



## **PUBLIC DISCLOSURE**

October 3, 2022

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Security National Bank of South Dakota  
Charter Number 23226

325 Dakota Dunes Boulevard  
Dakota Dunes, SD 57049

Office of the Comptroller of the Currency  
Sioux Falls Office  
4900 S Minnesota Avenue, Suite 300  
Sioux Falls, SD 57108

**NOTE:** This document is an evaluation of this institution'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 institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

**Table of Contents**

Overall CRA Rating..... 1  
Description of Institution..... 2  
Scope of the Evaluation..... 3  
Discriminatory or Other Illegal Credit Practices Review..... 4  
State Rating..... 5  
    State of South Dakota..... 5  
Lending Test ..... 7  
Appendix A: Scope of Examination..... A-1  
Appendix B: Summary of MMSA and State Ratings..... B-1  
Appendix C: Definitions and Common Abbreviations..... C-1  
Appendix D: Tables of Performance Data..... D-1

## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated Satisfactory.

**The Lending Test is rated: Satisfactory.**

The major factors that support this rating include:

- The Lending Test rating is based on performance in the State of South Dakota. The bank's assessment areas (AAs) include the Sioux City Metropolitan Statistical Area (MSA), which is located in the Sioux City IA-NE-SD Multi-State MSA (MMSA). However, because the bank's operations are limited to a portion of Union County in South Dakota, their performance in this AA was incorporated into the State of South Dakota rating.
- The distribution of loans across geographies of different income levels reflects reasonable distribution of AA demographics.
- The distribution of loans to borrowers of different income levels and businesses of different sizes reflects reasonable distribution of AA demographics.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's loan-to-deposit (LTD) ratio is reasonable.

Security National Bank of South Dakota's (SNB SD) average LTD ratio for the 12 quarters from January 1, 2019 to December 31, 2021, was 64 percent. The ratio ranged from a quarterly high of 77 percent to a quarterly low of 54 percent.

SNB SD's average LTD ratio is reasonable when compared to the average LTD ratio of three similarly-situated banks operating in the same AAs. The average LTD ratio for those three institutions over the same time period was 81 percent, and it ranged from a quarterly high of 88 percent to a quarterly low of 74 percent.

In addition to balance sheet loans, SNB SD also originated mortgage and commercial loans totaling \$78.5 million that were subsequently sold to the secondary market or an affiliate bank. On average, management originated and sold \$6.3 million loans per quarter, which represented 3 percent of average quarterly deposits.

### Lending in AA

A majority of the bank's loans are inside its AAs.

SNB SD originated and purchased 72 percent of its total loans by number and 89 percent of its total loans by dollar to borrowers located inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

<b>Lending Inside and Outside of the AA</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	17	85	3	15	20	5,168	86	875	14	6,043
Small Business	14	70	6	30	20	9,895	98	205	2	10,100
Consumer	12	60	8	40	20	285	26	821	74	1,106
Total	43	72	17	28	60	15,348	89	1,901	11	17,249

## **Description of Institution**

SNB SD is an intrastate bank headquartered in Dakota Dunes, South Dakota. As of December 31, 2021, SNB SD had total assets of \$248 million and tier-one capital of \$27 million. The bank is wholly owned by Security National Corporation (SNC), a \$2 billion, three-bank holding company also headquartered in Dakota Dunes, SD. SNB SD primarily serves the communities of Sioux Falls and Dakota Dunes. Management operates three full-service branches with one in Dakota Dunes and two in Sioux Falls. Additionally, they manage three cash-dispensing automated teller machines (ATMs) each located at a bank branch. Management's business strategy is focused on serving their local communities by offering a wide array of products and services. As of December 31, 2021, net loans totaled \$114 million and represented 46 percent of total assets. By outstanding dollar volume, the loan portfolio is comprised of the following types of credit: 84 percent real estate loans, 7 percent commercial loans, 7 percent individual loans, and 3 percent other loans.

For the purposes of CRA, SNB SD operates with one rating area and two AAs. Their rating area is the State of South Dakota and the AAs are the Sioux Falls MSA and the Sioux City MSA. The Sioux City MSA is located in the Sioux City IA-NE-SD MMSA. However, because the bank's operations are limited to a portion of Union County in South Dakota, SNB SD's performance in this AA was incorporated into the State of South Dakota rating. Both AAs are reasonable given the location of the bank's branches and ATMs. Each AA complies with regulatory requirements and does not arbitrarily exclude any low- or moderate-income (LMI) census tracts (CTs). The Sioux Falls MSA AA includes 47 CTs and the Sioux City MSA AA includes one CT.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs during the evaluation period. SNB SD received a Satisfactory rating at its prior CRA examination dated December 9, 2019.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

We evaluated SNB SD using small bank examination procedures, which are limited to the Lending Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The evaluation period for the Lending Test is January 1, 2019 to December 31, 2021.

To determine the bank's primary loan products, we analyzed both the number and dollar volume of loans originated and purchased during the evaluation period by loan product type. We determined that commercial and mortgage loans were primary products in the Sioux Falls MSA AA and consumer loans were the primary product in the Sioux City MSA AA. Refer to Appendix A, Scope of Examination, for a list of primary products identified in each AA.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same MSA, MMSA, or combined statistical area (CSA) are combined and evaluated as a single AA.

Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### **Ratings**

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

Because SNB SD operates in a single state, all weight was applied to the State of South Dakota rating.

Refer to the "Scope" section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

# State Rating

## State of South Dakota

**CRA rating for the State of South Dakota: Satisfactory.**

**The Lending Test is rated: Satisfactory.**

The major factors that support this rating include:

- SNB SD's LTD ratio is reasonable given the institution's size, financial condition, and the credit needs of its AAs.
- Management purchased and originated a majority of loans (72 percent by number and 89 percent by dollar volume) inside its AAs.
- The geographic distribution of loans across CTs of different income levels reflects reasonable distribution among AA demographics.
- The borrower distribution of loans to borrowers of different income levels and businesses of different sizes reflects reasonable distribution within the AA.

## Description of Institution's Operations in South Dakota

SNB SD manages three branches and three ATMs in South Dakota. Their operations are divided into two AAs, the Sioux Falls MSA and the Sioux City MSA.

### *Sioux Falls MSA AA*

The Sioux Falls MSA AA includes the southern half of Minnehaha County and the northern half of Lincoln County, including the communities of Brandon, Harrisburg, Hartford, Lennox, Sioux Falls, and Tea. SNB SD operates two full-service branches in Sioux Falls, with one located on 26<sup>th</sup> Street just west of Interstate 29 and the other located on Louise Avenue just south of the Interstate 229 bypass. The bank also operates two ATMs, one located at each branch. Of the 47 CTs located within the Sioux Falls MSA AA, 17 are moderate-income, 18 are middle-income, and 12 are upper-income. There are no low-income CTs in the AA.

As of June 30, 2021, SNB SD had \$113 million in deposits inside the Sioux Falls MSA AA, which represents 55 percent of total deposits. This represented 0.02 percent of the total deposit market share for the AA. Competition in Sioux Falls MSA deposit market is high and includes local, regional, national, and multi-national banks. There are 34 institutions with 120 branches in the AA. Two large multi-national banks account for a combined 98 percent of the deposit market share. Based on 2015 ACS data, the Sioux Falls MSA AA has a population of 205,655.

The bank's primary lending products in the Sioux Falls MSA are commercial and mortgage loans. Combined, the two product lines accounted for 73 percent of total AA originations by number and 96 percent by dollar during the evaluation period.

We reviewed two community contacts recently completed in the Sioux Falls MSA. Both serve as vice presidents for local foundations. Both noted a strong economy with low unemployment in the Sioux Falls MSA. They stated that many financial institutions have branches in the AA creating a high level of competition. Both contacts identified availability of affordable housing, transportation, and financial literacy as local community needs. Both contacts feel that financial institutions have positive reputations in the Sioux Falls MSA.

The following table provides information on the demographic composition of the Sioux Falls MSA AA during the evaluation period:

<b>Table A – Demographic Information of the AA</b>						
<b>AA: 2019-2021 Sioux Falls MSA AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (CTs)	47	0.0	36.2	38.3	25.5	0.0
Population by Geography	205,655	0.0	32.8	41.8	25.4	0.0
Housing Units by Geography	84,561	0.0	36.2	39.6	24.2	0.0
Owner-Occupied Units by Geography	52,016	0.0	24.3	45.6	30.1	0.0
Occupied Rental Units by Geography	27,727	0.0	56.4	29.8	13.8	0.0
Vacant Units by Geography	4,818	0.0	48.6	31.6	19.8	0.0
Businesses by Geography	25,863	0.0	40.2	29.2	30.6	0.0
Farms by Geography	860	0.0	16.7	39.8	43.5	0.0
Family Distribution by Income Level	51,590	19.4	17.8	24.0	38.8	0.0
Household Distribution by Income Level	79,743	22.4	18.3	18.5	40.9	0.0
Median Family Income MSA – 43620 Sioux Falls, SD MSA		\$72,948	Median Housing Value			\$162,149
			Median Gross Rent			\$730
			Families Below Poverty Level			7.5%
<i>Source: 2015 ACS and 2021 D&amp;B data. Due to rounding, totals may not equal 100.0%. (* The NA category consists of geographies that have not been assigned an income classification.</i>						

### *Sioux City MSA AA*

The Sioux City MSA AA includes a portion of Union County in South Dakota. This part of Union County includes the communities of Dakota Dunes and Jefferson. SNB SD operates one full-service branch in Dakota Dunes and one ATM located at the branch. The Sioux City MSA AA includes one upper-income CT. There are no low-, moderate-, or middle-income CTs in the AA.

As of June 30, 2021, SNB SD had \$93 million in deposits inside the Sioux City MSA AA, which represents 45 percent of total deposits. SNB SD has 12 percent of total deposit market in the Sioux City MSA AA, which places them third out of eight total institutions. The two institutions with larger deposit market share account for 50 percent of AA deposits. There is a moderate amount of competition in the AA with eight institutions operating 11 branches. Based on 2015 ACS data, the Sioux City MSA AA has a population of 7,809.



The bank’s primary product in the Sioux City MSA AA is consumer loans. Consumer loans accounted for 71 percent of total AA originations by number and 70 percent by dollar during the evaluation period.

We reviewed two community contacts recently completed in the Sioux City MSA AA. One of the contacts primarily serves Union County and the other contact primarily serves Sioux City and other parts of northwest Iowa. They noted a strong local economy with low unemployment. One of the contacts noted low housing inventory and availability of childcare services as primary needs in the local community. Each of the contacts noted strong competition between local financial institutions and did not identify any unmet credit needs in the AA. Both contacts felt financial institutions have positive reputations in the Sioux City MMSA.

The following table provides information on the demographic composition of the Sioux City MSA AA during the evaluation period:

<b>Table A – Demographic Information of the AA</b>						
<b>AA: 2019-2021 Sioux City MSA AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (CTs)	1	0.0	0.0	0.0	100.0	0.0
Population by Geography	7,809	0.0	0.0	0.0	100.0	0.0
Housing Units by Geography	3,517	0.0	0.0	0.0	100.0	0.0
Owner-Occupied Units by Geography	2,273	0.0	0.0	0.0	100.0	0.0
Occupied Rental Units by Geography	946	0.0	0.0	0.0	100.0	0.0
Vacant Units by Geography	298	0.0	0.0	0.0	100.0	0.0
Businesses by Geography	1,469	0.0	0.0	0.0	100.0	0.0
Farms by Geography	66	0.0	0.0	0.0	100.0	0.0
Family Distribution by Income Level	1,962	6.1	9.7	20.4	63.8	0.0
Household Distribution by Income Level	3,219	13.6	12.1	14.6	59.7	0.0
Median Family Income MSA - 43580 Sioux City, IA-NE-SD MSA		\$59,402	Median Housing Value			\$215,000
			Median Gross Rent			\$825
			Families Below Poverty Level			2.7%

*Source: 2015 ACS and 2021 D&B data.  
Due to rounding, totals may not equal 100.0%.  
(\* The NA category consists of geographies that have not been assigned an income classification.*

## Scope of Evaluation in South Dakota

We completed full-scope reviews of the Sioux Falls MSA and Sioux City MSA AAs. The Sioux Falls MSA AA carries the most weight in overall ratings, as it represents 67 percent of branches, 55 percent of deposit volume as of June 30, 2021, and 93 percent of loan volume by dollar originated during the evaluation period. Refer to the table in Appendix A for a list of all AAs under review.

## **LENDING TEST**

The bank's performance under the Lending Test in South Dakota is rated Satisfactory.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank's performance in the State of South Dakota is reasonable.

### **Distribution of Loans by Income Level of the Geography**

The bank exhibits reasonable geographic distribution of loans in the Sioux Falls MSA AA. We did not analyze the geographic distribution of loans in the Sioux City MSA AA because the AA has only one CT, which is an upper-income tract. Analysis of this distribution would not provide meaningful results.

#### ***Home Mortgage Loans***

Refer to Table O in the State of South Dakota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

##### ***Sioux Falls MSA***

The geographic distribution of home mortgages in the Sioux Falls MSA AA is reasonable. There are no low-income CTs and 17 moderate-income CTs in the Sioux Falls MSA AA. SNB SD originated 15 percent of AA mortgage loans to homes located in moderate-income CTs. Aggregate data shows that 17 percent of AA mortgage loans were made to homes in moderate-income tracts. 2015 ACS demographic data indicates 24 percent of AA owner-occupied housing is located in moderate-income tracts.

#### ***Small Loans to Businesses***

Refer to Table Q in the State of South Dakota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

##### ***Sioux Falls MSA***

The geographic distribution of small loans to businesses in the Sioux Falls MSA AA is excellent. There are no low-income and 17 moderate-income CTs in the AA. SNB SD originated 45 percent of loans to small businesses in a moderate-income census tract, which exceeds both census and aggregate CRA data. The 2021 D&B data indicates 40 percent of AA businesses are located in moderate-income tracts, and aggregate CRA data indicates 36 percent of small loans to businesses in the AA were originated to businesses located in a moderate-income CT.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

### ***Home Mortgage Loans***

Refer to Table P in the State of South Dakota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

#### *Sioux Falls MSA*

The distribution of mortgage loans to families to different income levels in the Sioux Falls MSA AA is reasonable. SNB SD originated 10 percent of mortgage loans to low-income families and 20 percent of mortgage loans to moderate-income families. Aggregate HMDA data indicates that 7 percent of AA mortgages are originated to low-income families and 20 percent of AA mortgages are originated to moderate-income families. 2015 ACS data shows that 19 percent of AA families are low-income and 18 percent of AA families are moderate-income.

### ***Small Loans to Businesses***

Refer to Table R in the State of South Dakota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

#### *Sioux Falls MSA*

The distribution of loans to businesses of different sizes in the Sioux Falls MSA AA is reasonable. Small businesses are defined as those with gross annual revenues of \$1 million or less. SNB SD originated 55 percent of commercial loans to small businesses. Based on 2020 aggregate data, 41 percent of AA commercial loans are originated to small businesses. 2021 D&B data indicates that 87 percent of AA businesses have gross annual revenues of \$1 million or less.

### ***Consumer Loans***

Refer to Table V in the State of South Dakota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

#### *Sioux City MSA*

The distribution of consumer loans to households of different income levels in the Sioux City MSA AA is reasonable. SNB SD originated 10 percent of consumer loans to low-income households and 10 percent of consumer loans to moderate-income households. 2015 ACS data indicates that 14 percent of AA households are low-income and 12 percent are moderate-income.

### **Responses to Complaints**

Management did not receive any complaints related to SNB SD's CRA performance in either the Sioux Falls MSA AA or Sioux City MSA AA.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	01/01/19 to 12/31/21	
<b>Bank Products Reviewed:</b>	Home Mortgage, Small Business, and Consumer Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not Applicable		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		
None	Not Applicable	Not Applicable
<b>State of South Dakota</b>		
Sioux Falls MSA AA	Full-Scope	Includes portions of Minnehaha and Lincoln Counties  Includes both Sioux Falls branches  Primary products are commercial and mortgage loans
Sioux City MSA AA	Full-Scope	Includes portion of Union County  Includes the Dakota Dunes branch  Primary product is consumer loans

# Appendix B: Summary of MMSA and State Ratings

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<b>RATINGS: Security National Bank of South Dakota</b>	
<b>Overall Bank:</b>	<b>Lending Test Rating:</b>
SNB South Dakota	Satisfactory
<b>State:</b>	
South Dakota	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**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. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/AA.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. CTs nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. CTs ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

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

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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, 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 non-relatives living with

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

**Full-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A CT 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 conduct 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 applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**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 under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A CT with a median family income that is less than 50 percent.

**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 state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The MSA comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**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.

**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.

**Rating Area:** A rated area is a state or MMSA. 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 MMSA, the institution will receive a rating for the MMSA.

**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.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report 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.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** 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 geography.



## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

Assessment Area:	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
2019-2021 Sioux Falls MSA AA	60	16,045	100	0.0	0.0	0.0	24.3	15.0	17.1	45.6	42.0	45.9	30.1	43.0	37.0	0.0	0.0	0.0
<b>Total</b>	<b>60</b>	<b>16,045</b>	<b>100</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>24.3</b>	<b>15.0</b>	<b>17.1</b>	<b>45.6</b>	<b>42.0</b>	<b>45.9</b>	<b>30.1</b>	<b>43.0</b>	<b>37.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.

Assessment Area:	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate
2019-2021 Sioux Falls MSA AA	20	6,324	100.0	19.4	10.0	6.9	17.8	20.0	20.2	24.0	10.0	20.6	38.8	60.0	33.5	0.0	0.0	18.8
<b>Total</b>	<b>20</b>	<b>6,234</b>	<b>100.0</b>	<b>19.4</b>	<b>10.0</b>	<b>6.9</b>	<b>17.8</b>	<b>20.0</b>	<b>20.2</b>	<b>24.0</b>	<b>10.0</b>	<b>20.6</b>	<b>38.8</b>	<b>60.0</b>	<b>33.5</b>	<b>0.0</b>	<b>0.0</b>	<b>18.8</b>

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2019-2021**

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
2019-2021 Sioux Falls MSA AA	20	10,809	100.0	0.0	0.0	0.0	40.2	45.0	36.2	29.2	25.0	30.4	30.6	30.0	33.4	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>10,809</b>	<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>40.2</b>	<b>45.0</b>	<b>35.2</b>	<b>27.6</b>	<b>25.0</b>	<b>29.5</b>	<b>34.3</b>	<b>30.0</b>	<b>35.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.*

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues 2019-2021**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2019-2021 Sioux Falls MSA AA	20	10,812	100.0	6,738	87.1	55.0	41.4	4.2	45.0	8.7	0.0
<b>Total</b>	<b>20</b>	<b>10,812</b>	<b>100.0</b>	<b>6,738</b>	<b>87.1</b>	<b>55.0</b>	<b>41.4</b>	<b>4.2</b>	<b>45.0</b>	<b>8.7</b>	<b>0.0</b>

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.*

Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower										2019-2021			
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
2019-2021 Sioux City MSA AA	60	1,890	100.0	13.6	10.0	12.1	10.0	14.6	25.0	59.7	55.0	0.0	0.0
<b>Total</b>	<b>60</b>	<b>1,890</b>	<b>100.0</b>	<b>13.6</b>	<b>10.0</b>	<b>12.1</b>	<b>10.0</b>	<b>14.6</b>	<b>25.0</b>	<b>59.7</b>	<b>55.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data.  
Due to rounding, totals may not equal 100.0%.*