

PUBLIC DISCLOSURE

December 2, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Peoples State Bank of Plainview
RSSD# 786555

100 Fourth Avenue Southeast
Plainview, MN 55964

Federal Reserve Bank of Minneapolis
90 Hennepin Avenue, P. O. Box 291
Minneapolis, Minnesota 55480

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

TABLE OF CONTENTS

Institution’s CRA Rating 2

Scope of Examination 2

Description of Institution 2

Conclusions with Respect to Performance Criteria..... 3

Fair Lending or Other Illegal Credit Practices Review 5

Minnesota..... 6

 Metropolitan Area – Full Review 7

 Description of the Rochester Assessment Area 7

 Conclusions With Respect to Performance Criteria 9

 Nonmetropolitan Area – Limited Review 17

 Description of the Winona Assessment Area 17

 Conclusions with Respect to Performance Criteria 17

Wisconsin Nonmetropolitan Area – Full Review..... 18

 Description of the Wisconsin Assessment Area 18

 Conclusions with Respect to Performance Criteria..... 21

Appendix A – Maps of the Assessment Areas..... 27

Appendix B – Demographic Information 30

Appendix C – Glossary 33

Definitions for many of the terms used in this performance evaluation can be found in section 228.12 of Regulation BB. For additional convenience, a Glossary of Common CRA Terms is attached as Appendix C at the end of this performance evaluation.

INSTITUTION'S CRA RATING

Peoples State Bank of Plainview (the bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and the credit needs of the bank's assessment areas (AAs).
- A majority of the bank's loans are originated inside its AAs.
- A reasonable distribution and dispersion of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.
- Neither the bank nor this Reserve Bank received any CRA-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

Examiners utilized The Federal Financial Institutions Examination Council's (FFIEC's) Interagency Examination Procedures for Small Institutions to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics, and credit needs. Examiners performed full-scope reviews of the bank's Rochester AA and the Wisconsin AA. These two AAs account for the majority of the bank's lending activity. Examiners also conducted a limited-scope review of the Winona AA given the low lending volume in that AA. Examiners reviewed the following data:

- The bank's 22-quarter average NLTD ratio.
- A statistical sample of 126 consumer loans and 89 small business loans originated between July 1, 2023, and December 31, 2023, and 113 small farm loans originated between January 1, 2023, and December 31, 2023.
- The bank is also required to report Home Mortgage Disclosure Act (HMDA) data. This evaluation includes analysis of the bank's home purchase, refinance, home improvement, and multifamily dwelling loans originated in 2022 and 2023. The bank originated 285 HMDA loans in 2022 and 241 loans in 2023. Examiners also reviewed the 2022 and 2023 data reported by aggregated lenders to better assess the bank's performance relative to other HMDA lenders in the assessment areas. Finally, examiners reviewed the bank's 2020 and 2021 HMDA lending for consistency with the 2022 and 2023 data.

DESCRIPTION OF INSTITUTION

Peoples State Bank of Plainview is a community bank headquartered in Plainview, Minnesota. The bank's characteristics include:

- The bank is a wholly owned subsidiary of WRZ Bankshares, Inc.

- The bank has total assets of \$387.3 million as of September 30, 2024.
- In addition to its main office in Plainview, the bank has four additional offices located in Altura and Elgin, Minnesota, and Boyceville and Menomonie, Wisconsin.
- The bank operates two cash-dispensing-only ATMs: one at the main office in Plainview and the other at the Menomonie branch.
- The bank’s primary business focus is agricultural, commercial, and residential real estate lending. The bank also offers consumer loans.

Loan Type	\$(000)	%
Agricultural	57,452	22.5
Commercial	92,774	36.3
Residential Real Estate	87,231	34.1
Consumer	16,870	6.6
Other	1,146	0.5
Gross Loans	255,473	100.0

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

The bank was rated Satisfactory under the CRA at its June 24, 2019, performance evaluation. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

OVERALL CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The CRA requires a separate analysis for the bank’s performance in each AA. The separate AA sections of this evaluation contain detailed descriptions of the bank’s lending to farms and businesses of different sizes and to borrowers of different income levels and the geographic distribution of the bank’s loans. Examiners analyzed the NLTD ratio and the comparison of lending inside and outside of the AAs at the bank level. Examiners discuss these two criteria below.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank’s average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison to similarly situated Federal Deposit Insured Corporation (FDIC)-insured institutions. There are no similarly situated FDIC-insured financial institutions operating in the bank’s AAs for comparison purposes. The bank’s NLTD ratio is reasonable.

The bank’s average NLTD ratio for the past 22 quarters is 71.5%. At the previous evaluation, the bank’s 17-quarter average NLTD ratio was 79.4%. Since then, the bank’s NLTD ratio has ranged

from 62.4% to 81.7%. During the evaluation period, the bank’s NLTD ratio initially declined due to an increase in deposits and decrease in loan demand brought on by the COVID-19 pandemic.

As of September 30, 2024, the bank’s NLTD ratio is 73.5%, which is slightly below the peer group ratio of 78.6%. The bank’s peer group includes insured commercial banks with assets between \$300 million and \$1 billion. The bank operates in a competitive environment with numerous financial institutions, including regional banks as well as credit unions. Community contacts indicated that overall, local financial institutions meet area credit needs.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. The bank originated a majority of the bank’s loans, by number and dollar, inside its AAs.

Table 2 Lending Inside and Outside the Assessment Areas								
Loan Type	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Total Consumer related	115	91.3	1,206	83.2	11	8.7	243	16.8
Total HMDA related	1,063	79.0	177,523	76.8	283	21.0	53,477	23.2
Total Small Bus. Related	66	74.2	7,847	75.5	23	25.8	2,544	24.5
Total Small Farm related	107	94.7	9,453	96.2	6	5.3	371	3.8
TOTAL LOANS	1,351	80.7	196,030	77.6	323	19.3	56,636	22.4

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

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AAs by income level of census tracts with consideration given to the dispersion of loans throughout the AAs. The bank’s overall geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AAs.

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

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses and farms of different revenue sizes. The bank’s lending has an overall reasonable penetration among individuals of different income levels and businesses and farms of different sizes.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

MINNESOTA

CRA RATING FOR MINNESOTA: Satisfactory

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN MINNESOTA

During the evaluation period, the bank had two assessment areas in Minnesota: Rochester and Winona. The Rochester AA consists of the entirety of Olmsted and Wabasha counties. The Winona AA consists of four census tracts on the western half of Winona County.

SCOPE OF EVALUATION

Examiners completed a full-scope review of the Rochester AA and a limited-scope review of the bank's Winona AA. Since examiners evaluated only one of the bank's Minnesota AAs using the full-scope procedures, the state conclusions are supported by the Rochester AA performance discussion. The limited-scope review of the bank's Winona AA is discussed separately and did not change the conclusion for the State of Minnesota.

METROPOLITAN AREA
(Full Review)

DESCRIPTION OF THE ROCHESTER ASSESSMENT AREA

The bank’s Rochester AA includes Olmsted and Wabasha counties (part of the Rochester MSA). See Appendix A for an AA map and Appendix B for additional demographic data.

- There have been no changes to the bank’s AA boundaries since the previous evaluation; however, the 2020 U.S. Census resulted in the number of census tracts in the bank’s AA increasing from 39 to 41 tracts.
- The Rochester AA consists of two low-, eight moderate-, 19 middle-, and 12 upper-income census tracts. At the previous evaluation the Rochester AA consisted of 10 moderate-, 18 middle-, and 11 upper-income census tracts.
- The AA includes the bank’s main branch in Plainview and its branch in Eglin, Minnesota. The bank’s Millville branch in the AA closed on March 1, 2020.
- According to the June 30, 2024, FDIC Market Share Report, the bank ranks eighth of 25 FDIC-insured institutions operating in the AA, capturing 3.2% of deposits.
- Examiners spoke with three community contacts: one who works at an organization that specializes in the agricultural economy, one who works at an organization that specializes in the housing market, and another who specializes in the needs of local businesses.

Table 3			
Rochester AA 2023 Population Change			
Area	2015 Population	2020 Population	Percent Change
Rochester AA	170,117	184,234	8.3%
Olmsted County, MN	148,736	162,847	9.5%
Wabasha County, MN	21,381	21,387	0.0%
Rochester, MN MSA	211,250	226,329	7.1%
Minnesota	5,419,171	5,706,494	5.3%

*Source: 2011-2015 U.S. Census Bureau American Community Survey
2020 U.S. Census Bureau Decennial Census*

- The population of the AA has increased since 2015, as shown in Table 3. A community contact and bank management attributed the population growth in the AA to the city of Rochester in Olmsted County. Wabasha County’s population is nearly unchanged.

Table 4 Rochester AA Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Rochester AA 2023	\$89,769	\$97,178	8.3%
Olmsted County, MN	\$94,088	\$100,495	6.8%
Wabasha County, MN	\$74,745	\$81,643	9.2%
Rochester, MN MSA	\$88,538	\$94,698	7.0%
Minnesota	\$84,188	\$92,692	10.1%

*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.*

- The median family income of the AA is above that of the state of Minnesota, as shown in Table 4, and has increased since 2015.
- Based on 2023 FFIEC adjust census data, LMI households make up 38.7% of all households in the AA.
- A community contact indicated that the area median income is approximately \$123,000 per year, although acknowledged that there is a population who does not earn as much. Bank management concurred that wages are on the relatively low end for the area, in particular for retail and service workers. Both the contact and bank management indicated that higher wages for the area are driven by doctors and employees of Mayo Clinic in Rochester.

Table 5 Rochester AA Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Rochester AA 2023	69.8%	27.0%	40.0%	60.9%	19.4%	13.9%
Olmsted County, MN	69.6%	28.1%	40.4%	60.2%	18.0%	13.3%
Wabasha County, MN	72.7%	13.1%	36.1%	64.5%	28.4%	18.1%
Rochester, MN MSA	67.6%	25.1%	38.9%	60.0%	20.3%	14.3%
Minnesota	72.7%	30.1%	41.5%	61.2%	29.0%	16.7%

*Cost Burden is housing cost that equals 30 percent or more of household income.
Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy*

- 69.8% of low- and 27.0% of moderate-income renters in the AA have a housing cost burden that is 30% or more of their household income, as shown in Table 5. About 61.0% of low- and 19.4% of moderate-income homeowners in the AA are experiencing a housing cost burden.
- One community contact indicated that the wage disparity between high and low earners has created a challenge of affordable housing for the area.

- Another community contact indicated that there is a very limited supply of housing in the area and that affordable homes are needed. They stated that the condition of the housing stock can be low and that a premium is being paid on properties that need to be fixed up. In addition, homes do not stay on the market for very long unless they are in a state of severe disrepair.

Area	2019	2020	2021	2022	2023
Rochester AA 2023	2.7%	5.5%	3.1%	2.1%	2.2%
Olmsted County, MN	2.6%	5.5%	3.1%	2.1%	2.1%
Wabasha County, MN	3.4%	5.4%	3.3%	2.5%	2.7%
Rochester, MN MSA	2.8%	5.4%	3.1%	2.2%	2.3%
Minnesota	3.3%	6.3%	3.7%	2.6%	2.8%

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

- As shown in Table 6, the unemployment rates for the AA have been low and below the unemployment rate for the state of Minnesota. Unemployment spiked in 2020 due to the COVID-19 pandemic.
- According to bank management and community contacts, the Mayo Clinic is a significant driver for jobs and employment in the area.
- A community contact noted that the presence of the Mayo Clinic creates opportunities for smaller businesses that serve the medical field. In addition, the clinic drives service and retail industries.
- Bank management indicated that the agricultural community is another primary industry for the area, noting that Lakeside Foods is a large employer for the Plainview area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Geographic Distribution of Loans

The bank’s geographic distribution of loans reflects reasonable distribution and dispersion among the different census tracts in the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is excellent. The bank originated 1.7% of its 2022 HMDA loans and 4.0% of its 2023 HMDA loans in low-income tracts, as shown in Table 7. This is comparable to demographics, which indicate that 4.2% of families reside in low-income tracts in which 3.3% of housing units are owner occupied. The bank originated 21.5% of its 2022 HMDA loans and 33.0% of its 2023 loans in moderate-income tracts. This exceeds the demographics, which show that 14.1% of families reside in moderate-income tracts in which 12.8% of housing units are owner occupied. The bank did not extend HMDA loans in all LMI

census tracts in the AA. However, the tracts with no loans are wholly or partially within the city limits of Rochester. The city is served by numerous financial institutions. The bank’s closest branch to the city is about 10 miles away, so residents in those areas may use other institutions for financing.

Table 7											
Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography											
Assessment Area: Rochester											
Geographic Income Level	Bank And Aggregate Loans By Year										Owner Occupied Units %
	2022						2023*				
	Bank		Agg	Bank		Agg	Bank				
	#	%	%	\$(000)	%	%	#	%	\$(000)	%	
Home Purchase Loans											
Low	2	3.1	4.1	300	2.1	2.7	2	4.0	387	3.5	3.3
Moderate	15	23.4	14.3	2,934	20.7	9.9	16	32.0	2,961	26.5	12.8
Middle	41	64.1	43.0	8,579	60.5	38.3	30	60.0	7,167	64.1	47.6
Upper	6	9.4	38.6	2,358	16.6	49.1	2	4.0	673	6.0	36.3
Total	64	100.0	100.0	14,171	100.0	100.0	50	100.0	11,188	100.0	100.0
Refinance Loans											
Low	0	0.0	5.0	0	0.0	3.3	1	5.9	50	3.1	3.3
Moderate	4	16.0	12.5	591	16.3	9.5	6	35.3	624	38.8	12.8
Middle	19	76.0	46.4	2,636	72.6	41.8	10	58.8	936	58.1	47.6
Upper	2	8.0	36.1	406	11.2	45.4	0	0.0	0	0.0	36.3
Total	25	100.0	100.0	3,633	100.0	100.0	17	100.0	1,610	100.0	100.0
Home Improvement Loans											
Low	0	0.0	3.0	0	0.0	1.6	1	5.6	20	2.5	3.3
Moderate	4	23.5	10.4	526	54.4	9.1	8	44.4	294	37.4	12.8
Middle	11	64.7	45.7	398	41.2	43.3	8	44.4	455	57.8	47.6
Upper	2	11.8	40.9	43	4.4	46.1	1	5.6	18	2.3	36.3
Total	17	100.0	100.0	967	100.0	100.0	18	100.0	787	100.0	100.0
Multifamily Loans											Multi-family Units %
Low	0	0.0	6.1	0	0.0	7.5	0	0.0	0	0.0	11.5
Moderate	0	0.0	33.3	0	0.0	4.7	0	0.0	0	0.0	37.5
Middle	3	100.0	48.5	1,857	100.0	83.2	2	100.0	1,215	100.0	29.7
Upper	0	0.0	12.1	0	0.0	4.5	0	0.0	0	0.0	21.3
Total	3	100.0	100.0	1,857	100.0	100.0	2	100.0	1,215	100.0	100.0

Table 7 Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Rochester											
Total Home Mortgage Loans											Owner Occupied Units %
Low	2	1.7	4.1	300	1.4	3.2	4	4.0	457	3.0	3.3
Moderate	26	21.5	13.5	4,221	19.9	9.3	33	33.0	3,975	26.0	12.8
Middle	83	68.6	44.2	13,898	65.5	43.5	59	59.0	10,119	66.2	47.6
Upper	10	8.3	38.2	2,807	13.2	44.0	4	4.0	726	4.8	36.3
Total	121	100.0	100.0	21,226	100.0	100.0	100	100.0	15,277	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. *Aggregate data is not currently available.

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank originated 29.7% of its small business loans in moderate-income tracts as shown in Table 8. This exceeds demographics, which indicate that 22.3% of businesses in the AA are in moderate-income tracts. The bank did not originate small business loans in some LMI tracts in the AA. Like the HMDA lending dispersion, these tracts are wholly or partially within the city limits of Rochester or Wabasha. These cities are served by numerous financial institutions that are likely more convenient for area businesses.

Table 8 Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Rochester					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	3.1
Moderate	11	29.7	1,161	21.4	22.3
Middle	21	56.8	1,962	36.2	44.4
Upper	5	13.5	2,302	42.4	30.2
Total	37	100.0	5,426	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.

Small Farm Lending

The geographic distribution of small farm lending is reasonable. The bank originated 6.3% of its small farm loans in moderate-income tracts, as shown in Table 9. This is comparable to demographics, which indicate that 3.8% of the farms in the AA are in moderate-income tracts.

Although the bank did not originate small farm loans in some LMI census tracts, this is reasonable as census data shows there are 0.0% of farms in the low-income tracts and only 3.8% of farms in the moderate-income tracts. The vast majority of farms (96.2%) in the AA are located in middle- and upper-income tracts.

Table 9 Distribution of 2023 Small Farm Lending By Income Level of Geography Assessment Area: Rochester					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	4	6.3	353	6.0	3.8
Middle	57	90.5	5,433	92.1	78.7
Upper	2	3.2	110	1.9	17.5
Total	63	100.0	5,896	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.

Consumer Lending

The geographic distribution of consumer lending is excellent. The bank originated 29.4% of its consumer loans in moderate-income tracts. This exceeds demographics, which show that 18.1% of households are located in moderate-income tracts. The bank did not originate consumer loans in some of the tracts in the city limits of Rochester. The city is served by numerous financial institutions that are likely more convenient for area residents. Furthermore, the bank’s main office is located in a moderate-income tract, where it originates a substantial portion of its consumer loans.

Table 10 Distribution of 2023 Consumer Loan Data Lending By Income Level of Geography Assessment Area: Rochester					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	5.0
Moderate	20	29.4	131	22.2	18.1
Middle	45	66.2	428	72.5	44.4
Upper	3	4.4	31	5.3	32.6
Total	68	100.0	590	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.

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

The bank’s lending reflects a reasonable distribution among individuals of different income levels and businesses and farms of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is excellent. As shown in Table 11, the bank originated 19.5% and 17.3% of its HMDA loans to low-income borrowers in 2022 and 2023, respectively. This is comparable to demographics, which indicate that 17.9% of families in the AA are low income. The bank originated 26.3% and 21.4% of its HMDA loans to moderate-income borrowers in 2022 and 2023, respectively. This is above demographics, which indicate that 17.8% of families in the AA are moderate income. In addition, the bank made 21.9% of its 2022 home purchase loans to low-income borrowers compared to 11.2% by aggregate lenders.

Table 11											
Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level											
Assessment Area: Rochester											
Borrower Income Level	Bank And Aggregate Loans By Year										Families by Family Income %
	2022						2023*				
	Bank		Agg	Bank		Agg	Bank				
	#	%	%	\$(000)	%	%	#	%	\$(000)	%	
Home Purchase Loans											
Low	14	21.9	11.2	2,120	15.0	6.0	5	10.0	894	8.0	17.9
Moderate	12	18.8	27.0	2,067	14.6	20.4	14	28.0	2,798	25.0	17.8
Middle	13	20.3	18.4	3,582	25.3	18.0	13	26.0	2,469	22.1	23.0
Upper	12	18.8	27.5	4,190	29.6	41.8	9	18.0	2,962	26.5	41.3
Unknown	13	20.3	15.9	2,212	15.6	13.8	9	18.0	2,065	18.5	0.0
Total	64	100.0	100.0	14,171	100.0	100.0	50	100.0	11,188	100.0	100.0
Refinance Loans											
Low	4	16.0	16.7	390	10.7	10.2	5	29.4	464	28.8	17.9
Moderate	11	44.0	26.9	1,571	43.2	22.5	3	17.6	218	13.5	17.8
Middle	5	20.0	21.2	645	17.8	19.6	4	23.5	484	30.1	23.0
Upper	4	16.0	24.7	906	24.9	36.4	4	23.5	373	23.2	41.3
Unknown	1	4.0	10.6	121	3.3	11.4	1	5.9	71	4.4	0.0
Total	25	100.0	100.0	3,633	100.0	100.0	17	100.0	1,610	100.0	100.0
Home Improvement Loans											
Low	2	11.8	6.6	75	7.8	4.9	2	11.1	31	3.9	17.9
Moderate	6	35.3	19.0	421	43.5	13.5	2	11.1	50	6.4	17.8
Middle	6	35.3	27.7	344	35.6	23.1	8	44.4	197	25.0	23.0
Upper	3	17.6	44.5	127	13.1	55.4	6	33.3	509	64.7	41.3
Unknown	0	0.0	2.2	0	0.0	3.1	0	0.0	0	0.0	0.0
Total	17	100.0	100.0	967	100.0	100.0	18	100.0	787	100.0	100.0

Table 11											
Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level											
Assessment Area: Rochester											
Total Home Mortgage Loans											
Low	23	19.5	12.1	2,673	13.8	6.8	17	17.3	1,527	10.9	17.9
Moderate	31	26.3	25.5	4,114	21.2	20.4	21	21.4	3,156	22.4	17.8
Middle	26	22.0	20.0	4,686	24.2	18.4	30	30.6	3,357	23.9	23.0
Upper	24	20.3	29.1	5,563	28.7	41.3	20	20.4	3,886	27.6	41.3
Unknown	14	11.9	13.2	2,333	12.0	13.0	10	10.2	2,136	15.2	0.0
Total	118	100.0	100.0	19,369	100.0	100.0	98	100.0	14,062	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. *Aggregate data is not currently available.
Multifamily loans are not included in the borrower distribution analysis.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank originated 56.8% of small business loans and 36.9% of small business lending dollars to businesses with gross annual revenues of \$1 million or less, as shown in Table 12. The bank’s lending to small businesses is below demographics, which indicate that 91.7% of businesses in the AA have gross annual revenues of \$1 million or less; however, this is explainable. Three borrowers account for seven (43.8%) of the loans made to large businesses. In addition, four of the 16 loans to large businesses account for 57.1% of lending dollars to large businesses. The bank shows its willingness to serve small businesses as 17 of the 21 (81.0%) small business loans are for \$100,000 or less and nine are for less than \$25,000. Small dollar loans help assist small businesses. Furthermore, the bank made 343 Paycheck Protection Program (PPP) loans in the AA during the COVID-19 pandemic, of which 278 (81.1%) were for less than \$25,000.

Table 12					
Distribution of 2023 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Rochester					
	Bank Loans				Total Businesses
	#	#%	\$(000)	\$(%)	
By Revenue					
\$1 Million or Less	21	56.8	2,003	36.9	91.7
Over \$1 Million	16	43.2	3,422	63.1	7.2
Revenue Unknown	0	0.0	0	0.0	1.1
Total	37	100.0	5,426	100.0	100.0
By Loan Size					
\$100,000 or Less	22	59.5	1,005	18.5	
\$100,001 - \$250,000	10	27.0	1,616	29.8	
\$250,001 - \$1 Million	5	13.5	2,805	51.7	
Total	37	100.0	5,426	100.0	

Table 12 Distribution of 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: Rochester					
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	17	81.0	679	33.9	
\$100,001 - \$250,000	3	14.3	473	23.6	
\$250,001 - \$1 Million	1	4.8	851	42.5	
Total	21	100.0	2,003	100.0	
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Small Farm Lending

The borrower distribution of small farm lending is reasonable. The bank originated 88.9% of small farm loans and 68.4% of small farm lending dollars to farms with gross annual revenues of \$1 million or less, as shown in Table 13. The bank’s lending to small farms is below demographics, which indicate that 98.5% of farms in the AA have gross annual revenues of \$1 million or less; however, three of the seven loans to large farms account for 73.5% of lending dollars to large farms. In addition, 80.4% of loans to small farms were in the amount of \$100,000 or less, which helps serve the credit needs of smaller operations. A local contact noted that local financial institutions are meeting small farm credit needs.

Table 13 Distribution of 2023 Small Farm Lending By Revenue Size of Farms Assessment Area: Rochester					
	Bank				Total Farms %
	#	%	\$(000)	%	
By Revenue					
\$1 Million or Less	56	88.9	4,034	68.4	98.5
Over \$1 Million	7	11.1	1,863	31.6	1.5
Revenue Unknown	0	0.0	0	0.0	0.0
Total	63	100.0	5,896	100.0	100.0
By Loan Size					
\$100,000 or Less	47	74.6	2,055	34.9	
\$100,001 - \$250,000	10	15.9	1,537	26.1	
\$250,001 - \$500,000	6	9.5	2,305	39.1	
Total	63	100.0	5,896	100.0	

Table 13 Distribution of 2023 Small Farm Lending By Revenue Size of Farms Assessment Area: Rochester					
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	45	80.4	1,913	47.4	
\$100,001 - \$250,000	8	14.3	1,186	29.4	
\$250,001 - \$500,000	3	5.4	935	23.2	
Total	56	100.0	4,034	100.0	
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i> <i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Consumer Lending

The borrower distribution of consumer lending is excellent. Overall, 82.4% of the bank’s consumer loans were made to LMI borrowers, as shown in Table 14. The bank’s lending to low-income borrowers, at 47.1%, is significantly above demographics, which indicate that 22.0% of households in the AA are low income. The bank’s lending to moderate-income borrowers, at 35.3%, is significantly above demographics, at 16.6%.

Table 14 Distribution of 2023 Consumer Loan Data Lending By Borrower Income Level Assessment Area: Rochester					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	%	
Low	32	47.1	151	25.6	22.0
Moderate	24	35.3	284	48.1	16.6
Middle	9	13.2	113	19.2	19.2
Upper	3	4.4	42	7.1	42.1
Unknown	0	0.0	0	0.0	1.8
Total	68	100.0	590	100.0	100.0
<i>Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey</i> <i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

NONMETROPOLITAN AREA
(Limited Review)

DESCRIPTION OF THE WINONA ASSESSMENT AREA

The Winona AA consists of four tracts in Winona County (see Appendix A for an AA map). The AA includes the bank's Altura branch. The AA consists of three middle-income census tracts and one upper-income census tract. According to the 2020 FFIEC census data, the total population of the AA is 16,144. While the bank did not adjust its AA delineation, census tract changes resulted in the AA now having four tracts compared to three tracts at the previous evaluation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The institution's lending performance in the area is consistent with its overall lending performance in Minnesota. The bank's activity in this AA accounts for 16.5% of the bank's total deposits and 7.0% of its lending activity. According to the June 30, 2024, FDIC Deposit Market Share Report, the bank ranks fifth out of nine financial institutions in the AA and has a 3.8% market share. The loan sample included a limited number of loans originated in this AA.

**WISCONSIN
NONMETROPOLITAN AREA
(Full Review)**

CRA RATING FOR WISCONSIN: Satisfactory

SCOPE OF EVALUATION

Examiners completed a full-scope review of the Wisconsin AA. Since the bank has only one AA in Wisconsin, the state conclusions are supported by this AA’s performance discussion.

DESCRIPTION OF THE WISCONSIN ASSESSMENT AREA

The bank’s Wisconsin AA includes Dunn County and a portion of St. Croix County. St. Croix County is located on the eastern edge of the Minneapolis-St. Paul-Bloomington, MN-WI MSA. See Appendix A for an AA map and Appendix B for additional demographic data.

- There have been no changes to the bank’s AA boundaries since the previous evaluation; however, the 2020 U.S. Census resulted in the number of census tracts in the bank’s AA increasing from nine to 10 tracts.
- The Wisconsin AA consists of one low-, one moderate-, and eight middle-income census tracts. At the previous evaluation, the Wisconsin AA consisted of one moderate-income and eight middle-income census tracts.
- The AA includes the bank’s branches in Menomonie and Boyceville, Wisconsin.
- According to the June 30, 2024, FDIC Market Share Report, the bank ranks 12th out of 18 FDIC-insured institutions operating in the AA, capturing 2.8% of deposits.
- Examiners spoke with one community contact who specializes in the needs of local businesses.

Table 15 Wisconsin AA 2023 Population Change			
Area	2015 Population	2020 Population	Percent Change
Wisconsin AA	130,277	138,976	6.7%
Dunn County, WI	44,159	45,440	2.9%
St. Croix County, WI	86,118	93,536	8.6%
Minneapolis-St. Paul-Bloomington, MN-WI MSA	3,443,769	3,690,261	7.2%
Wisconsin	5,742,117	5,893,718	2.6%
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

- The population of the AA has increased since 2015, as shown in Table 15.

- Dunn County’s population growth has been steadily increasing and is in line with the state of Wisconsin; however, the bulk of the population growth in the AA is through St. Croix County, which can be attributed to being within the Minneapolis-St. Paul-Bloomington, MN-WI MSA.

Table 16 Wisconsin AA 2023 Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Wisconsin AA	\$83,245	\$90,829	9.1%
Dunn County, WI	\$69,324	\$76,012	9.6%
St. Croix County, WI	\$90,894	\$99,583	9.6%
Minneapolis-St. Paul-Bloomington, MN-WI MSA	\$92,420	\$103,977	12.5%
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.*

- The median family income of the AA is above that of the state of Wisconsin, as shown in Table 16.
- Based on 2023 FFIEC adjust census data, LMI households make up 39.1% of all households in the AA.
- A community contact indicated that entry-level positions in the AA are starting in the range of \$20-\$25/hr. In addition, they noted that the average starting salaries for Chippewa Valley Technical College and University of Wisconsin-Stout (UW-Stout) graduates are \$50,000 and \$58,000, respectively.

Table 17 Wisconsin AA 2023 Housing Cost Burden						
Area	Cost Burden – Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Wisconsin AA	67.1%	20.0%	33.8%	61.8%	31.2%	17.0%
Dunn County, WI	73.0%	20.1%	33.7%	69.1%	32.7%	18.7%
St. Croix County, WI	62.7%	19.9%	33.9%	58.3%	30.7%	16.3%
Minneapolis-St. Paul-Bloomington, MN-WI MSA	75.4%	32.2%	42.3%	63.3%	31.9%	16.9%
Wisconsin	75.0%	25.2%	38.4%	63.9%	29.3%	16.9%

*Cost Burden is housing cost that equals 30 percent or more of household income.
Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy*

- In the AA, 67.1% of low-income renters and 20.0% of moderate-income renters have a housing cost burden that is more than 30% of their household income, as shown in Table

17. Additionally, 61.8% of low-income homeowners and 31.2% of moderate-income homeowners in the AA are experiencing a housing cost burden.

- A community contact indicated that there is not enough affordable housing in the AA despite the city of Menomonie building 300 new housing units. In addition, they noted in the rural areas of the AA, there is not enough housing or business to attract people to move to the area or to retain current residents.

Table 18 Wisconsin AA Unemployment Rates					
Area	2019	2020	2021	2022	2023
Wisconsin AA	3.3%	6.7%	3.6%	3.1%	3.5%
Dunn County, WI	3.4%	5.7%	3.7%	3.1%	3.4%
St. Croix County, WI	3.2%	7.2%	3.6%	3.1%	3.5%
Minneapolis-St. Paul-Bloomington, MN-WI MSA	3.0%	6.5%	3.7%	2.5%	2.7%
Wisconsin	3.2%	6.4%	3.9%	2.9%	3.0%

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

- As shown in Table 18, the unemployment rate for the AA has generally been stable and comparable to the state of Wisconsin, except for 2020 when unemployment increased in the state and AA due to the COVID-19 pandemic.
- Bank management and a community contact indicated that the main employers of the AA include 3M, UW-Stout, Chippewa Valley Technical College, a Walmart Distribution Center, manufacturing, and hospitals. In addition, the community contact noted that the agricultural industry is important in the area.
- The community contact indicated that the area is experiencing a labor force shortage. In addition, they noted that some AA employers are recruiting local students prior to graduation and offering on-the-job training to meet labor needs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Geographic Distribution of Loans

The bank’s geographic distribution of loans reflects reasonable distribution and dispersion among the different census tracts in the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. The bank originated 7.0% of its 2022 HMDA loans in the low-income tract, as shown in Table 19. The bank did not originate any HMDA loans in the low-income tract in 2023. However, the performance is still good given that only 0.1% of homes in the low-income tract are owner occupied. This tract includes UW-Stout and primarily consists of rental properties for housing. The bank originated 4.0% of its 2022 HMDA loans and 17.6% of its 2023 HMDA loans in the moderate-income tract. While the 2022 lending was below demographics, the 2023 lending exceeded demographic data, which indicates that 10.2% of families reside in the moderate-income tract in which 11.2% of housing units are owner occupied.

Table 19 Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Wisconsin											
Geographic Income Level	Bank And Aggregate Loans By Year										Owner Occupied Units %
	2022						2023*				
	Bank		Agg	Bank		Agg	Bank				
	#	#%	#%	\$(000)	%	\$%	#	#%	\$(000)	%	
Home Purchase Loans											
Low	0	0.0	0.8	0	0.0	0.4	0	0.0	0	0.0	0.1
Moderate	2	5.7	10.5	387	5.4	12.2	4	9.8	878	8.4	11.2
Middle	33	94.3	88.7	6,835	94.6	87.3	37	90.2	9,611	91.6	88.7
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0	0.0	0.0
Total	35	100.0	100.0	7,222	100.0	100.0	41	100.0	10,489	100.0	100.0
Refinance Loans											
Low	7	17.5	2.1	411	9.3	1.0	0	0.0	0	0.0	0.1
Moderate	1	2.5	13.9	223	5.1	14.8	1	11.1	206	20.7	11.2
Middle	32	80.0	83.9	3,781	85.6	84.2	8	88.9	791	79.3	88.7
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0	0.0	0.0
Total	40	100.0	100.0	4,415	100.0	100.0	9	100.0	997	100.0	100.0
Home Improvement Loans											
Low	0	0.0	0.6	0	0.0	0.2	0	0.0	0	0.0	0.1
Moderate	1	6.7	11.6	127	9.6	13.8	5	35.7	244	18.2	11.2
Middle	14	93.3	87.8	1,199	90.4	86.0	9	64.3	1,099	81.8	88.7
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0	0.0	0.0
Total	15	100.0	100.0	1,326	100.0	100.0	14	100.0	1,343	100.0	100.0

Table 19 Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Wisconsin											
Total Home Mortgage Loans											Owner Occupied Units %
Low	7	7.0	1.3	411	3.1	1.1	0	0.0	0	0.0	0.1
Moderate	4	4.0	11.1	737	5.5	11.4	13	17.6	1,445	10.9	11.2
Middle	89	89.0	87.7	12,309	91.5	87.4	61	82.4	11,815	89.1	88.7
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0	0.0	0.0
Total	100	100.0	100.0	13,457	100.0	100.0	74	100.0	13,260	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. *Aggregate data is not currently available.

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank originated 4.3% of its small business loans in the moderate-income tract, as shown in Table 20. This is below demographics, which indicate that 10.4% of businesses in the AA are in the moderate-income tract. The communities in the tract are rural in nature and have several other closer financial institutions that are likely more convenient for businesses. The bank did not originate any small business loans in the low-income census tract. The low-income tract is in the city of Menomonie and contains UW-Stout, where business lending opportunities may be more limited. In addition, numerous other financial institutions operate in the area, which results in increased competition for business loans.

Table 20 Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Wisconsin						
Geographic Income Level	Bank Loans				Total Businesses %	
	#	#%	\$(000)	%		
Low	0	0.0	0	0.0	5.7	
Moderate	1	4.3	25	1.3	10.4	
Middle	22	95.7	1,946	98.7	84.0	
Upper	0	0.0	0	0.0	0.0	
Unknown	0	0.0	0	0.0	0.0	
Tract-Unk	0	0.0	0	0.0		
Total	23	100.0	1,971	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.

Consumer Lending

The geographic distribution of consumer lending is reasonable. The bank originated 5.4% of its consumer loans in the moderate-income tract. This is below demographics, which show that 9.3% of households are in the moderate-income tract. The bank did not originate consumer loans in the low-income tract in the AA. Although the bank did not make many loans in the LMI tracts, its performance is reasonable given the limited consumer lending volume in this AA, lending opportunities, and branch locations.

Table 21					
Distribution of 2023 Consumer Lending By Income Level of Geography					
Assessment Area: Wisconsin					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	2.2
Moderate	2	5.4	34	7.1	9.3
Middle	35	94.6	444	93.1	88.5
Upper	0	0.0	0	0.0	0.0
Total	37	100.0	477	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.

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

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses different revenue sizes. The bank’s lending has an excellent penetration among individuals of different income levels and businesses of different sizes.

Residential Real Estate Lending

The borrower distribution of home mortgage lending is reasonable. The bank originated 6.0% and 9.5% of its HMDA loans to low-income borrowers in 2022 and 2023, respectively, as shown in Table 22. This is below demographics, which indicate that 18.4% of families in the AA are low income. Although the bank’s low-income lending performance is below demographics, it is still reasonable given the shortage of affordable housing for families in the low-income range. The bank originated 16.0% and 18.9% of its HMDA loans to moderate-income borrowers in 2022 and 2023, respectively. This is comparable to demographics, which indicate that 17.3% of families in the AA are moderate income.

Table 22 Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: Wisconsin											
Borrower Income Level	Bank And Aggregate Loans By Year										Families by Family Income %
	2022						2023*				
	Bank		Agg	Bank		Agg	Bank				
	#	%	%	\$(000)	%	\$%	#	%	\$(000)	%	
Home Purchase Loans											
Low	2	5.7	7.7	108	1.5	4.5	5	12.2	666	6.3	18.4
Moderate	7	20.0	23.0	840	11.6	17.8	8	19.5	938	8.9	17.3
Middle	13	37.1	23.9	2,707	37.5	23.4	6	14.6	1,760	16.8	23.7
Upper	12	34.3	30.5	3,443	47.7	39.7	21	51.2	6,580	62.7	40.6
Unknown	1	2.9	14.9	124	1.7	14.6	1	2.4	545	5.2	0.0
Total	35	100.0	100.0	7,222	100.0	100.0	41	100.0	10,489	100.0	100.0
Refinance Loans											
Low	3	7.5	11.6	140	3.2	7.0	2	22.2	222	22.3	18.4
Moderate	5	12.5	21.6	373	8.4	18.3	0	0.0	0	0.0	17.3
Middle	9	22.5	27.1	930	21.1	25.7	1	11.1	32	3.2	23.7
Upper	20	50.0	29.7	2,413	54.7	36.7	5	55.6	653	65.5	40.6
Unknown	3	7.5	10.0	559	12.7	12.3	1	11.1	90	9.0	0.0
Total	40	100.0	100.0	4,415	100.0	100.0	9	100.0	997	100.0	100.0
Home Improvement Loans											
Low	0	0.0	7.3	0	0.0	5.9	0	0.0	0	0.0	18.4
Moderate	3	20.0	14.6	181	13.7	15.5	3	21.4	117	8.7	17.3
Middle	4	26.7	26.2	299	22.5	21.4	5	35.7	524	39.0	23.7
Upper	7	46.7	46.3	596	44.9	46.5	6	42.9	702	52.3	40.6
Unknown	1	6.7	5.5	250	18.9	10.7	0	0.0	0	0.0	0.0
Total	15	100.0	100.0	1,326	100.0	100.0	14	100.0	1,343	100.0	100.0
Total Home Mortgage Loans											
Low	6	6.0	9.0	274	2.0	5.3	7	9.5	888	6.7	18.4
Moderate	16	16.0	21.8	1,411	10.5	17.8	14	18.9	1,167	8.8	17.3
Middle	27	27.0	24.8	3,962	29.4	23.9	16	21.6	2,474	18.7	23.7
Upper	46	46.0	33.6	6,877	51.1	39.7	35	47.3	8,096	61.1	40.6
Unknown	5	5.0	10.8	933	6.9	13.2	2	2.7	635	4.8	0.0
Total	100	100.0	100.0	13,457	100.0	100.0	74	100.0	13,260	100.0	100.0
<p>Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. *Aggregate data is not currently available. Multifamily loans are not included in the borrower distribution analysis.</p>											

Small Business Lending

The borrower distribution of small business lending is excellent. The bank originated 78.3% of small business loans and 47.2% of small business lending dollars to businesses with gross annual

revenues of \$1 million or less, as shown in Table 23. The bank’s lending to small businesses is below demographics, which indicate that 90.7% of businesses in the AA have gross annual revenues of \$1 million or less. However, two of the bank’s five loans to larger businesses account for 45.7% of lending dollars to businesses in the loan sample. The bank shows its willingness to serve small businesses with 15 of the 18 (83.3%) small business loans being in amounts of \$100,000 or less, 11 of which were for \$25,000 or less. Furthermore, the bank made 206 PPP loans in the AA during the COVID-19 pandemic, of which 153 (74.3%) were for less than \$25,000.

Table 23					
Distribution of 2023 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Wisconsin					
	Bank		Bank		Total Businesses
	#	%	#	%	
By Revenue					
\$1 Million or Less	18	78.3	931	47.2	90.7
Over \$1 Million	5	21.7	1,040	52.8	7.3
Revenue Unknown	0	0.0	0	0.0	2.0
Total	23	100.0	1,971	100.0	100.0
By Loan Size					
\$100,000 or Less	18	78.3	604	30.6	
\$100,001 - \$250,000	3	13.0	467	23.7	
\$250,001 - \$1 Million	2	8.7	900	45.7	
Total	23	100.0	1,971	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	15	83.3	464	49.8	
\$100,001 - \$250,000	3	16.7	467	50.2	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	18	100.0	931	100.0	
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Consumer Lending

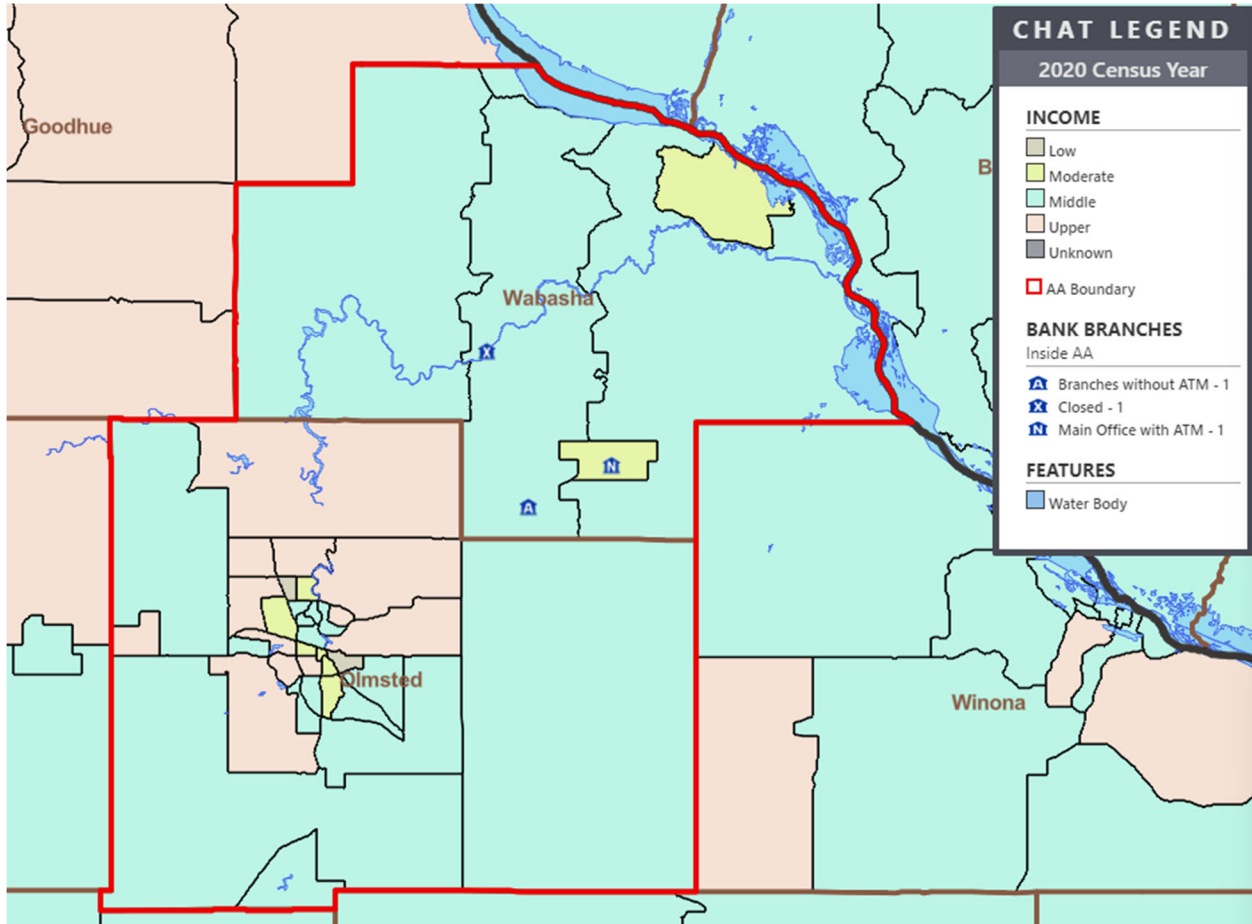
The borrower distribution of consumer lending is excellent. Overall, 64.8% of the bank’s consumer loans were made to LMI borrowers, as shown in Table 24. The bank’s lending to low-income borrowers is 27.0%. This is above demographics, which indicate that 23.5% of households in the AA are low income. The bank’s lending to moderate-income borrowers (37.8%) is significantly above demographics, which show that 15.5% of households are moderate income.

Table 24					
Distribution of 2023 Consumer Lending By Borrower Income Level					
Assessment Area: Wisconsin					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	\$%	
Low	10	27.0	66	13.8	23.5
Moderate	14	37.8	226	47.4	15.5
Middle	7	18.9	119	24.9	19.0
Upper	6	16.2	66	13.8	41.9
Unknown	0	0.0	0	0.0	1.4
Total	37	100.0	477	100.0	100.0

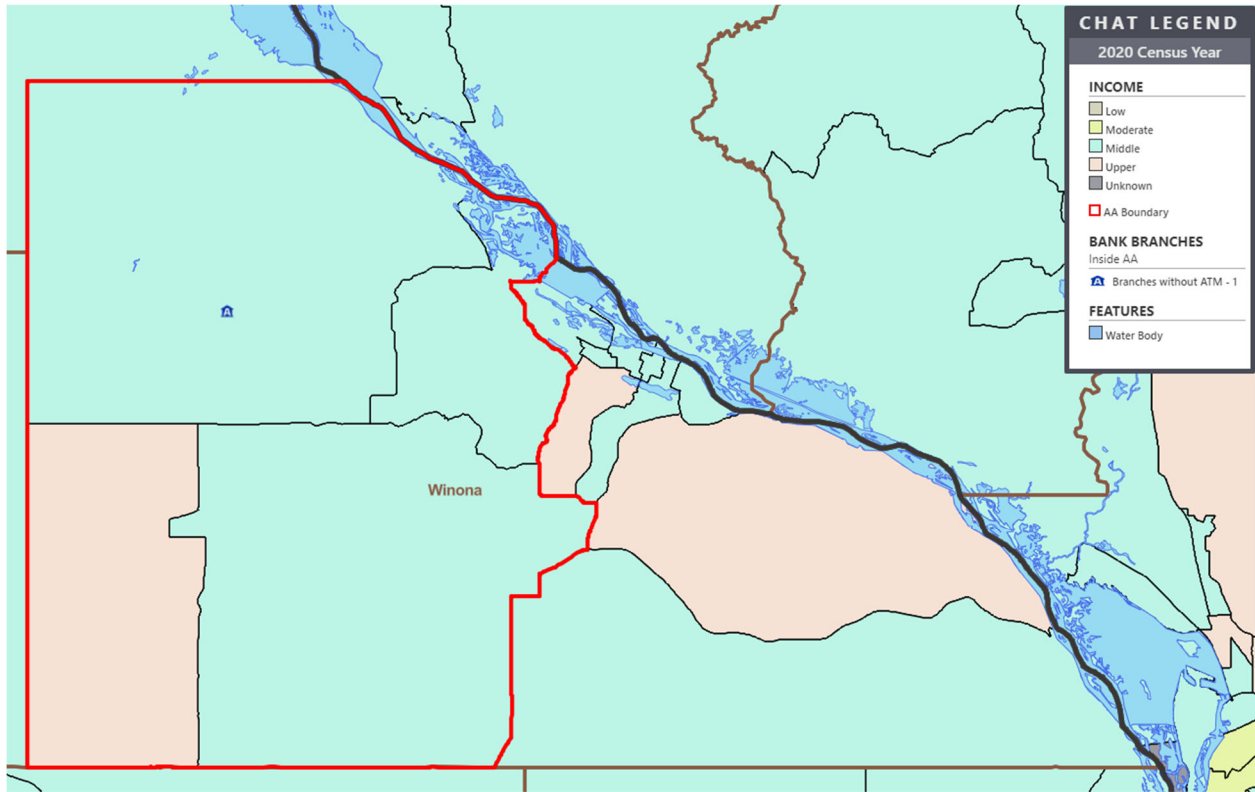
Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

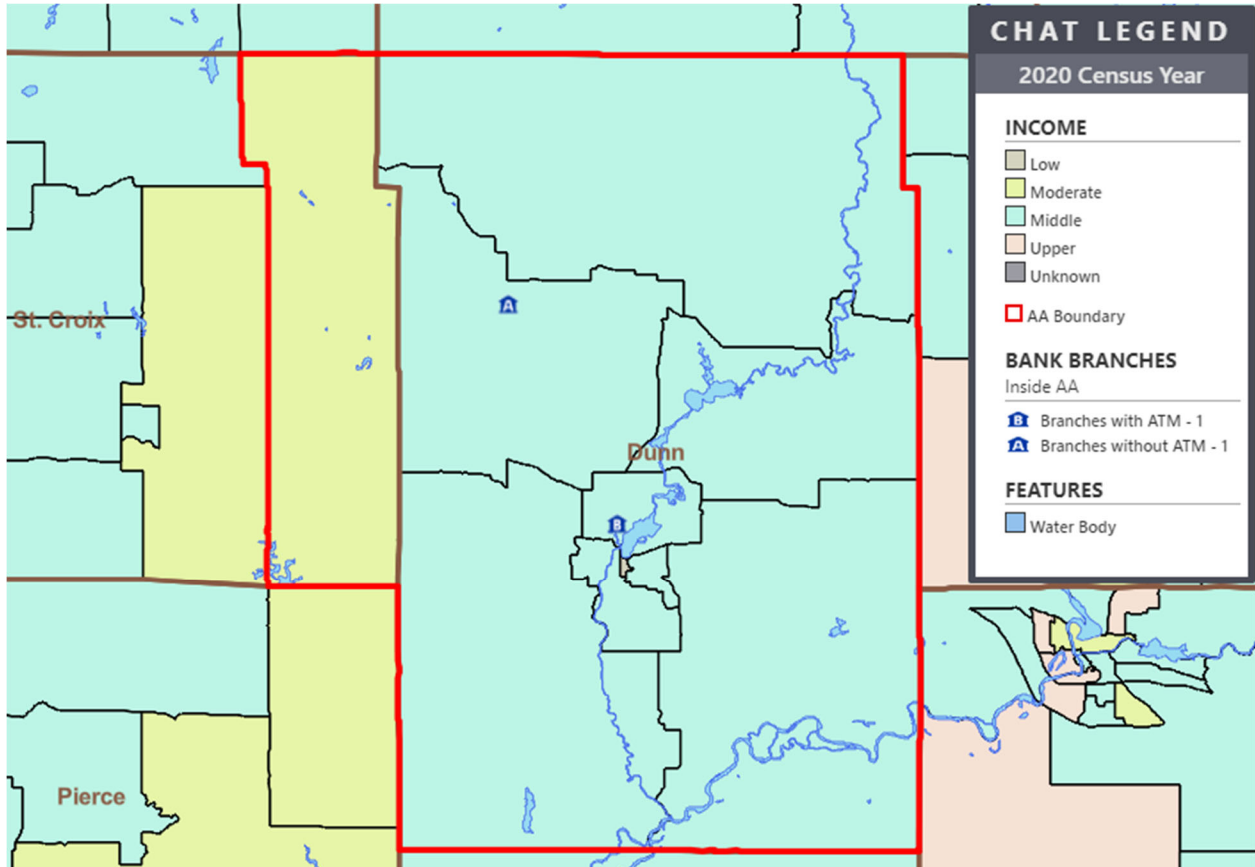
Rochester AA



Winona AA



Wisconsin AA



APPENDIX B – DEMOGRAPHIC INFORMATION

2023 Rochester AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	4.9	1,952	4.2	357	18.3	8,388	17.9
Moderate	8	19.5	6,620	14.1	877	13.2	8,348	17.8
Middle	19	46.3	21,489	45.8	710	3.3	10,765	23.0
Upper	12	29.3	16,822	35.9	270	1.6	19,382	41.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	41	100.0	46,883	100.0	2,214	4.7	46,883	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	4,077	1,770	3.3	43.4	1,866	45.8	441	10.8
Moderate	14,297	6,784	12.8	47.5	6,347	44.4	1,166	8.2
Middle	34,210	25,277	47.6	73.9	6,942	20.3	1,991	5.8
Upper	24,331	19,274	36.3	79.2	4,382	18.0	675	2.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	76,915	53,105	100.0	69.0	19,537	25.4	4,273	5.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	238	3.1	217	3.1	21	3.8	0	0.0
Moderate	1,685	22.3	1,480	21.3	185	33.9	20	24.4
Middle	3,360	44.4	3,120	44.9	201	36.8	39	47.6
Upper	2,290	30.2	2,128	30.6	139	25.5	23	28.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	7,573	100.0	6,945	100.0	546	100.0	82	100.0
Percentage of Total Businesses:					91.7		7.2	1.1

2023 Rochester AA Demographics								
	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	18	3.8	17	3.6	1	14.3	0	0.0
Middle	374	78.7	369	78.8	5	71.4	0	0.0
Upper	83	17.5	82	17.5	1	14.3	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	475	100.0	468	100.0	7	100.0	0	0.0
Percentage of Total Farms:				98.5		1.5		0.0

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.

2023 Wisconsin AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	10.0	76	0.7	45	59.2	2,100	18.4
Moderate	1	10.0	1,162	10.2	61	5.2	1,978	17.3
Middle	8	80.0	10,172	89.1	508	5.0	2,705	23.7
Upper	0	0.0	0	0.0	0	0.0	4,627	40.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	10	100.0	11,410	100.0	614	5.4	11,410	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	423	10	0.1	2.4	403	95.3	10	2.4
Moderate	1,954	1,451	11.2	74.3	307	15.7	196	10.0
Middle	18,148	11,495	88.7	63.3	5,216	28.7	1,437	7.9
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	20,525	12,956	100.0	63.1	5,926	28.9	1,643	8.0
Businesses by Tract & Revenue Size								

2023 Wisconsin AA Demographics								
	Total Businesses by Tract		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	91	5.7	84	5.8	6	5.1	1	3.1
Moderate	167	10.4	154	10.6	10	8.5	3	9.4
Middle	1,350	84.0	1,220	83.7	102	86.4	28	87.5
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,608	100.0	1,458	100.0	118	100.0	32	100.0
Percentage of Total Businesses:				90.7		7.3		2.0
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1	0.3	1	0.3	0	0.0	0	0.0
Moderate	45	15.0	44	15.2	1	10.0	0	0.0
Middle	255	84.7	245	84.5	9	90.0	1	100.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	301	100.0	290	100.0	10	100.0	1	100.0
Percentage of Total Farms:				96.3		3.3		0.3
<p>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding.</p>								

APPENDIX C – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision 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. Census tracts 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.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

Consumer loan(s): 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: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

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 nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

Full-scope review: Performance is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of

applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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.

Limited-scope review: Performance is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: 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 geography.

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 metropolitan area/assessment area.

Metropolitan area (MA): 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 population of at least 2.5 million may be divided into MDs.

Middle-income: 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 geography.

Moderate-income: 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 geography.

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

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Reports of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.