



## **PUBLIC DISCLOSURE**

April 10, 2023

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

Frontier Bank  
Charter: 712117

101 South Phillips Avenue, Suite 103  
Sioux Falls, SD 57104

Office of the Comptroller of the Currency

4900 South 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..... 2  
Discriminatory or Other Illegal Credit Practices Review..... 4  
Lending Test ..... 5  
State Rating..... 5  
    State of South Dakota..... 5  
    State of Iowa..... 8  
Appendix A: Scope of Examination..... A-1  
Appendix B: Summary of 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 a combination of the performance in the state of South Dakota and state of Iowa. State weightings were determined through an analysis of deposit share, loan origination volume, and lending opportunities to low- and moderate-income (LMI) census tracts (CT) in the assessment areas (AAs).
- The state of South Dakota Lending Test is rated Satisfactory. The distribution of loans to borrowers in geographies of different income levels reflects reasonable distribution. The distribution of loans to borrowers of different income levels reflects reasonable distribution of AA demographics
- The state of Iowa rating is rated Satisfactory. The distribution of loans to borrowers of different income levels reflects reasonable distribution of AA demographics

### Loan-to-Deposit Ratio

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

The average LTD ratio for the 12 quarters between January 1, 2019, and December 31, 2021, was 72 percent. The ratio ranged from an average quarterly low of 62 percent to an average quarterly high of 87 percent.

Frontier's average quarterly LTD ratio reasonably compares to the average LTD ratio of seven similarly situated banks. Similarly situated banks were determined based on asset size, loan portfolio composition, and operations in the bank's AAs. The similarly situated banks had total assets between \$77 to \$555 million and an average LTD ratio of 68 percent. The comparable banks' LTD ratio ranged from an average quarterly low of 27 percent to an average quarterly high of 99 percent.

### Lending in Assessment Area

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

The bank originated and purchased 63 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	11	55	9	45	20	3,042	59	2,134	41	5,176
Small Business	16	80	4	20	20	3,137	79	837	21	3,974
Small Farm	9	45	11	55	20	2,981	78	848	22	3,829
Consumer	14	70	6	30	20	168	46	199	54	367
Total	50	63	30	37	80	9,328	70	4,018	30	13,346

## Description of Institution

Frontier is a \$301 million stock savings thrift headquartered in Sioux Falls, South Dakota. Frontier is a wholly-owned subsidiary of Rock Rivers Bancorp, a one-bank holding company headquartered in Rock Rapids, Iowa. As of December 31, 2021, Rock Rivers Bancorp had total assets of \$29.1 million. Rock Rivers Bancorp owns two other subsidiaries, State Bank Insurance & Realty, Inc., and Rock Rivers Statutory Trust II. Management did not request the consideration of affiliate activities during this evaluation.

Frontier is a multi-state institution with five branches in southeastern South Dakota and northwest Iowa. The northwestern Iowa branches are in Rock Rapids, George, and Little Rock. Both southeastern South Dakota branches are in Sioux Falls. Each branch is equipped with integrated teller machines that serve as a virtual teller and an automated teller machine (ATM). Virtual teller hours coincide with branch lobby hours and have additional hours on weekdays and Saturdays. Frontier did not open or close any branches during the evaluation period, nor did they participate in any merger or acquisition activities.

Frontier offers traditional deposit and lending services including a full range of commercial, agricultural, consumer, and residential real estate lending products. Total loans represent 55 percent of total assets as of December 31, 2021. By dollar volume, the loan portfolio is comprised of the following types of credit: 19 percent agricultural loans, 56 percent commercial loans, 22 percent home mortgage loans, and 1 percent individual loans. Frontier Bank also offers wealth management services. The wealth management department has 775 fiduciary accounts and \$111 million in fiduciary assets as of December 31, 2021. The bank's tier one capital totals \$23.8 million as of December 31, 2021.

For the purposes of CRA, Frontier operates with two rating areas and two AAs. The rating areas are the state of South Dakota and the state of Iowa. The state of South Dakota rating includes the Sioux Falls metropolitan statistical area (MSA) AA, consisting of all of Minnehaha and Lincoln counties. The state of Iowa rating area contains the Iowa Non-MSA, consisting of all of Lyon County. The AAs are legal and consist of complete political subdivisions.

There are no known legal, financial, or other factors impeding Frontier's ability to help meet the credit needs in its AAs during the evaluation period. Frontier received a Satisfactory rating at the prior CRA evaluation, dated April 1, 2019.

## **Scope of the Evaluation**

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

The evaluation period for the Lending Test was 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 completed this analysis for each AA based on the branch where the loans were originated. We determined commercial and home mortgage loans are the primary product in the Sioux Falls MSA AA and agriculture and consumer loans are the primary product in Iowa Non-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 AAs located within the same MSA 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.

The rating for the state of South Dakota was given slightly less consideration than the state of Iowa based on the share of the bank's total deposits gathered in each rating area.

The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each state 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 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:

- The distribution of loans to borrowers in geographies of different income levels reflects reasonable distribution of AA demographics.
- The distribution of loans to borrowers of different income levels reflects reasonable distribution of AA demographics.
- The bank did not receive any complaints regarding their CRA performance during the evaluation period.

### Description of Institution's Operations in South Dakota

Frontier's operations in the state of South Dakota are centered in its AA, the Sioux Falls MSA AA. The Sioux Falls MSA AA includes Minnehaha and Lincoln counties. The bank operates two branches in the Sioux Falls MSA AA, both of which are located in Sioux Falls. Both branches offer a full range of services and have integrated teller machines on the premises. Frontier's primary lending products in the AA are commercial and home loans.

The Sioux Falls MSA AA includes 17 moderate-income, 24 middle-income, and 12 upper-income CTs. Frontier's Downtown branch is located in a moderate-income CT and the 57<sup>th</sup> Street branch is located in an upper-income CT.

2015 American Community Survey (ACS) and 2021 Dun & Bradstreet (D&B) data indicates 228,816 people, or 88,177 households, live in the AA. The AA includes 57,695 families and 37 percent of families are LMI. The AA includes 28,117 businesses, 37 percent of which are located in a moderate-income CT.

Competition in the AA includes national, regional, and local community banks. As of June 30, 2021, there were 34 institutions and 120 offices in the AA. Frontier had \$84.4 million in deposits inside the AA, which represents 37 percent of the bank's total deposits. Frontier ranked 22<sup>nd</sup> in deposit market share with 0.01 percent. For context, two megabanks ranking first and second in deposit market share represent 97.65 percent while the remaining 32 institutions in the AA all represent less than one percent individually.

We reviewed one community contact conducted in the Sioux Falls MSA AA during the evaluation period. The community contact highlighted a community-wide shortage of affordable housing, resulting in a highly competitive housing market. The general perception of the economic conditions surrounding small businesses was optimistic.

## Sioux Falls MSA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Sioux Falls MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	53	0.0	32.1	45.3	22.6	0.0
Population by Geography	228,816	0.0	29.5	47.7	22.9	0.0
Housing Units by Geography	93,533	0.0	32.7	45.4	21.9	0.0
Owner-Occupied Units by Geography	58,782	0.0	21.5	51.8	26.7	0.0
Occupied Rental Units by Geography	29,395	0.0	53.2	33.8	13.0	0.0
Vacant Units by Geography	5,356	0.0	43.7	38.5	17.8	0.0
Businesses by Geography	28,117	0.0	37.0	34.9	28.2	0.0
Farms by Geography	1,288	0.0	11.2	59.8	29.0	0.0
Family Distribution by Income Level	57,695	18.8	17.9	24.4	38.9	0.0
Household Distribution by Income Level	88,177	21.9	18.1	18.8	41.2	0.0
Median Family Income MSA – Sioux Falls, SD MSA		\$72,948	Median Housing Value			\$160,629
			Median Gross Rent			\$725
			Families Below Poverty Level			7.2%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

## Scope of Evaluation in South Dakota

We completed a full-scope review of the Sioux Falls MSA AA. Primary products for the Sioux Falls MSA AA were home mortgage loans and commercial loans. Commercial loans are given more consideration than the home mortgage loans, as the commercial lending function represented 46 percent of loans by number and 66 percent of loans by dollar volume originated in the AA in the evaluation period. Home mortgage loans represented 28 percent of loans by number and 28 percent of loans by dollar volume originated in the AA in the evaluation period.

## LENDING TEST

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

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Sioux Falls MSA AA is satisfactory.

## Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State.



***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.

The bank exhibits poor distribution of home mortgage loans to borrowers in different income tracts. Of the home mortgage loans originated and purchased by Frontier during the evaluation period, 10 percent were in moderate-income CTs. There are no low-income CTs in the AA. 2015 ACS Data indicates 22 percent of owner-occupied housing units in the AA are located in a moderate-income CT. Aggregate data indicates 16 percent of home mortgage loans originated in the AA during the evaluation period were in moderate-income CTs.

***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.

The bank exhibits excellent distribution to businesses in different income tracts. Of the commercial loans originated and purchased by Frontier during the evaluation period, 60 percent were located in a moderate-income CT. There are no low-income CTs in the AA. 2021 D&B data indicates 37 percent of businesses in the AA are located in a moderate-income CT. Aggregate data indicates 32 percent of loans originated in the AA during the evaluation period were 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 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.

The bank exhibits a poor distribution of home mortgage loans to borrowers of different income levels. Of the home mortgage loans originated and purchased by Frontier during the evaluation period, two percent were to low-income borrowers and 15 percent were to moderate-income borrowers. 2015 ACS data indicates 19 percent of families in the AA qualify as low-income and 18 percent of families in the AA qualify as moderate-income borrowers. Aggregate data indicates that seven percent of home mortgage loans originated in the AA during the evaluation period were to low-income borrowers and 20.3 percent were to moderate-income borrowers.

***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.

The bank exhibits excellent distribution of loans to businesses of different sizes. Of the commercial loans originated and purchased by Frontier during the evaluation period, 80 percent were to businesses reporting gross annual revenues (GAR) less than \$1 million. 2021 D&B data indicates 87 percent of businesses in the AA report GAR under \$1 million. Aggregate data indicates 52 percent of commercial loans originated in the AA were to businesses reporting GAR under \$1 million.

### **Responses to Complaints**

Frontier did not receive any complaints related to CRA performance in the state of South Dakota during the evaluation period.

## State Rating

### State of Iowa

**CRA rating for the State of Iowa:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- The distribution of loans to borrowers of different income levels reflects reasonable distribution of AA demographics.
- The bank did not receive any complaints regarding their CRA performance or fair lending program during the evaluation period.

### Description of Institution's Operations in Iowa

Frontier's operations in the state of Iowa are centered in its AA, the Iowa Non-MSA AA. The Iowa Non-MSA AA includes Lyon County which comprises three middle-income CTs. The bank operates three branches in the Iowa Non-MSA AA, specifically in Rock Rapids, George, and Little Rock. All branches offer a full range of services and have integrated teller machines on the premises. Frontier's primary lending products in the AA are agriculture and consumer loans.

2015 ACS and 2021 D&B data indicates 11,723 people, or 4,496 households, live in the AA. The AA includes 3,237 families and 29 percent of families are LMI. The AA includes 441 farms, all of which are located in middle-income CTs as there are no low-, moderate-, or upper-income CTs in the AA.

Competition in the AA includes national, regional, and local community banks. As of June 30, 2021, there were six institutions and 11 offices in the AA. Frontier had \$146.8 million in deposits inside the AA, which represents 63 percent of the bank's total deposits. Frontier ranked second in deposit market share with 25 percent. For comparison, the institution ranking first represented 29 percent of deposit market share in the AA.

We conducted one community contact in the AA as part of this evaluation. Our contact conveyed an overall positive impression on local banks operating in the area, specifically noting banks are meeting the needs of the community for agricultural and home loans.

## Iowa Non-MSA

Table B – Demographic Information of the Assessment Area						
Assessment Area: Iowa Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	0.0	100.0	0.0	0.0
Population by Geography	11,723	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	4,924	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	3,722	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	774	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	428	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	1,252	0.0	0.0	100.0	0.0	0.0
Farms by Geography	441	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	3,237	12.1	17.3	29.2	41.4	0.0
Household Distribution by Income Level	4,496	17.5	14.4	19.9	48.2	0.0
Median Family Income Non-MSAs – IA		\$61,681	Median Housing Value			\$117,461
			Median Gross Rent			\$568
			Families Below Poverty Level			5.5%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification..</i>						

## Scope of Evaluation in Iowa

We completed a full-scope review of the Iowa Non-MSA MSA AA. Primary products for the Iowa Non-MSA AA were agricultural loans and consumer loans. Agricultural loans are given more consideration than the consumer loans, as agricultural lending represented 41 percent of loans by number and 57 percent of loans by dollar volume originated in the AA in the evaluation period. Consumer lending represented 28 percent of loans by number and four percent of loans by dollar volume originated in the AA in the evaluation period. As such,

## LENDING TEST

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

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Iowa Non-MSA is satisfactory.

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

An analysis of the bank's geographic distribution of loans in the state of Iowa was not conducted, because Lyon County does not have any low- or moderate-income CTs, w

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

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

### ***Small Loans to Farms***

Refer to Table T in the state of Iowa 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 farms.

The bank exhibits a reasonable distribution of loans to farms of different sizes. Of the agricultural loans originated and purchased by Frontier during the evaluation period, 70 percent were to farms reporting GAR less than \$1 million. 2021 D&B data indicates 97 percent of farms in the AA report GAR under \$1 million. Aggregate data indicates 59 percent of agricultural loans originated in the AA were to farms reporting GAR under \$1 million.

### ***Consumer Loans***

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

The bank exhibits excellent distribution of loans to consumers of different income levels. Of the consumer loans originated and purchased by Frontier during the evaluation period, 40 percent were to low-income borrowers and 40 percent were to moderate-income borrowers. 2015 ACS data indicates 18 percent of households qualify as low-income and 14 percent qualify as moderate-income borrowers.

## **Responses to Complaints**

Frontier did not receive any complaints related to CRA performance in the state of Iowa during the evaluation period.

## Appendix A: Scope of Examination

---

The following table identifies the time period covered in this evaluation 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>	01/01/2019 to 12/31/2021		
<b>Bank Products Reviewed:</b>	Home mortgage, small business, small farm, consumer loans		
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>	
Not applicable	Not applicable	Not applicable	
<b>List of Assessment Areas and Type of Examination</b>			
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Products Reviewed</b>	<b>Other Information</b>
<b>State of South Dakota</b>			
Sioux Falls MSA	Full-scope	Home mortgage and small business loans	Counties of Minnehaha and Lincoln
<b>State of Iowa</b>			
Iowa Non-MSA	Full-scope	Small farm and consumer loans	Lyon County

## Appendix B: Summary of State Ratings

---

RATINGS: Frontier Bank	
Overall Bank:	Lending Test Rating
Frontier Bank	Satisfactory
State:	
State of South Dakota	Satisfactory
State of Iowa	Satisfactory

## Appendix C: Definitions and Common Abbreviations

---

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/assessment area.

**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. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts 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 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 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 low- or moderate-income 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 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 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 census tract 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:** 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 Metropolitan Statistical Area 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 multi-state metropolitan statistical 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 multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical 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.

**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

---

### 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.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

- 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.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2019-2021**

	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
Sioux Falls MSA	60	16,120	100.0	0.0	0.0	0.0	21.5	10.0	15.6	51.8	55.0	50.5	26.7	35.0	33.8	0.0	0.0	0.0
<b>Total</b>	60	16,120	100.0	0.0	0.0	0.0	21.5	10.0	15.6	51.8	55.0	50.5	26.7	35.0	33.8	0.0	0.0	0.0

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data  
 Due to rounding, totals may not equal 100.0%  
 Frontier Bank (10000712117) excluded from Aggregate

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2019-2021**

	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
Sioux Falls MSA	60	16,120	100.0	18.8	2.0	7.0	17.9	15.0	20.3	24.4	15.0	20.8	38.9	68.0	33.3	0.0	0.0	18.6
<b>Total</b>	60	16,120	100.0	18.8	2.0	7.0	17.9	15.0	20.3	24.4	15.0	20.8	38.9	68.0	33.3	0.0	0.0	18.6

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data  
 Due to rounding, totals may not equal 100.0%  
 Frontier Bank (10000712117) excluded from Aggregate

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**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
Sioux Falls MSA	20	8,860	100	0.0	0.0	0.0	37.0	60.0	31.6	34.9	20.0	36.9	28.2	20.0	30.9	0.0	0.0	0.5
<b>Total</b>	20	8,860	100	0.0	0.0	0.0	37.0	60.0	31.6	34.9	20.0	36.9	28.2	20.0	30.9	0.0	0.0	0.5

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data

Due to rounding, totals may not equal 100.0%

Frontier Bank (10000712117) excluded from Aggregate

**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
Sioux Falls MSA	20	8,860	100	7,939	87.1	80.0	52.3	4.1	15.0	8.8	5.0
<b>Total</b>	20	8,860	100	7,939	87.1	80.0	52.3	4.1	15.0	8.8	5.0

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data

Due to rounding, totals may not equal 100.0%

Frontier Bank (10000712117) excluded from Aggregate

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2019-2021	
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans	
Iowa Non-MSA	20	5,682	100.0	197	97.3	70.0	58.9	2.5	30.0	0.2	0.0	
<b>Total</b>	20	5,682	100.0	197	97.3	70.0	58.9	2.5	30.0	0.2	0.0	

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data  
 Due to rounding, totals may not equal 100.0%  
 Frontier Bank (10000712117) excluded from Aggregate

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
Iowa Non-MSA	20	260	100.0	17.5	40.0	14.4	40.0	19.9	10.0	48.2	10.0	0.0	0.0
<b>Total</b>	20	260	100.0	17.5	40.0	14.4	40.0	19.9	10.0	48.2	10.0	0.0	0.0

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.