wisconsin	74,365	80,844	8.7
Source: 2011 - 2015 U.S. Census Bureau American Community Survey 2016 - 2020 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.			

Housing Characteristics

There are 87,736 housing units in the assessment area. A majority of units are owner-occupied, at 56.2 percent, whereas rentals comprise 18.5 percent of housing units; 25.3 percent of housing units are currently vacant, which is more than double than the state of Wisconsin's vacancy rate of 12.2 percent. The vacancy rate varies greatly in the counties of the assessment area, with Vernon County and Sauk County at 14.3 percent and 12.4 percent, respectively, and Adams County and Marquette County being at 48.8 percent and 32.3 percent, respectively.

Households are considered housing cost burdened when the gross monthly housing costs in relation to gross monthly income is 30.0 percent and above. As shown in the following table, large percentages of low-income households, whether they are renters or homeowners, are housing cost burdened. Moderate-income renters are much less burdened with the percentages ranging from a low of 8.1 percent in Adams County to a high of 27.7 percent in Marquette County. Residents across all incomes are generally less burdened in the assessment area than in the state of Wisconsin and the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin), as a whole. The county with the lowest percentage of housing cost burdened renters is Marquette County (28.4 percent), while the county with the lowest percentage of housing cost burdened owners is Sauk County (17.5 percent). A community representative stated that while adding newly constructed homes is important, it should be done strategically and in a way that is maintainable and does not require demolition after 35 years. Further, the representative stated there is an immense need of affordable housing in the area and the homebuying process continues to be difficult for low- and moderate-income individuals. Existing affordable housing is generally made

up of older housing stock, with the median housing stock being 45 years old in the assessment area.

The following table presents the housing cost burden for the assessment area, counties within the assessment area, the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin), and the state of Wisconsin.

Housing Cost Burden						
Area	Cost Burden – Renters (%)			Cost Burden – Owners(%)		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	68.1	21.8	32.5	62.7	28.3	19.7
Adams County, WI	64.1	8.1	30.7	56.5	25.7	23.3
Juneau County, WI	63.8	14.7	29.5	56.5	27.4	19.9
Marquette County, WI	52.3	27.7	28.4	62.9	29.7	21.2
Sauk County, WI	76.2	26.6	34.0	72.2	32.5	17.5
Vernon County, WI	62.0	17.1	34.1	62.1	22.1	20.5
Non-MSA Wisconsin	67.1	20.3	32.9	59.8	26.7	17.4
State of Wisconsin	75.0	25.2	38.4	63.9	29.3	16.9
<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), 2017-2021 Comprehensive Housing Affordability Strategy</i>						

Unemployment Characteristics

As of 2023, the unemployment rate in the assessment area is 3.1 percent, which is consistent with both the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin), at 3.2 percent and the entire state of Wisconsin at 3.0 percent. The assessment area's unemployment rate peaked in 2020, due to the COVID-19 pandemic, but has since dropped below 2019 levels. Adams County continues to experience the highest unemployment rate in the assessment area at 5.1 percent, while Sauk County is the lowest at 2.6 percent. Vernon County was incorporated into the La Crosse–Onalaska, Wisconsin-Minnesota MSA in 2023, indicating that it is part of the social, economic, and commuter patterns of the MSA, while the other counties in the assessment area are more rural.

The following table presents the unemployment for the assessment area, counties within the assessment area, the area that comprises all areas of Wisconsin not part of an MSA (Non-MSA Wisconsin), and the state of Wisconsin.

Unemployment Rates (%)					
Area	2019	2020	2021	2022	2023
Assessment Area	3.2	7.3	4.3	3.1	3.1
Adams County, WI	4.9	9.8	6.3	4.8	5.1
Juneau County, WI	3.2	7.4	4.4	3.2	3.2
Marquette County, WI	3.8	6.9	4.6	3.6	3.7
Sauk County, WI	2.8	7.7	4.1	2.8	2.6
Vernon County, WI	3.2	5.3	3.3	2.7	2.8
Non-MSA Wisconsin	3.5	6.5	4.0	3.1	3.2
State of Wisconsin	3.2	6.4	3.9	2.9	3.0
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

Community Representative

One community representative was contacted for socio-economic context in several of the counties of the assessment areas. The representative noted that the COVID-19 pandemic and the higher interest rate environment is having an effect on the assessment area and that small businesses have not fully recovered. The representative stated the assessment area continues to have a demand for small businesses, and there is general turnover in businesses and an increase in small, niche businesses. It was also noted that there is the need for financing in both small businesses and small farms from the retiring generation to the newer generations. Regarding small farms, a representative stated that the margins are shrinking on many different farm products, which is making it difficult to turn a profit. Affordable housing for low- and moderate-income individuals was also mentioned as a need in the community. In addition, new construction was specifically stated as a housing need.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NON-MSA WISCONSIN

LENDING TEST

The bank's lending activities reflect good geographic distribution throughout the assessment area and adequate distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank. The bank also exhibits a good record of serving the credit needs of highly economically disadvantaged areas in its assessment area, low-income individuals, or businesses with gross annual revenues of \$1 million or less, consistent with safe and sound operations. The bank also makes limited use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and/or moderate-income individuals or geographies. Finally, the bank makes few, if any community development loans.

Geographic Distribution of Loans

For purposes of this review, loans made in calendar years 2022 and after were analyzed based on income designations from the 2016-2020 American Community Survey data.

The bank's lending activities reflect good distribution throughout the assessment area. The assessment area does not contain any low-income census tracts, and thus only the performance in moderate-income census tracts was considered.

The bank's rate of home mortgage lending within moderate-income census tracts is excellent as the bank's performance was well above the aggregate lenders' and well above the assessment area demographics in both 2022 and 2023. Additionally, the bank's performance with respect to small business loans was good given the bank's performance within moderate-income census tracts was above both the aggregate lenders and the percentage of small businesses, though volume was low.

A gap analysis was also conducted during the loan dispersion evaluation. In 2023, the bank made HMDA-reportable loans in 17.3 percent of the total census tracts. However, the bank did originate HMDA-reportable loans to 50.0 percent of the bank's six moderate-income census tracts. In 2022, the bank originated HMDA-reportable loans in 32.7 percent of the total census tracts. However, OCB originated HMDA-reportable loans in 66.7 percent of the six moderate-income census tracts. In 2023, the bank only originated CRA-reportable loans in 3.7 percent of the total tracts, which includes one of the six moderate-income census tracts. There were no conspicuous lending gaps in the bank's lending distribution across the assessment area, including to moderate-income census tracts.

HMDA Reportable Lending

The geographic distribution of loans reflects excellent penetration throughout the assessment area. In 2023, the bank made a total of 13 HMDA-reportable loans in the assessment area, of which six were in moderate-income census tracts (46.2 percent) and seven (53.8 percent) were in middle-income census tracts. The bank's distribution of lending across geographies of different income levels in 2023 within home mortgage loans was consistent with the distribution of loans in 2022. Due to low volume, home improvement loans and multi-family loans were not considered within the analysis of HMDA-reportable lending.

Home Purchase Loans

In 2023, the bank made 12 home purchase loans (92.3 percent of total HMDA-reportable loans). The bank made 50.0 percent of its loans, by number, in moderate-income census tracts, which was well above the performance of the aggregate of lenders at 13.7 percent and well above the demographic of owner-occupied units in moderate-income census tracts at 10.4 percent. The bank

made the other 50.0 percent of its home purchase loans, by number, in middle-income census tracts. This was well below the aggregate of lenders at 78.8 percent and well below the 79.9 percent demographic of owner-occupied units in middle-income census tracts. The bank did not make any home purchase loans in its upper-income census tracts.

The performance in 2022 was consistent with the performance in 2023. In 2022, the bank made 19 home purchase loans, of which five, or 26.3 percent were in the moderate-income census tracts. Lending in the moderate-income census tracts was above the aggregate of lenders at 11.6 percent and above the demographic of owner-occupied units in moderate-income census tracts at 10.4 percent.

Refinance Loans

In 2023, the bank made one refinance loan (7.7 percent of total HMDA-reportable loans) in a middle-income census tract, while the aggregate of lenders made 80.7 percent of loans in middle-income tracts compared to 79.9 percent of owner-occupied units in such tracts. The bank did not originate refinance loans in moderate-income census tracts in 2023. In 2022, the bank made ten refinance loans, including three loans in moderate-income census tracts and seven loans in middle-income census tracts. The bank's performance in moderate-income tracts (30.0 percent of its loans) was well above the performance of the aggregate of lenders at 10.8 percent and well above the demographic of owner-occupied units in moderate-income census tracts at 10.4 percent. The bank's performance in middle-income tracts (70.0 percent of its loans) was below the performance of the aggregate of lenders at 79.8 percent and the demographic of owner-occupied units in middle-income census tracts at 79.9 percent. The bank did not make any refinance loans in upper-income census tracts in either year evaluated.

The following table presents the geographic distribution of HMDA-reportable loans in the assessment area in 2022 and 2023.

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography													
Assessment Area: WI Non MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	\$%	\$%	#	##	##	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	5	26.3	11.6	1,676	27.3	9.4	6	50.0	13.7	570	27.1	10.8	10.4
Middle	12	63.2	79.4	3,565	58.1	78.8	6	50.0	78.8	1,537	72.9	79.4	79.9
Upper	2	10.5	9.0	890	14.5	11.8	0	0.0	7.6	0	0.0	9.8	9.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	19	100.0	100.0	6,131	100.0	100.0	12	100.0	100.0	2,107	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	3	30.0	10.8	238	15.7	10.2	0	0.0	10.4	0	0.0	9.1	10.4
Middle	7	70.0	79.8	1,276	84.3	77.7	1	100.0	80.7	526	100.0	82.3	79.9
Upper	0	0.0	9.3	0	0.0	12.0	0	0.0	8.8	0	0.0	8.5	9.7
Unknown	0	0.0	0.1	0	0.0	0.0	0	0.0	0.1	0	0.0	0.1	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	10	100.0	100.0	1,514	100.0	100.0	1	100.0	100.0	526	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	6.3	0	0.0	6.4	0	0.0	7.7	0	0.0	6.0	10.4
Middle	0	0.0	78.9	0	0.0	77.3	0	0.0	78.6	0	0.0	80.6	79.9
Upper	0	0.0	14.8	0	0.0	16.3	0	0.0	13.8	0	0.0	13.4	9.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	33.3	13.0	580	30.8	4.3	0	0.0	16.2	0	0.0	16.1	14.4
Middle	1	33.3	76.1	100	5.3	78.1	0	0.0	81.1	0	0.0	82.6	74.6
Upper	1	33.3	10.9	1,201	63.8	17.6	0	0.0	2.7	0	0.0	1.3	11.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	1,881	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	9	28.1	10.6	2,494	26.2	9.0	6	46.2	11.6	570	21.6	10.3	10.4
Middle	20	62.5	79.2	4,941	51.9	78.0	7	53.8	79.7	2,063	78.4	80.3	79.9
Upper	3	9.4	10.2	2,091	22.0	13.0	0	0.0	8.6	0	0.0	9.3	9.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	32	100.0	100.0	9,526	100.0	100.0	13	100.0	100.0	2,633	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Small Business Lending

The bank's performance with respect to the geographic distribution of small business loans is good. In 2023, the bank originated two total small business loans in the non-MSA Wisconsin assessment area. One small business loan or 50.0 percent was made in a moderate-income census tract, which was well above the aggregate of lenders at 12.0 percent and the 13.5 percent of total businesses in this assessment area located in such census tracts. The bank made 50.0 percent (one loan) of its total small business loans, by number, in a middle-income census tract, which was well below the aggregate of lenders which made 73.4 percent and the 76.4 percent of total businesses that are located in such census tracts. Lastly, the bank did not make any loans in the assessment area's upper-income census tracts, while the aggregate of lenders made 12.8 percent of loans in such census tracts, and 10.1 percent of businesses were located in such census tracts.

The following table presents the geographic distribution of small business loans in the assessment area in 2023.

Distribution of 2023 Small Business Lending By Income Level of Geography							
Assessment Area: WI Non MSA							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	50.0	12.0	41	39.4	8.2	13.5
Middle	1	50.0	73.4	63	60.6	71.6	76.4
Upper	0	0.0	12.8	0	0.0	19.0	10.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	1.8	0	0.0	1.2	
Total	2	100.0	100.0	104	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

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

Loans made in calendar year 2022 or after were analyzed based on 2016-2020 American Community Survey income designations for individuals.

OCB's lending activities reflect adequate distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank. The performance relative to home mortgage loans was adequate given the bank's performance amongst low-income borrowers was below the aggregate of lenders (2023 only) and assessment area demographics. For 2022 and 2023, the bank's lending to moderate-income borrowers was

below the aggregate of lenders and the assessment area demographics. In 2023, the bank's lending performance to small businesses was adequate as lending to businesses reporting annual revenues of \$1 million or less was below the aggregate of lenders and significantly below the percentage of total businesses operating in the assessment area. However, while loan volume is low, a substantial majority of loans were made to businesses with revenues of \$1 million or less and in amounts of \$100,000 or less.

HMDA-Reportable Lending

The bank's performance relative to home mortgage loans was adequate. Due to the low volume of loans, home improvement and multi-family loans were not considered within the analysis of HMDA-reportable lending.

Home Purchase Loans

In 2023, the bank made zero home purchase loans, by number, to low-income borrowers, which was below the aggregate of lenders which made 5.7 percent of these loans and well below the 19.5 percent demographic of low-income families within the assessment area. The bank made 16.7 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the aggregate of lenders, which made 19.2 percent of these loans and the 18.6 percent demographic of moderate-income families within the assessment area. The bank made 33.3 percent of its home purchase loans, by number, to middle-income borrowers, which was above the aggregate of lenders which made 22.4 percent of these loans and the 23.8 percent of middle-income families within the assessment area. The bank made 41.7 percent of its home purchase loans, by number, to upper-income borrowers, which was slightly above the aggregate of lenders which made 39.9 percent of these loans and the 38.1 percent demographic of upper-income families within the assessment area. Lastly, the bank made 8.3 percent (one loan) to an unknown-income borrower, which was below the aggregate of lenders at 12.8 percent.

The bank's penetration in 2022 was slightly better than the 2023 performance. In 2022, the bank made 10.5 percent of its home purchase loans, by number, to low-income borrowers, which was above the aggregate of lenders, which made 7.0 percent of these loans and below the 19.5 percent demographic of low-income families within the assessment area. The bank made 15.8 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the aggregate of lenders, which made 21.2 percent of these loans and the 18.6 percent demographic of moderate-income families within the assessment area.

Refinance Loans

In 2023, the bank did not originate any refinance loans to low- or moderate-income borrowers. The aggregate of lenders made 31.3 percent of refinance loans to low-and moderate-income borrowers. The bank made one refinance loan (100.0 percent) to an upper-income borrower, which was

significantly above the aggregate of lenders, which made 35.8 percent of these loans and the 38.1 percent demographic of upper-income families within the assessment area. In 2022, the bank made 30.0 percent of its refinance loans to low-income borrowers, which was significantly above the aggregate of lenders, which made 10.8 percent of such loans and above the 19.5 percent demographic of low-income families within the assessment area. The bank made 10.0 percent (one loan) of its refinance loans to a moderate-income borrower, which was significantly below the aggregate of lenders, which made 24.2 percent of such loans and below the 18.6 percent demographic of moderate-income families within the assessment area.

The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2022 and 2023.

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: WI Non MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	2	10.5	7.0	193	3.1	3.7	0	0.0	5.7	0	0.0	2.8	19.5
Moderate	3	15.8	21.2	386	6.3	14.8	2	16.7	19.2	287	13.6	12.7	18.6
Middle	2	10.5	21.6	545	8.9	19.6	4	33.3	22.4	353	16.8	20.1	23.8
Upper	10	52.6	37.7	4,560	74.4	49.1	5	41.7	39.9	1,323	62.8	51.8	38.1
Unknown	2	10.5	12.6	447	7.3	12.8	1	8.3	12.8	144	6.8	12.5	0.0
Total	19	100.0	100.0	6,131	100.0	100.0	12	100.0	100.0	2,107	100.0	100.0	100.0
Refinance Loans													
Low	3	30.0	10.8	226	14.9	6.5	0	0.0	10.5	0	0.0	6.2	19.5
Moderate	1	10.0	24.2	137	9.0	18.8	0	0.0	20.8	0	0.0	17.1	18.6
Middle	0	0.0	23.8	0	0.0	22.8	0	0.0	28.3	0	0.0	26.0	23.8
Upper	3	30.0	33.6	769	50.8	43.1	1	100.0	35.8	526	100.0	44.0	38.1
Unknown	3	30.0	7.5	382	25.2	8.8	0	0.0	4.7	0	0.0	6.8	0.0
Total	10	100.0	100.0	1,514	100.0	100.0	1	100.0	100.0	526	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	6.3	0	0.0	4.9	0	0.0	5.8	0	0.0	4.9	19.5
Moderate	0	0.0	20.1	0	0.0	17.2	0	0.0	21.4	0	0.0	15.5	18.6
Middle	0	0.0	25.1	0	0.0	20.7	0	0.0	29.4	0	0.0	24.8	23.8
Upper	0	0.0	46.2	0	0.0	53.5	0	0.0	41.5	0	0.0	52.6	38.1
Unknown	0	0.0	2.3	0	0.0	3.7	0	0.0	1.9	0	0.0	2.1	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	5	17.2	8.5	419	5.5	4.7	0	0.0	7.2	0	0.0	3.7	19.5
Moderate	4	13.8	21.8	523	6.8	16.1	2	15.4	20.0	287	10.9	13.8	18.6
Middle	2	6.9	23.2	545	7.1	20.7	4	30.8	25.3	353	13.4	21.5	23.8
Upper	13	44.8	37.3	5,329	69.7	47.5	6	46.2	39.1	1,849	70.2	50.5	38.1
Unknown	5	17.2	9.2	829	10.8	10.9	1	7.7	8.3	144	5.5	10.5	0.0
Total	29	100.0	100.0	7,645	100.0	100.0	13	100.0	100.0	2,633	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Small Business Lending

The bank's borrower distribution performance relative to small business loans was adequate. In 2023, the bank made two small business loans, of which 50.0 percent, by number, were to businesses reporting annual revenues of \$1 million or less. The bank's performance was below the aggregate of lenders, which made 58.2 percent of such loans, by number. The bank's performance was also well below the percentage of businesses reporting annual revenues of \$1 million or less at

88.7 percent. However, of the two small business loans originated, 100.0 percent were made in amounts of \$100,000 or less, which are considered most beneficial to small businesses. This is above the aggregate at 94.5 percent.

The following table presents the borrower distribution of small business loans in 2023.

Distribution of 2023 Small Business Lending By Revenue Size of Businesses							
Assessment Area: WI Non MSA							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
By Revenue							
\$1 Million or Less	1	50.0	58.2	63	60.6	40.2	88.7
Over \$1 Million	1	50.0		41	39.4		8.3
Revenue Unknown	0	0.0		0	0.0		3.0
Total	2	100.0		104	100.0		100.0
By Loan Size							
\$100,000 or Less	2	100.0	94.5	104	100.0	38.7	
\$100,001 - \$250,000	0	0.0	2.8	0	0.0	14.7	
\$250,001 - \$1 Million	0	0.0	2.8	0	0.0	46.6	
Total	2	100.0	100.0	104	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	1	100.0		63	100.0		
\$100,001 - \$250,000	0	0.0		0	0.0		
\$250,001 - \$1 Million	0	0.0		0	0.0		
Total	1	100.0		63	100.0		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Community Development Lending

OCB makes few, if any community development loans. The bank did not originate any community development loans in the non-MSA Wisconsin assessment area during the evaluation period. The bank also did not originate any community development loans in the assessment area during the previous evaluation period.

Community Development Loans by Purpose November 29, 2022 - February 24, 2025						
Assessment Area	Affordable Housing		Economic Development		Total	
	#	\$ (000s)	#	\$ (000s)	#	\$
Non-MSA Wisconsin	0	0	0	0	0	0

INVESTMENT TEST

OCB made few, if any level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position. The bank did not have any current period or prior period (with outstanding balances) investments in the assessment area. The bank made rare use of innovative or complex qualified investments to support community development initiatives and demonstrated poor responsiveness to the credit and community development needs of its assessment area. This is a decline in performance when compared to the previous evaluation, where the bank qualified two affordable housing investments totaling \$768,000 in the assessment area.

Community Development Investments by Purpose November 29, 2022 - February 24, 2025						
Assessment Area	Current Period			Current Period Totals (\$)	Prior Period Outstanding Balance (\$)	Total (\$)
	Affordable Housing (\$)	Community Service (\$)	Economic Development (\$)			
Non-MSA Wisconsin	0	0	0	0	0	0

During the evaluation period, the bank made three donations, totaling \$800, to community service organizations in the assessment area. This represents a significant decline since the previous evaluation, in which the bank made three donations for \$15,000 in the assessment area.

Community Development Donations by Purpose November 29, 2022 - February 24, 2025										
Assessment Area	Affordable Housing		Community Service		Economic Development		Revitalize/Stabilize		Total	
	#	\$	#	\$	#	\$	#	\$	#	\$
Non-MSA Wisconsin	0	0	3	800	0	0	0	0	3	800

SERVICE TEST

The bank's retail delivery services are reasonably accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals.

Its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment areas, particularly low- or moderate-income geographies or low- or moderate-income individuals. Given its size, the bank provided a limited level of community development services.

Retail Services

OCB retail delivery services are reasonably accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals.

The bank operates eight locations in the non-MSA Wisconsin assessment area, two of which are located in moderate-income census tracts. During the evaluation period, the bank acquired branches from Farmers State Bank, in September 2023. The acquired branches are all in middle-income census tracts and the bank kept all branches operational. The bank also operates three ATMs in the assessment area but notably, the two branches in moderate-income census tracts do not have ATMs. Branch locations are typically open from Monday to Friday, 8:30 AM to 5:00 PM and Saturday 8:00 AM or 9:00 AM to noon, though there are some exceptions. One notable exception is the shortened hours, from 9:00 AM to 2:00 PM Monday through Friday, and no open hours on Saturday, at the Grand Marsh location, which is in a moderate-income census tract in Adams County. However, this is unchanged since the previous evaluation. The bank offers standard retail bank products through its website (www.onecommunity.bank) and its mobile banking application.

Community Development Services

OCB provides a limited level of community development services. Bank personnel provided 26 community development service hours to organizations during the evaluation period of 27 months. When considered on a monthly basis, the bank increased its community development service hours from 0.3 hours per month to 1.0 hours per month. Though the bank increased its service hours, the level of hours is still lower than expected for a bank of its size and capacity. Both 0.3 hours per month and 1.0 hours per month is well below the performance of peers of similar asset sizes and much smaller banks operating in the assessment area. Further, since the previous evaluation, where the bank was assessed under Intermediate Small Bank procedures, the assessment area has expanded, which expands its opportunities for service hours. The bank also acquired five branches, which further expands its capacity for service hours. The assessment area also contains five middle-income census tracts in Marquette County designated as underserved, in which the opportunity for service hours under the Revitalization/Stabilization criteria potentially

exist. Service hours included providing financial provision volunteering at economic development organizations.

Community Development Services November 29, 2022 - February 24, 2025					
Assessment Area	Affordable Housing	Community Service	Economic Development	Revitalize /Stabilize	Total Hours
	# Hours	# Hours	# Hours	# Hours	
Non-MSA Wisconsin	0	0	26	0	26

APPENDIX A – 2022 Demographic Tables

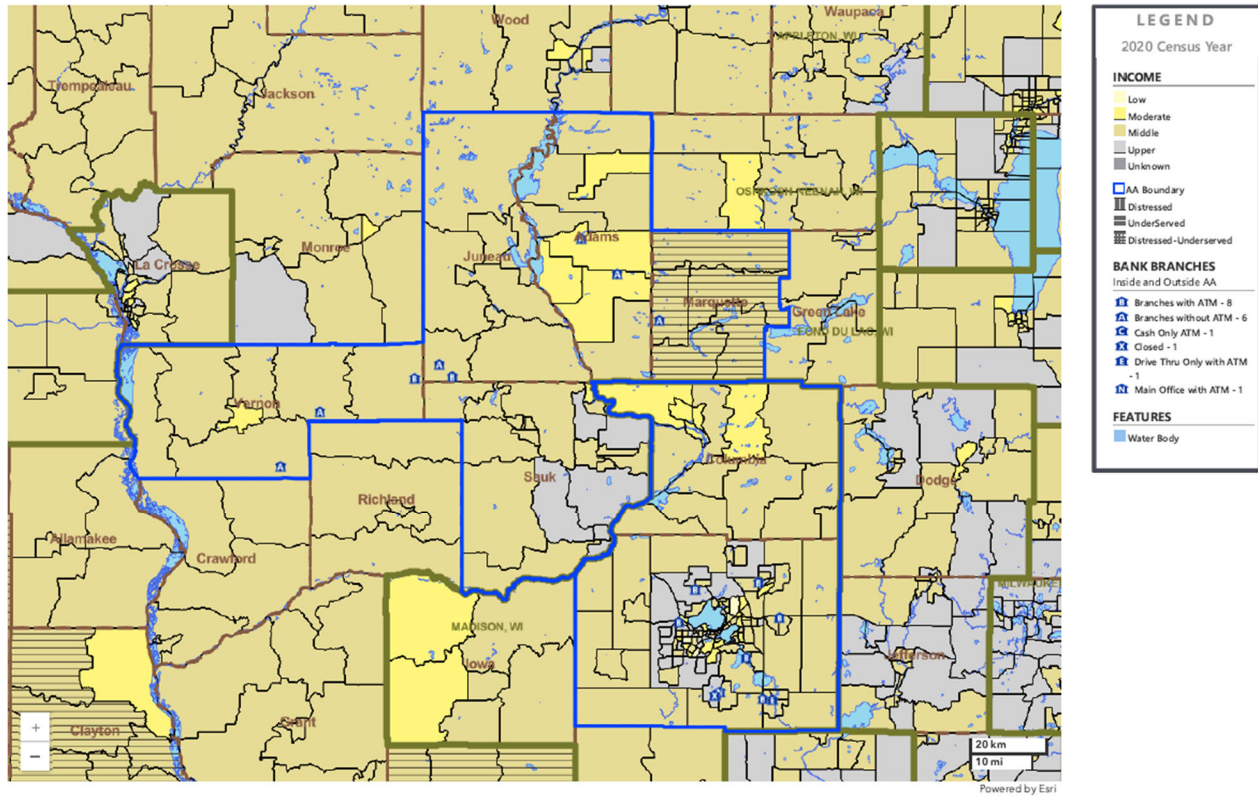
2022 Combined AA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	2.6	1,977	1.1	329	16.6	32,950	18.0
Moderate	29	15.3	26,095	14.2	3,156	12.1	34,005	18.6
Middle	109	57.4	113,786	62.1	5,278	4.6	43,520	23.8
Upper	40	21.1	40,892	22.3	1,038	2.5	72,765	39.7
Unknown	7	3.7	490	0.3	128	26.1	0	0.0
Total AA	190	100.0	183,240	100.0	9,929	5.4	183,240	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	8,819	1,209	0.6	13.7	6,776	76.8	834	9.5
Moderate	55,235	24,625	12.2	44.6	24,665	44.7	5,945	10.8
Middle	209,356	128,842	64.1	61.5	56,581	27.0	23,933	11.4
Upper	70,502	46,201	23.0	65.5	21,220	30.1	3,081	4.4
Unknown	6,904	262	0.1	3.8	6,112	88.5	530	7.7
Total AA	350,816	201,139	100.0	57.3	115,354	32.9	34,323	9.8
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,449	4.1	1,253	3.9	190	6.4	6	1.1
Moderate	4,996	14.0	4,442	13.8	487	16.4	67	12.5
Middle	20,088	56.4	18,249	56.8	1,499	50.5	340	63.6
Upper	8,145	22.9	7,347	22.9	695	23.4	103	19.3
Unknown	966	2.7	850	2.6	97	3.3	19	3.6
Total AA	35,644	100.0	32,141	100.0	2,968	100.0	535	100.0
Percentage of Total Businesses:				90.2		8.3		1.5
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	0.2	4	0.2	0	0.0	0	0.0
Moderate	99	5.4	94	5.3	5	12.5	0	0.0
Middle	1,458	80.0	1,429	80.3	26	65.0	3	100.0
Upper	259	14.2	250	14.0	9	22.5	0	0.0
Unknown	3	0.2	3	0.2	0	0.0	0	0.0
Total AA	1,823	100.0	1,780	100.0	40	100.0	3	100.0
Percentage of Total Farms:				97.6		2.2		0.2
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Madison, WI MSA 31540 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	3.6	1,977	1.4	329	16.6	24,870	17.5
Moderate	23	16.7	21,851	15.4	2,705	12.4	26,275	18.5
Middle	69	50.0	80,821	57.0	2,907	3.6	33,642	23.7
Upper	34	24.6	36,613	25.8	836	2.3	56,965	40.2
Unknown	7	5.1	490	0.3	128	26.1	0	0.0
Total AA	138	100.0	141,752	100.0	6,905	4.9	141,752	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	8,819	1,209	0.8	13.7	6,776	76.8	834	9.5
Moderate	43,994	19,519	12.9	44.4	22,234	50.5	2,241	5.1
Middle	140,185	89,448	58.9	63.8	44,382	31.7	6,355	4.5
Upper	63,178	41,398	27.3	65.5	19,596	31.0	2,184	3.5
Unknown	6,904	262	0.2	3.8	6,112	88.5	530	7.7
Total AA	263,080	151,836	100.0	57.7	99,100	37.7	12,144	4.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,449	4.9	1,253	4.7	190	7.8	6	1.7
Moderate	4,136	14.1	3,676	13.9	415	17.0	45	12.9
Middle	15,266	52.1	13,963	52.6	1,115	45.8	188	53.7
Upper	7,495	25.6	6,783	25.6	620	25.4	92	26.3
Unknown	966	3.3	850	3.2	97	4.0	19	5.4
Total AA	29,312	100.0	26,525	100.0	2,437	100.0	350	100.0
Percentage of Total Businesses:				90.5		8.3		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	0.4	4	0.4	0	0.0	0	0.0
Moderate	52	4.8	51	4.8	1	4.8	0	0.0
Middle	825	76.0	811	76.4	12	57.1	2	100.0
Upper	201	18.5	193	18.2	8	38.1	0	0.0
Unknown	3	0.3	3	0.3	0	0.0	0	0.0
Total AA	1,085	100.0	1,062	100.0	21	100.0	2	100.0
Percentage of Total Farms:				97.9		1.9		0.2
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 WI Non MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	8,080	19.5
Moderate	6	11.5	4,244	10.2	451	10.6	7,730	18.6
Middle	40	76.9	32,965	79.5	2,371	7.2	9,878	23.8
Upper	6	11.5	4,279	10.3	202	4.7	15,800	38.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	52	100.0	41,488	100.0	3,024	7.3	41,488	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	11,241	5,106	10.4	45.4	2,431	21.6	3,704	33.0
Middle	69,171	39,394	79.9	57.0	12,199	17.6	17,578	25.4
Upper	7,324	4,803	9.7	65.6	1,624	22.2	897	12.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	87,736	49,303	100.0	56.2	16,254	18.5	22,179	25.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	860	13.6	766	13.6	72	13.6	22	11.9
Middle	4,822	76.2	4,286	76.3	384	72.3	152	82.2
Upper	650	10.3	564	10.0	75	14.1	11	5.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,332	100.0	5,616	100.0	531	100.0	185	100.0
Percentage of Total Businesses:				88.7		8.4		2.9
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	47	6.4	43	6.0	4	21.1	0	0.0
Middle	633	85.8	618	86.1	14	73.7	1	100.0
Upper	58	7.9	57	7.9	1	5.3	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	738	100.0	718	100.0	19	100.0	1	100.0
Percentage of Total Farms:				97.3		2.6		0.1
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX B – Map of Assessment Areas

One Community Bank 247140 Combined Assessment Area



APPENDIX C – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED	There are different time periods for lending and community development activities. HMDA-Reportable Loans: January 1, 2022 – December 31, 2023 CRA-Reportable Loans: January 1, 2023 – December 31, 2023 CD Activities: November 29, 2022 – February 24, 2025		
FINANCIAL INSTITUTION One Community Bank			PRODUCTS REVIEWED HMDA-Reportable Loans CRA-Reportable Small Business Loans
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
None	None		None
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
State of Wisconsin Madison, WI MSA #31540	Full Scope Review	None	None
State of Wisconsin Non-MSA Wisconsin Adams, Juneau, Marquette, Sauk, and Vernon Counties	Full Scope Review	None	None

APPENDIX D – Glossary

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

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

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

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

Area Median Income (AMI): AMI means –

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

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

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

Bank: Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit

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

Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

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

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

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

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

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

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

- 1) Low- or moderate-income geographies;
- 2) Designated disaster areas; or

- 3) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation and Office of the Comptroller of the Currency based on:
 - a. Rates of poverty, unemployment or population loss; or
 - b. Population size, density and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density and dispersion if they help to meet essential community services including the needs of low- and moderate-income individuals.

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

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

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

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

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

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

Fair market rent: Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to

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

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

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

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

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

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

Income Level: Income level means:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

nonresidential properties or are classified as commercial and industrial loans.

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

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