



## **PUBLIC DISCLOSURE**

September 14, 2020

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

Ramsey National Bank  
Charter Number 5886

300 4<sup>th</sup> Street  
Devils Lake, ND 58301

Office of the Comptroller of the Currency

222 South Ninth Street  
Suite 800  
Minneapolis, MN 55402-3393

**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.

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Outstanding**

**The Lending Test is rated: Outstanding**

The major factors supporting this rating include:

- The distribution of loans across geographies of different income levels is excellent.
- The distribution of loans among farms and businesses of different sizes is excellent.
- A majority of the bank's loans are inside its assessment areas (AAs).
- The bank's loan-to-deposit (LTD) ratio is reasonable.
- The bank did not receive any CRA related complaints during the evaluation period.

### Loan-to-Deposit Ratio

Ramsey National Bank's (Ramsey NB) LTD ratio is reasonable considering the bank's size, financial condition, and credit needs of the AAs. The bank's LTD ratio averaged 87.89 percent over the 15 quarters since the previous CRA evaluation, with a low of 76.4 percent in March 2017 and a high of 99.6 percent in September 2019. The following table shows Ramsey NB's LTD ratio compared to four similarly situated financial institutions. Similarly situated institutions have a similar size and are located in Cass, Pembina, and Pierce Counties.

<b>Institution (Headquarters)</b>	<b>Total Assets (\$000s)</b>	<b>Average LTD Ratio (%) (4Q16 – 2Q20)</b>
Visionbank (Fargo, ND)	226,265	101.81
Dakota Heritage Bank (Hunter, ND)	233,299	89.85
<b>Ramsey National Bank (Devils Lake, ND)</b>	<b>271,020</b>	<b>87.89</b>
United Valley Bank (Cavalier, ND)	401,460	87.57
Merchants Bank (Rugby, ND)	181,515	75.71

*Source: Total assets are based on June 30, 2020, Call Report data*

### Lending in Assessment Area

A majority of Ramsey NB's loans are inside its AAs. The bank originated and purchased 85 percent of its total loans by number and 76.1 percent by dollar inside its AAs during the evaluation period. The following table shows the lending inside and outside of the AAs.

<b>Lending Inside and Outside of the Assessment Areas</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Commercial	35	87.5	5	12.5	40	8,430	68.1	3,951	31.9	12,381
Agriculture	16	80.0	4	20.0	20	6,112	90.8	617	9.2	6,729
Total	51	85.0	9	15.0	60	14,542	76.1	4,568	23.9	19,110

Source: Agriculture and commercial loan samples.

## Description of Institution

Ramsey NB is a single-state, national bank headquartered in Devils Lake, North Dakota (ND). As of June 30, 2020, the bank reported total assets of \$271 million. Ramsey NB is wholly owned by Ramsey Financial Corporation and Affiliates Employee Stock Ownership Plan, also located in Devils Lake, ND. Ramsey NB did not have any merger or acquisition activity during the evaluation period, and does not operate any subsidiaries or affiliates.

Ramsey NB operates six full-service branches and two non-deposit taking ATMs. Branches are located in Cando, Cavalier, Devils Lake, Fargo, Maddock, and Rugby, ND. The non-deposit taking ATMs are located in Devils Lake and Fargo, ND. On August 31, 2018, Ramsey NB closed a branch operating out of a grocery store in Devils Lake. The bank did not open any branches during the evaluation period. See Description of Operations in the Fargo-Moorhead MMSA (Fargo MMSA) and ND Non-MSA for additional branch and ATM information. The bank only operates in the state of ND and the CRA rating area consists of the Fargo MMSA AA and ND Non-MSA AA.

Ramsey NB is a full-service bank offering traditional products and services. The bank's primary lending focus is agriculture and commercial loans. As of December 31, 2019, the loan portfolio totaled \$202.9 million, representing approximately 75 percent of total assets, and Tier 1 capital totaled \$34.9 million at the end of the evaluation period. The loan portfolio was comprised of 40.3 percent commercial loans, 34 percent agriculture loans, 24.5 percent home mortgage loans, and 1.2 percent consumer loans based on total dollar amount outstanding.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated Ramsey NB's CRA performance using small bank performance standards. The evaluation period for the Lending Test is January 1, 2017, to December 31, 2019. We determined the bank's primary loan products by reviewing the number and dollar volume of loan originations and purchases during the evaluation period for each AA. Agriculture and commercial loans are the bank's primary products in the ND Non-MSA AA, while commercial loans are the primary product in the Fargo MMSA AA. Refer to the tables below for more detail on the loan origination and purchase volumes.

Demographic and peer data are used in part to determine the bank's lending performance. All agriculture and commercial loans originated or purchased were compared to the Dunn and Bradstreet business data for the origination year and American Community Service (ACS) 2015 survey data.

<b>Total Loan Originations by Product Type (ND-Non MSA)</b>		
	<b>Percentage by Number of Loans</b>	<b>Percentage by Dollar Volume</b>
Agriculture	38.1	55.1
Commercial	21.9	36.0
Consumer	26.4	2.1
Home Mortgage	13.6	6.8
Total	100.0	100.0

<b>Total Loan Originations by Product Type (Fargo MMSA)</b>		
	<b>Percentage by Number of Loans</b>	<b>Percentage by Dollar Volume</b>
Agriculture	0.8	0.5
Commercial	84.5	74.5
Consumer	2.1	0.6
Home Mortgage	12.6	24.4
Total	100.0	100.0

The evaluation period for the LTD ratio analysis is from the quarters ending December 31, 2016, to June 30, 2020, and the complaint review covered October 4, 2016, to September 8, 2020.

We reviewed the AAs' financial, economic, and environmental factors to determine the bank's lending performance. In addition, we contacted two community members with knowledge of the area's economic conditions and demographics to gather additional insight on lending needs in the AAs.

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

Ramsey NB has two AAs, the ND Non-MSA AA and the Fargo MMSA AA. Both AAs were selected for full-scope reviews. The ND Non-MSA AA is evaluated under the state of North Dakota rating area and the Fargo MMSA AA is evaluated under the Fargo-Moorhead MMSA rating area. Refer to the "Scope" section under each rating area and Appendix A-1, Scope of Examination, for additional information on the examination scope.

### **Ratings**

We evaluated lending performance using five performance criteria: the LTD ratio, lending in the AAs, lending to businesses and farms of different sizes, distribution of loans to geographies of different income levels, and responses to CRA-related complaints. The bank's overall rating is a blend of the state of North Dakota and the Fargo-Moorhead MMSA performance. We placed the most weight on the bank's performance in the ND Non-MSA AA, as 70 percent of Ramsey NB's loan originations were in this AA. The Fargo MMSA AA accounted for the remaining 30 percent of originations during the evaluation period.

Commercial loans received more weight in the overall Lending Test rating as it serves as the largest loan portfolio segment by number and dollar volume. Agricultural loan performance received consideration within the ND Non-MSA AA rating. Home mortgage and consumer loans were not selected for review in either AA. Refer to the "Scope" section under each rating area and Appendix A-1, Scope of Examination, for additional information on the examination scope.

## Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) in determining a national bank's 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 North Dakota

**CRA rating for the State of North Dakota<sup>1</sup>:** Outstanding

**The Lending Test is rated:** Outstanding

The major factors supporting this rating include:

- The distribution of loans throughout geographies of different income levels in ND is excellent.
- The distribution of loans to farms and businesses of different sizes is excellent

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

#### ND Non-MSA

The ND Non-MSA AA consists of Benson, Pembina, Pierce, Ramsey, and Towner counties. Ramsey NB operates one full-service branch in each of the five counties. Branches are in Cando, Cavalier, Devils Lake (headquarters), Maddock, and Rugby. The bank has one non-deposit taking ATM in the AA, which is in a Devils Lake grocery store.

The June 30, 2019, FDIC Deposit Market Share Report indicates the bank had \$181.2 million or 85.7 percent of its deposits in the ND Non-MSA AA. Ramsey NB ranks second of the 18 deposit-taking institutions in the AA with a deposit market share of 14.7 percent. Western State Bank and Bremer

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<sup>1</sup> This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within a MMSA.

Bank are first and third in market share, with 23.7 percent and 12.5 percent of market share, respectively. All other reporting institutions hold a market share of eight percent or less.

We contacted a community member who works for the USDA in Devils Lake, ND, and focuses on rural development. The individual is familiar with the local economy and economic development in the area. The contact stated growth and development has slowed in recent months, but had been modestly growing before the COVID-19 pandemic. The contact stated the unemployment rate has remained low and is under the national average. The contact did not identify specific banking or credit needs in the AA, and stated banks are meeting the community's credit needs.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: ND Non-MSA - 2019</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 (Census Tracts)	15	6.7	20.0	73.3	0.0	0.0
Population by Geography	32,255	7.8	15.8	76.4	0.0	0.0
Housing Units by Geography	16,265	5.3	15.0	79.7	0.0	0.0
Owner-Occupied Units by Geography	9,468	3.0	15.2	81.8	0.0	0.0
Occupied Rental Units by Geography	4,134	10.2	13.1	76.7	0.0	0.0
Vacant Units by Geography	2,663	5.9	17.2	76.9	0.0	0.0
Businesses by Geography	2,830	3.2	12.7	84.2	0.0	0.0
Farms by Geography	665	0.9	12.0	87.1	0.0	0.0
Family Distribution by Income Level	8,398	26.9	17.7	23.6	31.7	0.0
Household Distribution by Income Level	13,602	30.4	17.8	18.0	33.8	0.0
Median Family Income Non-MSAs - ND		\$72,414	Median Housing Value			\$86,596
			Median Gross Rent			\$492
			Families Below Poverty Level			10.9%
<i>Source: 2015 ACS and 2019 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 North Dakota

We completed a full-scope review of the ND Non-MSA AA.

Of the bank's reported loans in the ND Non-MSA AA during the evaluation period, 55 percent are agriculture loans and 36 percent are commercial loans by dollar volume. The remaining nine percent are residential real estate and consumer loans, which are not considered in this evaluation. Within this AA, we placed the greatest weight on small farm loans followed by small business loans.

Refer to Appendix A-1 for additional details on the scope of the evaluation in the ND Non-MSA AA.

## LENDING TEST

The bank's performance under the Lending Test in North Dakota is rated Outstanding.

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

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

The bank exhibits excellent geographic distribution of loans to geographies of different income levels.

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

Refer to Table S in Appendix D-4 for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

Ramsey NB's geographic distribution of small farm loans is excellent. The percentage of small farm loans originated in low-income geographies significantly exceeds the demographic comparator and aggregate lending performance within the geography. The percentage of small farm loans originated in moderate-income geographies is near the demographic comparator and significantly exceeds aggregate lending performance within the geography.

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

Refer to Table Q in Appendix D-2 for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Ramsey NB's geographic distribution of loans to small businesses is excellent. The percentage of loans to small businesses originated in low and moderate-income (LMI) geographies significantly exceeded both the demographic comparator and aggregate lending performance within LMI geographies.

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

The bank exhibits excellent distribution of loans to businesses and farms of different sizes.

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

Refer to Table T in Appendix D-4 for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

Ramsey NB's borrower distribution of small farm loans is excellent. The percentage of small farm loans is below the demographic comparator, but significantly exceeds aggregate lending performance in the geography.

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

Refer to Table R in Appendix D-3 for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Ramsey NB's distribution of small business loans is excellent. The percentage of small business loans originated is slightly below the demographic comparator, but exceeds aggregate lending performance in the geography.



## Responses to Complaints

Ramsey NB did not receive any CRA related complaints within this AA during the evaluation period.

## Multistate Metropolitan Statistical Area Rating

### Fargo-Moorhead MMSA

**CRA rating for the Fargo-Moorhead MMSA<sup>2</sup>:** Outstanding

**The Lending Test is rated:** Outstanding

The major factors supporting this rating include:

- The distribution of loans throughout geographies of different income levels is excellent.
- The distribution of loans to businesses of different sizes is excellent.

### Description of Institution's Operations in Fargo MMSA

Ramsey NB's Fargo AA consists of the entire Fargo-Moorhead MMSA, which includes Cass County in North Dakota and Clay County in Minnesota. The bank operates one full-service branch and one non-deposit taking ATM in Fargo, ND. The branch and ATM are located in an upper-income CT, which is adjacent to a moderate-income CT.

Deposit competition is high with 29 reporting institutions in the AA. According to the June 30, 2019, FDIC Deposit Market Share Report, Ramsey NB ranked 22<sup>nd</sup> out of 29 reporting institutions with \$30.3 million in deposits and a 0.35 percent market share. The Fargo MMSA AA deposit base represents 14.3 percent of total bank deposits. Ramsey NB's 2017 FDIC Deposit Market Share is similar to 2019. Bell Bank is the market share leader with a 39.5 percent market share. Wells Fargo is second with an 8.2 percent market share. All other reporting institutions hold less than eight percent of the market share.

We contacted a community member serving as president and CEO of a local economic development corporation in the Fargo MMSA. The organization recruits companies to the area. The contact stated economic conditions have been good for the past few years. Unemployment rates are low and below the national average. The contact also stated there is a very strong community banking environment and banks are able to engage in the community in various ways. The contact stated was unaware of specific credit needs in the AA, but mentioned the growing population of underbanked individuals could benefit from credit-building lending products not requiring substantial credit history.

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<sup>2</sup> This rating reflects performance within the MMSA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Fargo MMSA - 2019</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 (Census Tracts)	46	0.0	26.1	52.2	19.6	2.2
Population by Geography	223,379	0.0	21.9	44.4	32.3	1.4
Housing Units by Geography	97,878	0.0	23.8	45.8	28.7	1.6
Owner-Occupied Units by Geography	51,774	0.0	14.8	50.9	33.7	0.6
Occupied Rental Units by Geography	39,676	0.0	36.1	38.3	23.0	2.6
Vacant Units by Geography	6,428	0.0	21.0	51.2	23.7	4.2
Businesses by Geography	18,301	0.0	31.2	36.6	31.7	0.5
Farms by Geography	916	0.0	8.5	66.3	24.9	0.3
Family Distribution by Income Level	52,742	18.8	19.0	23.0	39.3	0.0
Household Distribution by Income Level	91,450	23.5	17.3	17.2	42.0	0.0
Median Family Income MSA - 22020 Fargo, ND-MN MSA		\$75,010	Median Housing Value			\$165,470
			Median Gross Rent			\$709
			Families Below Poverty Level			6.7%
<i>Source: 2015 ACS and 2019 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 Fargo MMSA

The Fargo AA received a full-scope review.

Of the bank's reported loans in the Fargo AA during the evaluation period, 84.5 percent by number and 74.5 percent by dollar volume were commercial loans. The remaining 15.5 percent by number and 25.5 percent by dollar were agriculture, residential real estate, and consumer loans. These products were not considered in the evaluation of the Fargo MMSA AA.

Refer to Appendix A-1 for additional details on the scope of the evaluation in the Fargo MMSA AA.

## LENDING TEST

The bank's performance under the Lending Test in the Fargo MMSA AA is rated Outstanding.

Based on a full-scope review, the bank's performance in the Fargo MMSA AA is excellent.

## Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Fargo MMSA AA.

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

Refer to Table Q in Appendix D-2 for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses in the Fargo MMSA AA.

The bank exhibits excellent geographic distribution of small business loans in the Fargo MMSA AA. Ramsey NB's geographic distribution of loans to small businesses in moderate-income CTs exceeds both the demographic comparator and aggregate lending performance. There were no low-income CTs within the AA during the evaluation period; therefore, low-income CTs were not considered in our analysis.

### ***Lending Gap Analysis***

We did not complete the lending gap analysis because the bank is not a CRA reporter.

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

The bank exhibits an excellent distribution of loans to businesses of different sizes.

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

Refer to Table R in Appendix D-3 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 an excellent distribution of loans to businesses of different sizes in the Fargo MMSA AA. Ramsey NB's loans to small businesses is slightly below the demographic comparator, but exceeds the aggregate lending performance.

### **Responses to Complaints**

Ramsey NB did not receive any CRA related complaints in the AA during the evaluation period.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation and loan products considered. The table also reflects the AAs 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>	01/01/2017 – 12/31/2019	
<b>Bank Products Reviewed:</b>	Small farm; small business	
<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>		
Fargo-Moorhead ND-MN MMSA	Full-Scope	The counties of Cass, ND; Clay, MN
<b>North Dakota</b>		
ND Non-MSA	Full-Scope	Counties of Benson, Pembina, Pierce, Ramsey, and Towner

## Appendix B: Summary of MMSA and State Ratings

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<b>Rating – Ramsey National Bank</b>	
<b>Overall Bank</b>	<b>Lending Test Rating</b>
Outstanding	Outstanding
<b>MMSA or State:</b>	
Fargo-Moorhead MMSA	Outstanding
ND Non-MSA	Outstanding

## 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/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.

**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 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 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.

**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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All MMSAs 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 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.

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2017-19</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Fargo MMSA	20	4,755	100	5,367	0.0	0.0	0.0	31.2	45.0	33.1	36.6	15.0	33.1	31.7	40.0	33.5	0.5	0.0	0.4	
<b>Total</b>	<b>20</b>	<b>4,755</b>	<b>100</b>	<b>5,367</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>31.2</b>	<b>45.0</b>	<b>33.1</b>	<b>36.6</b>	<b>15.0</b>	<b>33.1</b>	<b>31.7</b>	<b>40.0</b>	<b>33.5</b>	<b>0.5</b>	<b>0.0</b>	<b>0.4</b>	

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2017-19</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
ND Non-MSA	20	4,329	100.0	453	3.2	15.0	2.6	12.7	15.0	14.3	84.2	70.0	83.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Total</b>	<b>20</b>	<b>4,329</b>	<b>100.0</b>	<b>453</b>	<b>3.2</b>	<b>15.0</b>	<b>2.6</b>	<b>12.7</b>	<b>15.0</b>	<b>14.3</b>	<b>84.2</b>	<b>70.0</b>	<b>83.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2017-19</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Fargo MMSA	20	4,755	100	5,367	81.4	65.0	49.1	6.7	35.0	11.9	0.0	
<b>Total</b>	<b>20</b>	<b>4,755</b>	<b>100</b>	<b>5,367</b>	<b>81.4</b>	<b>65.0</b>	<b>49.1</b>	<b>6.7</b>	<b>35.0</b>	<b>11.9</b>	<b>0.0</b>	
<i>Source: 2019 D&amp;B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0%</i>												

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2017-19</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
ND Non-MSA	20	4,329	100.0	453	74.4	65.0	52.5	5.9	35.0	19.7	0.0	
<b>Total</b>	<b>29</b>	<b>4,329</b>	<b>100.0</b>	<b>453</b>	<b>74.4</b>	<b>65.0</b>	<b>52.5</b>	<b>5.9</b>	<b>35.0</b>	<b>19.7</b>	<b>0.0</b>	
<i>Source: 2019 D&amp;B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0%</i>												

<b>Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>																			<b>2017-19</b>		
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$ (000s)	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate		
ND Non-MSA	20	6,465	100.0	584	0.9	5.0	2.2	12.0	10.0	4.1	87.1	85.0	93.7	0.0	0.0	0.0	0.0	0.0	0.0		
<b>Total</b>	<b>20</b>	<b>6,465</b>	<b>100.0</b>	<b>584</b>	<b>0.9</b>	<b>5.0</b>	<b>2.2</b>	<b>12.0</b>	<b>10.0</b>	<b>4.1</b>	<b>87.1</b>	<b>85.0</b>	<b>93.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>												<b>2017-19</b>	
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available			
	#	\$ (000s)	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans		
ND Non-MSA	20	6,465	100.0	584	97.0	75.0	52.9	2.1	25.0	0.9	0.0		
<b>Total</b>	<b>20</b>	<b>6,465</b>	<b>100.0</b>	<b>584</b>	<b>97.0</b>	<b>75.0</b>	<b>52.9</b>	<b>2.1</b>	<b>25.0</b>	<b>0.9</b>	<b>0.0</b>		

*Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*