



## **PUBLIC DISCLOSURE**

September 6, 2022

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

Gate City Bank  
Charter Number: 700257  
500 2<sup>nd</sup> Avenue North  
Fargo, ND 58102

Office of the Comptroller of the Currency  
Minneapolis Office  
222 South 9th Street, Suite 800  
Minneapolis, MN 55402

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 Satisfactory.

The following table indicates the performance level of Gate City Bank (Gate City) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Gate City Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on a combination of the Fargo ND-MN Combined Statistical Area (CSA), North Dakota, and Minnesota ratings. Performance in the State of North Dakota is weighted most heavily because it represents the bank's primary area with 49 percent of branch locations, 62 percent of deposit volume as of June 30, 2021, and 53 percent of the home mortgage and small business loan volume by dollar during the evaluation period. Performance in the Fargo ND-MN CSA receives the next most weight as it represents 40 percent of branch locations, 36 percent of deposit volume as of June 30, 2021, and 38 percent of the home mortgage and small business loan volume by dollar during the evaluation period. Performance in the State of Minnesota receives the least weight as it represents 12 percent of branch locations, 2 percent of deposit volume as of June 30, 2021, and 9 percent of home mortgage and small business loan volume by dollar during the evaluation period.

Performance under the Lending Test is good. Lending activity is excellent, an adequate percentage of loans are originated to borrowers located within the bank's assessment areas (AAs), the geographic distribution of loans is good, and the borrower distribution of loans is good. Gate City provided an adequate number of community development (CD) loans to address the needs of its AAs.

- The Investment Test rating is based on combination of the Fargo ND-MN CSA, North Dakota, and Minnesota ratings. Investment Test performance is weighted in the same manner as the Lending Test.

Performance under the Investment Test is good. The volume of CD investment and grant activity adequately meets the CD needs of Gate City's AAs. Responsiveness to CD needs is excellent.

- The Service Test rating is based on a combination of the Fargo ND-MN CSA, North Dakota, and Minnesota ratings. Service Test performance is weighted in the same manner as the Lending Test.

Performance under the Service Test is good. Gate City's branch locations are accessible to geographies and individuals of different income levels in the bank's AAs. Changes in branch locations improved the accessibility of delivery systems. The range of services and business hours does not vary in a way that inconveniences low- and moderate-income (LMI) geographies or individuals. Gate City is a leader in providing CD service hours to its AAs.

In addition to the activities at the state and CSA level, we considered the following activities on a bank-wide level:

- Gate City uses flexible lending practices in a safe and sound manner to address the credit needs of LMI individuals. Gate City offers Veteran's Administration, Federal Housing Administration, and first-time homebuyer loans in each of its AAs to facilitate home purchases. The bank also offers BetterLife Start Loans designed to address the needs of the unbanked/underbanked segment of its AAs. This unsecured loan product was designed for an individual to establish credit history without the need for a cosigner or requiring a certificate of deposit as collateral. As of December 31, 2021, Gate City holds 165 BetterLife Start Loans totaling \$192 thousand.
- Gate City offers a full line of deposits such as checking accounts, savings accounts, and certificates of deposit. Retail banking services targeted to LMI individuals, but available to all customers, include free checking accounts and relationship savings accounts, which have a low minimum amount to open.
- Gate City does not charge automated teller machine (ATM) fees to customers anywhere in the world. Customers can use any ATM worldwide to access funds and Gate City will reimburse any incurred ATM fees. During the evaluation period management refunded a total of 3.5 million ATM fees totaling \$10.5 million. In an effort to show support for LMI customers, management segmented this data to focus on customers with \$3 thousand or less of deposit flow in their accounts. For this particular segment of customers, Gate City refunded 1.1 million ATM fees totaling \$3.4 million during the evaluation period.
- Gate City offers alternative delivery systems that are available to all individuals and geographies including mobile banking and online banking.

## Lending in AA

An adequate percentage of Gate City's loans are in its AAs.

The bank originated and purchased 57 percent of its total loans by number and 56 percent of its total loans by dollar inside its 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	19,094	79	14,072	77	33,166	3,703	93	2,926	94	6,629
Small Business	4,993	21	4,312	23	9,305	274	7	202	6	476
<b>Total</b>	<b>24,087</b>	<b>57</b>	<b>18,384</b>	<b>43</b>	<b>42,471</b>	<b>3,977</b>	<b>56</b>	<b>3,128</b>	<b>44</b>	<b>7,105</b>

## Description of Institution

Gate City is a mutual thrift headquartered in Fargo, North Dakota. Gate City is an interstate bank with 43 branches. Of the total 43 branches, 36 branches operate in the State of North Dakota and seven branches operate in the State of Minnesota. Gate City operates 52 cash-dispensing ATMs and none have deposit-taking capabilities.

The bank operates primarily in the larger markets of North Dakota and Minnesota. North Dakota markets primarily include Fargo, Minot, Grand Forks-East Grand Forks, and Bismarck, but there are also branches throughout rural North Dakota. Minnesota markets primarily include rural areas in West Central Minnesota; however, management began operations in the St. Cloud market in early 2020.

As of December 31, 2021, Gate City's assets totaled \$3.2 billion, loans totaled \$2.2 billion, deposits totaled \$2.8 billion, and tier one capital totaled \$310.5 million. The loan portfolio, by outstanding dollar volume, is comprised of 63 percent real estate loans, 34 percent consumer loans, and 3 percent commercial loans. Gate City's primary focus is on residential mortgage and consumer lending; however, the bank offers a full range of consumer and commercial deposit products and loan types. Gate City also offers agricultural lending with a nominal amount outstanding as of December 31, 2021.

For purposes of this examination, Gate City operates in six AAs across three rating areas. Rural areas of North Dakota and Minnesota were combined into one AA for each state. AAs include the Fargo ND-MN CSA, Grand Forks Metropolitan Statistical Area (MSA), Bismarck MSA, ND Non-MSA, St. Cloud MSA, and MN Non-MSA. Rating areas include State of North Dakota, State of Minnesota, and Fargo ND-MN CSA.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. Gate City received a Satisfactory rating in the previous CRA Performance Evaluation dated January 25, 2019.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This performance evaluation assesses the bank's CRA performance under the Large Institution Lending, Investment, and Service Tests. The evaluation period was January 1, 2018, to December 31, 2021, with the exception of the St. Cloud MSA. The evaluation period for the St. Cloud MSA was January 14, 2020, to December 31, 2021. We reviewed home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) and small business loans reported under CRA during the evaluation period. We did not include small farm loans in our evaluation as the number originated during the evaluation period would not provide for meaningful analysis. We reviewed all CD loans, investments, donations, and services submitted by management as part of our examination. Examiners did not consider consumer loans in this evaluation as management did not request such consideration.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same MSA, multistate MSA (MMSA), or 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 section 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 CSA and state ratings.

When determining conclusions, we weighted the bank's performance in North Dakota most heavily. The AA represents 49 percent of branch locations, 62 percent of deposit volume as of June 30, 2021, and 53 percent of the home mortgage and small business loan volume by dollar during the evaluation period. Within North Dakota, performance in the North Dakota Non-MSA carried the most weight. Performance in the Fargo CSA carried the second most weight in overall conclusions and performance in Minnesota carried the least weight. Within Minnesota, performance in the Minnesota Non-MSA carried the most weight.

When determining conclusions for the Lending Test, we weighted loan products to reflect Gate City's loan volume by product type during the evaluation period. Home mortgage loans were weighted most heavily in the Lending Test analysis because they represent 93 percent of home mortgage and small business loan originations by dollar and 79 percent of home mortgage and small business loan originations by number during the evaluation period.

The CSA and state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State and CSA 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 C.F.R. §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 assessment area 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.

## Combined Statistical Area Rating

### Fargo ND-MN CSA

**CRA rating for the Fargo ND-MN CSA<sup>1</sup>:** Satisfactory.

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

**The Investment Test is rated:** High Satisfactory.

**The Service Test is rated:** Outstanding.

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to credit needs in the bank's AA.
- Gate City exhibits excellent geographic distribution of loans in the AA.
- The institution exhibits good distribution of loans to borrowers of different income levels and an adequate distribution among businesses of different sizes.
- Gate City provided an adequate level of CD loans to its AA. Management originated two CD loans totaling \$4.8 million in the Fargo ND-MN CSA during the evaluation period. This represents 4 percent of allocated tier one capital as of December 31, 2021.
- The volume of CD investments is adequate and represents excellent responsiveness to CD needs within the AA. Management purchased three mortgage-backed securities totaling \$2.9 million and made 397 qualified donations totaling \$1.3 million within to the AA during the evaluation period. Gate City also received credit for two CD bonds purchased in prior periods. In aggregate, CD investments and grants total \$4.4 million and represent 4 percent of allocated tier one capital as of December 31, 2021.
- Gate City is a leader in providing CD service hours in its AA. During the evaluation period, 161 employees provided 3,079 qualified service hours to 28 CD organizations in the Fargo ND-MN CSA.
- The institution's service delivery systems are readily accessible to geographies and individuals on different income levels. Changes in branch locations improved accessibility of services to LMI individuals and geographies.

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<sup>1</sup>This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.



## Description of Institution's Operations in Fargo ND-MN CSA

The Fargo ND-MN CSA represents one rating area and one AA for purposes of this evaluation. This AA includes Cass and Richland counties in North Dakota and Clay and Wilkin counties in Minnesota. Gate City operates 17 branches and 24 cash-dispensing ATMs in the AA. The branches are located in Fargo and West Fargo, North Dakota and Moorhead, Minnesota.

Per the FDIC Market Share Report as of June 30, 2021, Gate City ranked fourth in deposit share out of 33 financial institutions with a deposit market share of 6.9 percent. Primary competitors in the AA include Bell Bank, First International Bank and Trust, Wells Fargo Bank, and U.S. Bank.

We completed one community contact within the Fargo ND-MN CSA. The contact is the Economic Development Manager of a municipality within the AA. The contact stated the economy in the AA is booming and the housing market is strong. They identified residential housing and business start-up funding as primary banking needs. We also reviewed three community contacts completed within the AA during the evaluation period. These contacts identified affordable housing and business funding as primary banking needs.

Demographic information for the AA includes the following:

Table A – Demographic Information of the AA						
AA: Fargo ND-MN CSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	54	0.0	22.2	57.4	18.5	1.9
Population by Geography	246,222	0.0	19.9	48.7	30.1	1.3
Housing Units by Geography	108,566	0.0	21.5	50.4	26.7	1.5
Owner-Occupied Units by Geography	58,592	0.0	13.0	55.5	31.0	0.5
Occupied Rental Units by Geography	42,255	0.0	33.9	41.9	21.7	2.4
Vacant Units by Geography	7,719	0.0	17.5	57.5	21.5	3.5
Businesses by Geography	22,438	0.0	27.1	41.1	31.4	0.4
Farms by Geography	1,465	0.0	5.5	73.8	20.5	0.1
Family Distribution by Income Level	58,657	18.6	18.9	23.1	39.3	0.0
Household Distribution by Income Level	100,847	23.5	17.3	17.4	41.8	0.0
Median Family Income MSA - 22020 Fargo, ND-MN MSA		\$75,010	Median Housing Value			\$160,087
Median Family Income Non-MSAs - MN		\$63,045	Median Gross Rent			\$697
Median Family Income Non-MSAs - ND		\$72,414	Families Below Poverty Level			6.7%

Source: 2015 ACS and 2020 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 Fargo ND-MN CSA

We completed a full-scope review of the Fargo ND-MN CSA. Refer to Appendix A for additional information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FARGO ND-MN CSA

### LENDING TEST

The bank's performance under the Lending Test in the Fargo ND-MN CSA is rated High Satisfactory.

Based on a full-scope review, the bank's performance in the Fargo ND-MN CSA is good.

### Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans					
AA	Home Mortgage	Small Business	Small Farm	CD	Total
Fargo ND-MN CSA	7,437	1,903	4	2	9,346

Dollar Volume of Loans (in \$000s)					
AA	Home Mortgage	Small Business	Small Farm	CD	Total
Fargo ND-MN CSA	1,403,774	111,873	108	4,750	1,520,505

The tables above include data on all loan originations and purchases in the Fargo ND-MN CSA during the evaluation period. An analysis of small farm loans was not completed as part of this examination because the number of originations would not provide a meaningful analysis.

Lending in the Fargo ND-MN CSA reflects excellent responsiveness to AA credit needs. During the evaluation period, management originated 7,437 home loans totaling \$1.4 billion, 1,903 small business loans totaling \$111.9 million, and two CD loans totaling \$4.8 million. Based on the FDIC Market Share report from June 30, 2021, there are 33 deposit-taking institutions with one or more banking offices in the Fargo ND-MN CSA. Gate City ranks fourth with a deposit market share of 6.9 percent.

Gate City's lending market share is excellent compared to its deposit market share in the Fargo ND-MN CSA. Peer home mortgage data for 2021 indicates Gate City ranks first among 232 lenders that reported home mortgage loans with a market share of 14.1 percent based on the number of loans. Peer small business loan data for 2020 indicates Gate City ranks third among 86 lenders that reported small business loans with a market share of 8.9 percent based on the number of loans. Given the competition from other reporting lenders in the AA, the bank's higher lender rankings are excellent.

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

Gate City exhibits an excellent distribution of loans to census tracts (CTs) of different income levels in its AA.

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

Refer to Table O in the “CSA” 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 geographic distribution of home mortgage loans to CTs of different income levels in the Fargo ND-MN CSA is excellent. There are no low-income CTs in the AA. During the evaluation period, Gate City originated 11.3 percent of home loans to borrowers located in a moderate-income geography. 2015 American Community Survey (ACS) data indicates 13.1 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 10.5 percent of home mortgage loans were made to borrowers located in a moderate-income geography.

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

Refer to Table Q in the “CSA” 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 geographic distribution of small loans to businesses in CTs of different income levels in the Fargo ND-MN CSA is excellent. There are no low-income CTs in the AA. During the evaluation period, Gate City originated 28.3 percent of small loans to businesses located in a moderate-income geography. 2015 Dun & Bradstreet (D&B) data indicates 26.5 percent of businesses are located in a moderate-income geography. Aggregate CRA data shows 28.3 percent of small loans to businesses were made to businesses located in a moderate-income geography.

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

Data detailing Gate City’s lending activity during the evaluation period for home mortgage loans and small loans to businesses did not reveal any conspicuous gaps in the bank’s lending activity. Management made a home mortgage loan or a small loan to a business in each LMI CT within the Fargo ND-MN CSA during the evaluation period.

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

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

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

Refer to Table P in the “CSA” section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution’s home mortgage loan originations and purchases.

The distribution of home mortgage loans to borrowers of different income levels in the Fargo ND-MN CSA is good. During the evaluation period, Gate City originated 7.0 percent of home mortgage loans to low-income borrowers. 2015 ACS data indicates 18.6 percent of families are low-income. Aggregate HMDA data indicates 7.7 percent of loans were made to low-income borrowers. Gate City made 20.9 percent of home mortgage loans to moderate-income borrowers. 2015 ACS data indicates 18.9 percent of families are moderate-income. Aggregate HMDA data indicates 20.4 percent of home loans were made to moderate-income borrowers.

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

Refer to Table R in the “CSA” section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution’s originations and purchases of small loans to businesses.

The distribution of small loans to businesses of different sizes in the Fargo ND-MN CSA is adequate. During the evaluation period, Gate City originated 32.1 percent of small business loans to businesses with revenues of \$1 million or less. 2015 D&B data indicates 84.1 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 34.7 percent of small business loans were originated to businesses with revenues of \$1 million or less.

### **CD Lending**

The institution made an adequate level of CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution’s level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Management originated two CD loans totaling \$4.8 million during the evaluation period. This represents 4.3 percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank’s portion of deposits in the Fargo ND-MN CSA. CD loan originations exhibit adequate responsiveness to CD needs within the AA. Both of the CD loans support community services to LMI individuals within in the AA.

### **Product Innovation and Flexibility**

The institution makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs. Flexible lending programs are described in the Overall CRA Rating section.

### **INVESTMENT TEST**

The institution’s performance under the Investment Test in the Fargo ND-MN CSA is rated High Satisfactory.

Based on a full-scope review, the institution’s performance in the Fargo ND-MN CSA is good.

The institution has an adequate level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

### Number and Amount of Qualified Investments

Qualified Investments										
AA	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Fargo ND-MN CSA	2	206	400	4,211	402	100	4,417	100	-	-

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Gate City provided an adequate volume of CD investments and grants to the Fargo ND-MN CSA during the evaluation period. CD investments and grants demonstrate excellent responsiveness to community needs and opportunities in the AA. Donations and investments totaled \$4.4 million during the evaluation period. This represents four percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank's portion of deposits in the Fargo ND-MN CSA.

During the evaluation period, management purchased three qualified CD bonds totaling \$2.9 million that provided funding for LMI home mortgages in the Fargo ND-MN CSA. In addition, management received credit for two qualified investments totaling \$206 thousand that were purchased in prior periods and still outstanding. The prior period investment also provided funding for LMI home mortgages in the AA. Community contacts identified affordable housing as a banking need in the AA.

Management provided 397 donations totaling \$1.3 million to 66 qualified CD organizations during the evaluation period. A majority of the donations, 351 donations totaling \$1.1 million, support community service agencies. The remaining 46 donations totaling \$184 thousand support affordable housing.

### SERVICE TEST

The institution's performance under the Service Test in the Fargo ND-MN CSA is rated Outstanding.

Based on a full-scope review, the institution's performance in the Fargo ND-MN CSA is excellent.

### Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
AA	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Fargo ND-MN CSA	100	17	100	-	41	24	35	-	20	49	30

Gate City's service delivery systems are readily accessible to geographies and individuals of different income levels throughout the Fargo ND-MN CSA. There are no low-income CTs in the Fargo ND-MN CSA. There are 17 branches in the AA. As of 2021, seven branches are located in moderate-income CTs, four are located in middle-income CTs, and six are located in upper-income CTs. Gate City's branch distribution compares favorably to 2015 ACS data indicating 20 percent of the population lives in moderate-income CTs.

Distribution of Branch Openings/Closings						
AA	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Fargo ND-MN CSA	2	-	-	2	-	-

The institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Gate City opened two branches in the Fargo ND-MN CSA during the evaluation period. Both branches are located in a moderate-income CT. No branches were closed.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and/or individuals. Business hours are similar between all branches in the AA. Gate City offers its full range of deposit products at each branch location. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch. There are no differences in cost of services offered at each branch.

## CD Services

The institution is a leader in providing CD services.

Employees provide expertise to a variety of organizations that provide community services and affordable housing to LMI individuals. During the evaluation period, 161 employees provided 3,079 service hours to 28 qualified CD organizations in the Fargo ND-MN CSA. Many bank employees provided service hours to a specific organization for multiple years in the evaluation period and multiple bank representatives assumed leadership roles within the specific CD organizations they were supporting.

## State Rating

### State of North Dakota

**CRA rating for the State of North Dakota<sup>2</sup>:** Satisfactory.

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

**The Investment Test is rated:** Low Satisfactory.

**The Service Test is rated:** High Satisfactory.

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to credit needs in the bank's AAs.
- Gate City exhibits adequate geographic distribution of loans in the is AAs.
- The institution exhibits good distribution of loans to borrowers of different income levels and businesses of different sizes.
- Gate City provided an adequate level of CD loans in the state. Management originated four CD loans totaling \$7.2 million in the State of North Dakota during the evaluation period. This represents 4 percent of allocated tier one capital as of December 31, 2021.
- The volume of CD investments is adequate and represents good responsiveness to CD needs within the AAs. Management purchased three mortgage-backed securities totaling \$4.1 million and made 315 qualified donations totaling \$444 thousand within to the AAs during the evaluation period. Gate City also received credit for one CD bond purchased in prior periods. In aggregate, CD investments and grants total \$6 million and represent 3 percent of allocated tier one capital as of December 31, 2021.
- In addition to the CD investments identified above, management made six donations totaling \$4 thousand to a community service organization that provides services to LMI individuals across the State of North Dakota during the evaluation period.
- Gate City is a leader in providing CD service hours in its AAs. During the evaluation period, 66 employees provided 2,173 qualified service hours to 26 CD organizations in the State of North Dakota.
- The institution's service delivery systems are reasonably accessible to geographies and individuals on different income levels. Changes in branch locations improved accessibility of services to LMI individuals and geographies.

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

## Description of Institution's Operations in North Dakota

Gate City operates three AAs within the State of North Dakota: Bismarck MSA, Grand Forks MSA, and North Dakota Non-MSA.

### Bismarck MSA

The Bismarck MSA includes Burleigh, Morton, and Oliver counties. Gate City operates six branches and six cash-dispensing ATMs in the Bismarck MSA AA. The branches are located in Bismarck and Mandan. Per the FDIC Market Share Report as of June 30, 2021, Gate City ranked fourth in deposit share out of 18 financial institutions with a deposit market share of nine percent. Primary competitors in the AA include Starion Bank, Wells Fargo Bank, Dakota Community Bank & Trust, and BNC National Bank.

The following table provides information on the demographic composition of the Bismarck MSA.

<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)	25	0.0	16.0	76.0	8.0	0.0
Population by Geography	119,027	0.0	13.6	78.9	7.6	0.0
Housing Units by Geography	52,959	0.0	15.5	78.6	5.9	0.0
Owner-Occupied Units by Geography	35,846	0.0	12.0	79.7	8.3	0.0
Occupied Rental Units by Geography	14,315	0.0	23.3	76.0	0.7	0.0
Vacant Units by Geography	2,798	0.0	20.1	77.3	2.7	0.0
Businesses by Geography	12,260	0.0	19.9	71.3	8.8	0.0
Farms by Geography	697	0.0	14.9	77.3	7.7	0.0
Family Distribution by Income Level	31,651	18.0	18.9	25.0	38.2	0.0
Household Distribution by Income Level	50,161	22.0	17.6	19.2	41.2	0.0
Median Family Income MSA - 13900 Bismarck, ND MSA		\$80,768	Median Housing Value			\$189,166
			Median Gross Rent			\$735
			Families Below Poverty Level			5.0%

*Source: 2015 ACS and 2020 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.*



Grand Forks MSA

The Grand Forks MSA includes Grand Forks County. Gate City operates three branches and three cash-dispensing ATMs in the Grand Forks MSA AA. All of the branches in this AA are located in Grand Forks. Per the FDIC Market Share Report as of June 30, 2021, Gate City ranked fourth in deposit share out of 13 financial institutions with a deposit market share of 9.3 percent. Primary competitors in the AA include Alerus Financial, Bremer Bank, U.S. Bank, and Choice Financial Group.

We completed two community contacts within the Grand Forks MSA as part of this evaluation. The first contact is the CD Director of a municipality within the AA. The contact stated the economy has returned to pre-pandemic conditions and workforce shortage is a concern. They identified business financing as a primary banking need. The second contact is the President of an economic development organization in the AA. They identified affordable housing as a primary banking need. We also reviewed one community contact completed within the AA during the evaluation period. The contact stated the retail industry within in the AA was struggling and did not identify any banking needs.

The following table provides information on the demographic composition of the Grand Forks MSA.

<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)	18	5.6	16.7	61.1	16.7	0.0
Population by Geography	68,979	8.0	20.7	49.4	21.9	0.0
Housing Units by Geography	30,678	4.3	22.1	53.7	19.9	0.0
Owner-Occupied Units by Geography	14,244	0.5	12.2	56.9	30.3	0.0
Occupied Rental Units by Geography	14,277	7.3	32.0	51.0	9.6	0.0
Vacant Units by Geography	2,157	8.6	22.2	50.6	18.5	0.0
Businesses by Geography	5,104	3.3	14.3	49.6	32.8	0.0
Farms by Geography	288	0.3	3.8	64.6	31.3	0.0
Family Distribution by Income Level	15,910	21.0	19.2	20.1	39.7	0.0
Household Distribution by Income Level	28,521	27.0	14.2	17.7	41.1	0.0
Median Family Income MSA - 24220 Grand Forks, ND-MN MSA		\$70,827	Median Housing Value			\$158,978
			Median Gross Rent			\$769
			Families Below Poverty Level			9.0%

*Source: 2015 ACS and 2020 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.*

North Dakota Non-MSA

The North Dakota Non-MSA includes the following counties: Adams, Barnes, Benson, Bottineau, Eddy, Foster, Hettinger, McHenry, McLean, Mountrail, Nelson, Ramsey, Renville, Stark, Steele, Stutsman, Traill, Walsh, Ward, and Williams. Gate City operates 12 branches and ten cash-dispensing ATMs in the North Dakota Non-MSA AA. The branches are located in Carrington, Devils Lake, Dickinson, Hettinger, Jamestown, Mayville, Minot, Mohall, Park River, and Williston. Per the FDIC Market Share Report as of June 30, 2021, Gate City ranked third in deposit share out of 49 financial institutions with a deposit market share of 7.1 percent. Primary competitors in the AA include First Western Bank & Trust, Bremer Bank, and American Bank Center.

We reviewed two community contacts completed within the AA during the evaluation period. These contacts identified small business development, revitalization funding, and agricultural financing as primary banking needs.

The following table provides information on the demographic composition of the North Dakota Non-MSA AA.

<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)	73	1.4	6.8	74.0	17.8	0.0
Population by Geography	245,040	1.0	6.2	69.4	23.4	0.0
Housing Units by Geography	119,631	0.7	5.1	72.3	21.9	0.0
Owner-Occupied Units by Geography	67,939	0.4	3.4	72.4	23.8	0.0
Occupied Rental Units by Geography	32,548	1.3	9.8	70.1	18.8	0.0
Vacant Units by Geography	19,144	0.8	2.9	75.7	20.5	0.0
Businesses by Geography	24,818	0.4	3.3	68.6	27.8	0.0
Farms by Geography	3,041	0.2	1.7	80.6	17.5	0.0
Family Distribution by Income Level	62,478	18.8	17.6	22.1	41.4	0.0
Household Distribution by Income Level	100,487	22.5	16.4	17.6	43.5	0.0
Median Family Income Non-MSAs - ND		\$72,414	Median Housing Value			\$150,941
			Median Gross Rent			\$773
			Families Below Poverty Level			6.8%

*Source: 2015 ACS and 2020 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 North Dakota

We completed a full-scope review of the Grand Forks MSA AA and the North Dakota Non-MSA AA. We completed a limited-scope review of the Bismarck MSA AA. Performance in the North Dakota Non-MSA carried the most weight followed by the Bismarck MSA and the Grand Forks MSA. Refer to Appendix A for additional information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NORTH DAKOTA

### LENDING TEST

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

### Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Grand Forks MSA AA and the North Dakota Non-MSA AA is good.

### Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans					
AA	Home Mortgage	Small Business	Small Farm	CD	Total
Grand Forks MSA	1,608	390	-	3	2,001
North Dakota Non-MSA	4,046	1,591	6	-	5,643

Dollar Volume of Loans (in \$000s)					
AA	Home Mortgage	Small Business	Small Farm	CD	Total
Grand Forks MSA	282,389	20,284	-	2,225	304,898
North Dakota Non-MSA	750,727	99,060	336	-	850,123

The tables above include data on all loan originations and purchases in the Grand Forks MSA AA and the North Dakota Non-MSA AA during the evaluation period. An analysis of small farm loans was not completed as part of this examination because the number of originations would not provide a meaningful analysis.

### Grand Forks MSA

Lending in the Grand Forks MSA AA reflects excellent responsiveness to AA credit needs. During the evaluation period, management originated 1,608 home loans totaling \$282.4 million, 390 small business loans totaling \$20.3 million, and three CD loans totaling \$2.2 million. Based on the FDIC Market Share report from June 30, 2021, there are 13 deposit-taking institutions with one or more banking offices in the Grand Forks MSA AA. Gate City ranks fourth with a deposit market share of 9.3 percent.

Gate City's lending market share is excellent compared to its deposit market share in the Grand Forks MSA AA. Peer home mortgage data for 2021 indicates Gate City ranks first among 122 lenders that reported home mortgage loans with a market share of 16.4 percent based on the number of loans. Peer small business loan data for 2020 indicates Gate City ranks fourth among 48 lenders that reported small business loans with a market share of 7.6 percent based on the number of loans. Given the competition from other reporting lenders in the AA, the bank's higher lender rankings are excellent.

### North Dakota Non-MSA

Lending in the North Dakota Non-MSA AA reflects good responsiveness to AA credit needs. During the evaluation period, management originated 4,046 home loans totaling \$750.7 million and 1,591 small business loans totaling \$99.1 million. Based on the FDIC Market Share report from June 30, 2021, there are 49 deposit-taking institutions with one or more banking offices in the North Dakota Non-MSA AA. Gate City ranks third with a deposit market share of 7.1 percent.

Gate City's lending market share is good compared to its deposit market share in the North Dakota Non-MSA AA. Peer home mortgage data for 2021 indicates Gate City ranks first among 199 lenders that reported home mortgage loans with a market share of 12.2 percent based on the number of loans. Peer small business loan data for 2020 indicates Gate City ranks ninth among 66 lenders that reported small business loans with a market share of 2.5 percent based on the number of loans.

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

Gate City exhibits an adequate distribution of loans to CTs of different income levels in its AA.

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

Refer to Table O in the "State of North 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.

### Grand Forks MSA

The geographic distribution of home mortgage loans to CTs of different income levels in the Grand Forks MSA AA is adequate. During the evaluation period, Gate City originated 0.2 percent of home mortgage loans to borrowers located in a low-income geography. 2015 ACS data indicates 0.5 percent of owner-occupied housing units are located in a low-income geography. Aggregate HMDA data shows 0.4 percent of home mortgage loans were made to borrowers located in a low-income geography. Gate City originated 9.6 percent of home loans to borrowers located in a moderate-income geography. 2015 ACS data indicates 12.2 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 11.0 percent of home mortgage loans were made to borrowers located in a moderate-income geography.

North Dakota Non-MSA

The geographic distribution of home mortgage loans to CTs of different income levels in the North Dakota Non-MSA AA is adequate. During the evaluation period, Gate City originated 0.1 percent of home mortgage loans to borrowers located in a low-income geography. 2015 ACS data indicates 0.4 percent of owner-occupied housing units are located in a low-income geography. Aggregate HMDA data shows 0.1 percent of home mortgage loans were made to borrowers located in a low-income geography. Gate City originated 0.7 percent of home loans to borrowers located in a moderate-income geography. 2015 ACS data indicates 3.4 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 2.1 percent of home mortgage loans were made to borrowers located in a moderate-income geography.

***Small Loans to Businesses***

Refer to Table Q in the “State of North 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.

Grand Forks MSA

The geographic distribution of small loans to businesses to CTs of different income levels in the Grand Forks MSA is adequate. During the evaluation period, Gate City originated 0.3 percent of small loans to businesses to businesses located in a low-income geography. 2015 D&B data indicates 3 percent of businesses are located in a low-income geography. Aggregate data shows 0.8 percent of small loans to businesses were made to businesses located in a low-income geography. Gate City originated 14.4 percent of small loans to businesses to businesses located in a moderate-income geography. 2015 D&B data indicates 14 percent of businesses are located in a moderate-income geography. Aggregate data shows 13.6 percent of small loans to businesses were made to businesses located in a moderate-income geography.

North Dakota Non-MSA

The geographic distribution of small business loans in the North Dakota Non-MSA is poor. During the evaluation period, Gate City originated 0.1 percent of small loans to businesses to businesses located in a low-income geography. 2015 D&B data indicates 0.4 percent of businesses are located in a low-income geography. Aggregate data shows 0.2 percent of small loans to businesses were made to businesses located in a low-income geography. Gate City originated 0.5 percent of small loans to businesses located in a moderate-income geography. 2015 D&B data indicates 3.2 percent of businesses are located in a moderate-income geography. Aggregate data indicates 4.8 percent of small loans to businesses were made to businesses located in a moderate-income geography.

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

Data detailing Gate City’s lending activity during the evaluation period for home mortgage loans and small loans to businesses did not reveal any conspicuous gaps in the bank’s lending activity. Management made a home mortgage loan or a small loan to a business to each LMI CT within the Grand Forks MSA during the evaluation period. Management made a home mortgage loan or a small loan to a business to all but one LMI CTs within the North Dakota Non-MSA during the evaluation period. The CT without a loan includes the Minot airport.

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

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes.

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

The distribution of the bank’s home mortgage loans to low and moderate-income borrowers is good.

Refer to Table P in the “State of North Dakota” section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution’s home mortgage loan originations and purchases.

#### **Grand Forks MSA**

The distribution of home mortgage loans to borrowers of different income levels in the Grand Forks MSA is good. During the evaluation period, Gate City originated 5.1 percent of home mortgage loans to low-income borrowers. 2015 ACS data indicates 21 percent of families are low-income. Aggregate HMDA data indicates 4.7 percent of home loans were made to low-income borrowers. Gate City originated 20.2 percent of home mortgage loans to moderate-income borrowers. 2015 ACS data indicates 19.2 percent of families are moderate-income. Aggregate HMDA data indicates 19.1 percent of home loans were made to moderate-income borrowers.

#### **North Dakota Non-MSA**

The distribution of home mortgage loans to borrowers of different income levels in the North Dakota Non-MSA is excellent. During the evaluation period, Gate City originated 7.1 percent of home mortgage loans to low-income borrowers. 2015 ACS data indicates 18.8 percent of families are low-income. Aggregate HMDA data indicates 5.8 percent of home loans were made to low-income borrowers. Gate City originated 20.7 percent of home mortgage loans to moderate-income borrowers. 2015 ACS data indicates 17.6 percent of families are moderate-income. Aggregate HMDA data indicates 18.7 percent of home loans were made to moderate-income borrowers.

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

Refer to Table R in the “State of North Dakota” section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution’s originations and purchases of small loans to businesses.

Grand Forks MSA

The distribution of small loans to businesses of different sizes in the Grand Forks MSA is adequate. During the evaluation period, Gate City originated 33.6 percent of small business loans to businesses with revenues of \$1 million or less. 2015 D&B data indicates 79.3 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 40.6 percent of small business loans were originated to businesses with revenues of \$1 million or less.

North Dakota Non-MSA

The distribution of small loans to businesses of different sizes in the North Dakota Non-MSA is adequate. During the evaluation period, Gate City originated 32.6 percent of small business loans to businesses with revenues of \$1 million or less. 2015 D&B data indicates 82.7 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 44.6 percent of small business loans were originated to businesses with revenues of \$1 million or less.

**CD Lending**

The institution made an adequate level of CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Grand Forks MSA

Management originated three CD loans totaling \$2.2 million during the evaluation period. This represents 6.7 percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank's portion of deposits in the Grand Forks MSA. CD loan originations exhibit good responsiveness to CD needs within the AA. One CD loan supports affordable housing, one CD loan supports community services to LMI individuals within in the AA, and one CD loan provided funding to revitalize/stabilize the AA.

North Dakota Non-MSA

Management did not originate any CD loans in the North Dakota Non-MSA during the evaluation period.

**Product Innovation and Flexibility**

The institution makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs. Flexible lending programs are described in the Overall CRA Rating section.

## Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Bismarck MSA is consistent with the bank's overall performance under the Lending Test in the full-scope areas.

Refer to Tables O through R in the State of North Dakota section of Appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

The institution's performance under the Investment Test in North Dakota is rated Low Satisfactory.

Based on a full-scope review, the institution's performance in the Grand Forks MSA AA and the North Dakota Non-MSA AA is adequate.

The institution has an adequate level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits good responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

### Number and Amount of Qualified Investments

Qualified Investments										
AA	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Grand Forks MSA	1	23	89	484	90	41	507	12	-	-
North Dakota Non-MSA	1	39	127	3,585	128	59	3,624	88	-	-

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

### Grand Forks MSA

Gate City provided a poor volume of CD investments and grants to the Grand Forks MSA during the evaluation period. CD investments and grants demonstrate good responsiveness to community needs and opportunities in the AA. Donations and investments totaled \$507 thousand during the evaluation period. This represents two percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank's portion of deposits in the Grand Forks MSA.

During the evaluation period, management purchased two qualified CD bonds totaling \$291 thousand that provided funding for LMI home mortgages in the Grand Forks MSA. In addition, management received credit for one qualified investment totaling \$23 thousand that was purchased in a prior period and still outstanding. The prior period investment also provided funding for LMI home mortgages in the AA.



Management provided 87 donations totaling \$192 thousand to 20 qualified CD organizations during the evaluation period. A majority of the donations, 78 donations totaling \$171 thousand, support community service agencies. Seven donations totaling \$21 thousand support affordable housing and two donations totaling \$1 thousand support economic development activities in the AA.

### North Dakota Non-MSA

Gate City provided an adequate volume of CD investments and grants to the North Dakota Non-MSA during the evaluation period. CD investments and grants demonstrate adequate responsiveness to community needs and opportunities in the AA. Donations and investments total \$3.6 million during the evaluation period. This represents four percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank's portion of deposits in the North Dakota Non-MSA.

During the evaluation period, management purchased four qualified CD development bonds totaling \$3.5 million. One bond provided funding for affordable housing and three provided funding for LMI home mortgages in the North Dakota Non-MSA. In addition, management received credit for one qualified investment totaling \$39 thousand that was purchased in a prior period and still outstanding. The prior period investment also provided funding for LMI home mortgages in the AA.

Management provided 123 donations totaling \$111 thousand to 35 qualified CD organizations during the evaluation period. Of the donations, 114 totaling \$54 thousand support community service agencies and nine totaling \$57 thousand support affordable housing.

### **Conclusions for Area Receiving a Limited-Scope Review**

Based on a limited-scope review, the bank's performance under the Investment Test in the Bismarck MSA is consistent with the bank's overall performance under the Investment Test in the full-scope areas.

Management made an adequate volume of CD investments and grants in the Bismarck MSA during the evaluation period. Investments and donations total \$1.9 million and represent three percent of allocated tier one capital as of December 31, 2021. CD investments and grants demonstrate good responsiveness to community needs and opportunities in the AA.

### **SERVICE TEST**

The institution's performance under the Service Test in North Dakota is rated High Satisfactory.

Based on a full-scope review, the institution's performance in the Grand Forks MSA and the North Dakota Non-MSA is adequate.

### **Retail Banking Services**

Service delivery systems are unreasonably inaccessible to geographies and individuals of different income levels in Grand Forks MSA AA and the North Dakota Non-MSA AA.

Distribution of Branch Delivery System											
AA	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Bismarck MSA	31	6	29	-	33	50	17	-	14	79	7
Grand Forks MSA	17	3	14	-	-	100	-	8	21	49	22
North Dakota Non-MSA	52	12	57	-	-	92	8	1	6	69	24

### Grand Forks MSA

Gate City's service delivery systems are unreasonably inaccessible to geographies and individuals of different income levels throughout the Grand Forks MSA. There are no branches located in LMI CTs in the Grand Forks MSA AA. This compares unfavorably to 2015 ACS data indicating 8 percent of the population lives in low-income CTs and 21 percent of the population lives in moderate-income CTs.

### North Dakota Non-MSA

Gate City's service delivery systems are unreasonably inaccessible to geographies and individuals of different income levels throughout the North Dakota Non-MSA. There are no branches located in LMI CTs in the North Dakota Non-MSA AA. This compares unfavorably to 2015 ACS data indicating 1 percent of the population lives in low-income CTs and 6 percent of the population lives in moderate-income CTs.

Distribution of Branch Openings/Closings						
AA	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Bismarck MSA	1	-	-	1	-	-
Grand Forks MSA	-	-	-	-	-	-
North Dakota Non-MSA	1	-	-	-	-	1

To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.

### Grand Forks MSA

Gate City did not open or close any branches in the Grand Forks MSA AA during the evaluation period.

### North Dakota Non-MSA

Gate City opened one branch in the North Dakota Non-MSA during the evaluation period. The branch was located in an upper-income CT at the time of opening. No branches were closed in the North Dakota Non-MSA during the evaluation period.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and/or individuals. Business hours are similar between all branches in the AAs. Gate City offers its full range of deposit products at each branch location. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch. There are no differences in cost of services offered at each branch.

## **CD Services**

The institution is a leader in providing CD services.

### Grand Forks MSA

Employees provide expertise to a variety of organizations that provide community services and affordable housing to LMI individuals. During the evaluation period, 13 employees provided 636 service hours to eight qualified CD organizations in the Grand Forks MSA. Many bank employees provided service hours to a specific organization for multiple years in the evaluation period and multiple bank representatives assumed leadership roles within the specific CD organizations they were supporting.

### North Dakota Non-MSA

Employees provide expertise to a variety of organizations that provide affordable housing, community services, and economic development guidance to LMI individuals and small farms and businesses. During the evaluation period, 10 employees provided 788 service hours to 11 qualified CD organizations in the North Dakota Non-MSA. Many bank employees provided service hours to a specific organization for multiple years in the evaluation period and multiple bank representative assumed leadership roles within the specific CD organizations they were supporting.

## **Conclusions for Area Receiving a Limited-Scope Review**

Based on a limited-scope review, the bank's performance under the Service Test in the Bismarck MSA AA is stronger than the bank's overall performance under the Service Test in the full-scope areas. Gate City's service delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the Bismarck MSA. The institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Gate City opened one branch in the Bismarck MSA AA located in a moderate-income CT.

## State Rating

### State of Minnesota

**CRA rating for the State of Minnesota<sup>3</sup>:** Satisfactory.

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

**The Investment Test is rated:** High Satisfactory.

**The Service Test is rated:** Low Satisfactory.

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to credit needs in the bank's AAs.
- Gate City exhibits very poor geographic distribution of loans in the AAs.
- The institution exhibits adequate distribution of loans to borrowers of different income levels and businesses of different sizes.
- Gate City provided few, if any, CD loans in the state. Management did not originate any CD loans in the State of Minnesota during the evaluation period.
- The volume of CD investments is good and represents excellent responsiveness to CD needs within the AAs. Management made 40 qualified donations totaling \$108 thousand within the AAs during the evaluation period. Gate City also received credit for one CD bond purchased in prior periods. In aggregate, CD investments and grants total \$339 thousand and represent 5 percent of allocated tier one capital as of December 31, 2021.
- In addition to the CD investments identified above, management made two donations totaling \$1 thousand to two community service organizations that provide services to LMI individuals across the State of Minnesota during the evaluation period.
- Gate City provides a relatively high volume of CD service hours to its AAs. During the evaluation period, five employees provided 115 qualified service hours to six CD organizations in the State of Minnesota.
- The institution's service delivery systems are unreasonably inaccessible to geographies and individuals on different income levels. Changes in branch locations improved accessibility of services to LMI individuals and geographies.

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<sup>3</sup> This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

## Description of Institution's Operations in Minnesota

Gate City operates two AAs within the State of Minnesota: St. Cloud MSA and Minnesota Non-MSA.

### St. Cloud MSA

Gate City began operations in the St. Cloud MSA AA in 2020 opening branches in January, March, and August. The St. Cloud MSA includes Benton and Stearns counties. Gate City operates three branches and seven cash-dispensing ATMs in the St. Cloud MSA AA. The branches are located in Sauk Rapids, St. Cloud, and Waite Park. Per the FDIC Market Share Report as of June 30, 2021, Gate City ranked 32<sup>nd</sup> in deposit share out of 32 financial institutions with a deposit market share of 0.04 percent. Stearns Bank, Bremer Bank, and Wells Fargo Bank operate with the highest deposit market share in the St. Cloud MSA.

We reviewed one community contact completed within the AA during the evaluation period. The contact identified small business development funding as the primary banking need.

The following table provides information on the demographic composition of the St. Cloud MSA.

<b>Table A – Demographic Information of the AA</b>						
<b>AA: St. Cloud MSA</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)	38	0.0	10.5	76.3	13.2	0.0
Population by Geography	191,816	0.0	12.7	71.7	15.7	0.0
Housing Units by Geography	79,007	0.0	13.3	73.2	13.5	0.0
Owner-Occupied Units by Geography	51,046	0.0	7.9	76.5	15.7	0.0
Occupied Rental Units by Geography	21,851	0.0	26.4	63.7	9.9	0.0
Vacant Units by Geography	6,110	0.0	12.4	79.7	7.9	0.0
Businesses by Geography	16,546	0.0	14.1	68.5	17.4	0.0
Farms by Geography	1,330	0.0	2.6	89.6	7.7	0.0
Family Distribution by Income Level	47,374	20.0	17.5	23.0	39.5	0.0
Household Distribution by Income Level	72,897	23.7	16.0	19.4	40.9	0.0
Median Family Income MSA - 41060 St. Cloud, MN MSA		\$69,359	Median Housing Value			\$165,394
			Median Gross Rent			\$744
			Families Below Poverty Level			7.7%

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.

## Minnesota Non-MSA

The Minnesota Non-MSA AA includes Becker, Douglas, Norman, and Otter Tail counties. Gate City operates two branches and two cash-dispensing ATMs in the Minnesota Non-MSA AA. The branches are located in Alexandria and Fergus Falls. Per the FDIC Market Share Report as of June 30, 2021, Gate City ranked 20<sup>th</sup> in deposit share out of 33 financial institutions with a deposit market share of 1.2 percent. Bremer Bank, Bell Bank, and Midwest Bank operate with the highest deposit market share in the Minnesota Non-MSA.

We reviewed three community contacts completed within the AA during the evaluation period. These contacts identified affordable housing and small business development funding as primary banking needs.

The following table provides information on the demographic composition of the Minnesota Non-MSA AA.

<b>Table A – Demographic Information of the AA</b>						
<b>AA: Minnesota Non-MSA</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)	39	0.0	7.7	79.5	12.8	0.0
Population by Geography	133,961	0.0	8.4	80.0	11.6	0.0
Housing Units by Geography	78,480	0.0	8.2	80.6	11.2	0.0
Owner-Occupied Units by Geography	43,679	0.0	7.4	79.6	13.0	0.0
Occupied Rental Units by Geography	12,212	0.0	11.6	84.3	4.1	0.0
Vacant Units by Geography	22,589	0.0	8.1	80.5	11.4	0.0
Businesses by Geography	13,129	0.0	9.1	80.6	10.3	0.0
Farms by Geography	1,337	0.0	7.9	80.3	11.8	0.0
Family Distribution by Income Level	37,407	17.2	17.9	24.5	40.5	0.0
Household Distribution by Income Level	55,891	22.8	15.5	18.7	43.0	0.0
Median Family Income Non-MSAs – MN		\$63,045	Median Housing Value			\$179,365
			Median Gross Rent			\$675
			Families Below Poverty Level			6.4%

*Source: 2015 ACS and 2020 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 Minnesota**

We completed a full-scope review of the St. Cloud MSA AA and the Minnesota Non-MSA AA. Performance in the Minnesota Non-MSA carried the most weight. Gate City only operated in the St. Cloud MSA AA for two of the four years of the bank’s evaluation period. This was taken into consideration when arriving at conclusions within the St. Cloud MSA AA. Refer to Appendix A for additional information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MINNESOTA

### LENDING TEST

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

### Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the St. Cloud MSA AA is adequate and the bank's performance in the Minnesota Non-MSA AA is poor.

### Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans					
AA	Home Mortgage	Small Business	Small Farm	CD	Total
St. Cloud MSA	105	12	-	-	117
Minnesota Non-MSA	1,560	263	1	-	1,824

Dollar Volume of Loans (in \$000s)					
AA	Home Mortgage	Small Business	Small Farm	CD	Total
St. Cloud MSA	19,475	827	-	-	20,302
Minnesota Non-MSA	331,165	12,676	20	-	343,861

The tables above include data on all loan originations and purchases in the St. Cloud MSA AA and the Minnesota Non-MSA AA during the evaluation period. An analysis of small farm loans was not completed as part of this examination because the number of originations would not provide a meaningful analysis.

### St. Cloud MSA

Lending in the St. Cloud MSA AA reflects excellent responsiveness to AA credit needs. During the 2020-2021 evaluation period, management originated 105 home loans totaling \$19.5 million and 12 small business loans totaling \$827 thousand. Based on the FDIC Market Share report from June 30, 2021, there are 32 deposit-taking institutions with one or more banking offices in the St. Cloud MSA AA. Gate City ranks 32<sup>nd</sup> with a deposit market share of 0.04 percent.

Gate City's lending market share is excellent compared to its deposit market share in the St. Cloud MSA AA. Peer home mortgage data for 2021 indicates Gate City ranks 38<sup>th</sup> among 301 lenders that reported home mortgage loans with a market share of 0.5 percent based on the number of loans. Peer small business loan data for 2020 indicates Gate City ranks 37<sup>th</sup> among 81 lenders that reported small business loans with a market share of 0.2 percent based on the number of loans.

Minnesota Non-MSA

Lending in the Minnesota Non-MSA AA reflects excellent responsiveness to AA credit needs. During the evaluation period, management originated 1,560 home loans totaling \$331.2 million, 263 small business loans totaling \$12.7 million, and one small farm loan totaling \$20 thousand. Based on the FDIC Market Share report from June 30, 2021, there are 33 deposit-taking institutions with one or more banking offices in the Minnesota Non-MSA AA. Gate City ranks 20<sup>th</sup> with a deposit market share of 1.2 percent.

Gate City's lending market share is excellent compared to its deposit market share in the Minnesota Non-MSA AA. Peer home mortgage data for 2021 indicates Gate City ranks fourth among 291 lenders that reported home mortgage loans with a market share of 6.3 percent based on the number of loans. Peer small business loan data for 2020 indicates Gate City ranks ninth among 66 lenders that reported small business loans with a market share of 2.5 percent based on the number of loans.

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

Gate City exhibits a very poor distribution of loans to CTs of different income levels in its AA.

***Home Mortgage Loans***

Refer to Table O in the "St. Cloud MSA" and the "State of Minnesota" sections of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

St. Cloud MSA

The geographic distribution of home mortgage loans to CTs of different income levels in the St. Cloud MSA AA is adequate. There are no low-income CTs in the St. Cloud MSA AA. During the 2020-2021 evaluation period, Gate City originated 5.7 percent of home mortgage loans to borrowers located in a moderate-income geography. 2015 ACS data indicates 7.9 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 9.1 percent of home mortgage loans were made to borrowers located in a moderate-income geography.

Minnesota Non-MSA

The geographic distribution of home mortgage loans to CTs of different income levels in the Minnesota Non-MSA AA is very poor. There are no low-income CTs in the Minnesota Non-MSA AA. During the evaluation period, Gate City originated 2.9 percent of home mortgage loans to borrowers located in a moderate-income geography. 2015 ACS data indicates 7.4 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 6.4 percent of home mortgage loans were made to borrowers located in a moderate-income geography.

***Small Loans to Businesses***

Refer to Table Q in the "St. Cloud MSA" and the "State of Minnesota" sections 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.



St. Cloud MSA

The geographic distribution of small loans to businesses to CTs of different income levels in the St. Cloud MSA is very poor. There are no low-income CTs in the St. Cloud MSA AA. Management did not originate any small loans to businesses in moderate-income CTs during the 2020-2021 evaluation period. 2015 D&B data indicates 14.1 percent of businesses are located in a moderate-income geography. Aggregate data shows 14.4 percent of small loans to businesses were made to businesses located in a moderate-income geography.

Minnesota Non-MSA

The geographic distribution of small business loans in the Minnesota Non-MSA is very poor. There are no low-income CTs in the Minnesota Non-MSA AA. During the evaluation period, Gate City originated 1.9 percent of small loans to businesses located in a moderate-income geography. 2015 D&B data indicates 9 percent of businesses are located in a moderate-income geography. Aggregate data shows 8.2 percent of small loans to businesses were made to businesses located in a moderate-income geography.

***Lending Gap Analysis***

Data detailing Gate City's lending activity during the evaluation period for home mortgage loans and small loans to businesses did not reveal any conspicuous gaps in the bank's lending activity. Management made a home mortgage loan or a small loan to a business to all but one LMI CTs within the St. Cloud MSA during the evaluation period. The CT without a loan includes the Mississippi River and a large, wooded area.

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

The bank exhibits adequate distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution.

***Home Mortgage Loans***

The distribution of the bank's home mortgage loans to low and moderate-income borrowers is adequate.

Refer to Table P in the "St. Cloud MSA" and "State of North Dakota" sections of Appendix D for the facts and data used to evaluate the borrower distribution of the institution's home mortgage loan originations and purchases.

St. Cloud MSA

The distribution of home mortgage loans to borrowers of different income levels in the St. Cloud MSA is adequate. During the 2020-2021 evaluation period, Gate City originated 6.7 percent of home mortgage loans to low-income borrowers. 2015 ACS data indicates 20 percent of families are low-income. Aggregate HMDA data indicates 7.9 percent of home loans were made to low-income borrowers. Gate City originated 18.1 percent of home mortgage loans to moderate-income borrowers. 2015 ACS data indicates 17.5 percent of families are moderate-income. Aggregate HMDA data indicates 23.4 percent of home loans were made to moderate-income borrowers.

Minnesota Non-MSA

The distribution of home mortgage loans to borrowers of different income levels in the Minnesota Non-MSA is adequate. During the evaluation period, Gate City originated 4.5 percent of home mortgage loans to low-income borrowers. 2015 ACS data indicates 17.2 percent of families are low-income. Aggregate HMDA data indicates 5.3 percent of home loans were made to low-income borrowers. Gate City originated 11.9 percent of home mortgage loans to moderate-income borrowers. 2015 ACS data indicates 17.9 percent of families are moderate-income. Aggregate HMDA data indicates 14.9 percent of home loans were made to moderate-income borrowers.

***Small Loans to Businesses***

Refer to Table R in the “St. Cloud MSA” and “State of Minnesota” sections of Appendix D for the facts and data used to evaluate the borrower distribution of the institution’s originations and purchases of small loans to businesses.

St. Cloud MSA

The distribution of small loans to businesses of different sizes in the St. Cloud MSA is good. During the 2020-2021 evaluation period, Gate City originated 50 percent of small business loans to businesses with revenues of \$1 million or less. 2015 D&B data indicates 84.5 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 37.3 percent of small business loans were originated to businesses with revenues of \$1 million or less.

Minnesota Non-MSA

The distribution of small loans to businesses of different sizes in the Minnesota Non-MSA is good. During the evaluation period, Gate City originated 46 percent of small business loans to businesses with revenues of \$1 million or less. 2015 D&B data indicates 85.8 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 42.8 percent of small business loans were originated to businesses with revenues of \$1 million or less.

**CD Lending**

The institution has made few, if any, CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution’s level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

St. Cloud MSA

Gate City did not originate any CD loans in the St. Cloud MSA during the 2020-2021 evaluation period.

Minnesota Non-MSA

Gate City did not originate any CD loans in the Minnesota Non-MSA during the evaluation period.

## Product Innovation and Flexibility

The institution makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs. Flexible lending programs are described in the Overall CRA Rating section.

## INVESTMENT TEST

The bank's performance under the Investment Test in Minnesota is rated High Satisfactory.

## Conclusions for Areas Receiving a Full-Scope Review

Based on full-scope reviews, the bank's performance in the St. Cloud MSA and the Minnesota Non-MSA is good.

The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
AA	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
St. Cloud MSA	-	-	7	29	7	17	29	9	-	-
Minnesota Non-MSA	1	231	33	78	34	83	309	91	-	-

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

### St. Cloud MSA

Gate City provided an excellent volume of CD investments and grants to the St. Cloud MSA during the 2020-2021 evaluation period. CD investments and grants demonstrate adequate responsiveness to community needs and opportunities in the AA. Donations and investments totaled \$29 thousand during the 2020-2021 evaluation period. This represents 10 percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank's portion of deposits in the St. Cloud MSA.

Management did not purchase any CD investments during the 2020-2021 evaluation period. Management provided seven donations totaling \$29 thousand to five qualified CD organizations during the evaluation period. All of the donations support community service agencies.

### Minnesota Non-MSA

Gate City provided a good volume of CD investments and grants to the Minnesota Non-MSA during the evaluation period. CD investments and grants demonstrate excellent responsiveness to community needs and opportunities in the AA. Donations and investments total \$309 thousand during the evaluation period. This represents five percent of allocated tier one capital as of December 31, 2021. Capital was allocated based on the bank's portion of deposits in the Minnesota Non-MSA.

Management did not purchase any CD investments during the evaluation period. Management received credit for one qualified investment totaling \$231 thousand that was purchased in a prior period and still outstanding. The prior period investment provided funding for LMI home mortgages in the AA.

Management provided 33 donations totaling \$78 thousand to 18 qualified CD organizations during the evaluation period. All of the donations support community service agencies.

## SERVICE TEST

The bank’s performance under the Service Test in Minnesota is rated Low Satisfactory.

## Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank’s performance in the St. Cloud MSA AA is excellent. Based on a full-scope review, the bank’s performance in the Minnesota Non-MSA AA is adequate.

## Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the St. Cloud MSA AA and unreasonably inaccessible to geographies and individuals of different income levels in Minnesota Non-MSA AA.

Distribution of Branch Delivery System											
AA	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
St. Cloud MSA	4	3	60	-	67	33	-	-	13	72	15
Minnesota Non-MSA	96	2	40	-	-	100	-	-	8	80	12

### St. Cloud MSA

Gate City’s service delivery systems are readily accessible to geographies and individuals of different income levels throughout the St. Cloud MSA. There are no low-income CTs in the St. Cloud MSA AA. Sixty-seven percent of Gate City’s branches in the St Cloud MSA are located in a moderate-income CT. This compares favorably to 2015 ACS data indicating 13 percent of the population lives in moderate-income CTs.

### Minnesota Non-MSA

Gate City’s service delivery systems are unreasonably inaccessible to geographies and individuals of different income levels throughout the Minnesota Non-MSA. There are no low-income CTs in the Minnesota Non-MSA AA. There are no branches located in moderate-income CTs in the Minnesota Non-MSA AA. This compares unfavorably to 2015 ACS data indicating 8 percent of the population lives in moderate-income CTs.

Distribution of Branch Openings/Closings						
AA	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
St. Cloud MSA	3	-	-	2	1	-
Minnesota Non-MSA	-	-	-	-	-	-

To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.

#### St. Cloud MSA

Gate City opened three branches in the St. Cloud MSA AA during the 2020-2021 evaluation period. Two of the branches, or 67 percent, are located in moderate-income CTs.

#### North Dakota Non-MSA

Gate City did not open or close any branches in the North Dakota Non-MSA AA during the evaluation period.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and/or individuals. Business hours are similar between all branches in the AAs. Gate City offers its full range of deposit products at each branch location. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch. There are no differences in cost of services offered at each branch.

### **CD Services**

The institution provided a relatively high level of CD services.

#### St. Cloud MSA

Employees provide expertise to a variety of organizations that provide community services and affordable housing to LMI individuals. During the 2020-2021 evaluation period, three employees provided 61 service hours to four qualified CD organizations in the St. Cloud MSA. Employees served as volunteers, committee members, and on the Board of Directors across the organizations.

#### Minnesota Non-MSA

Employees provide expertise to organizations that provide affordable housing and community services to LMI individuals. During the evaluation period, two employees provided 54 service hours to two qualified CD organizations in the Minnesota Non-MSA. The employees served on a Board of Directors and as a committee member.

## 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>	01/01/2018 to 12/31/2021	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans CD loans, qualified investments, CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None.		
<b>List of AAs and Type of Examination</b>		
<b>Rating and AAs</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		
Fargo ND-MN CSA	Full-scope	Cass and Richland counties in North Dakota and Clay and Wilken counties in Minnesota
<b>North Dakota</b>		
Bismarck MSA	Limited-scope	Burleigh, Morton, and Oliver counties
Grand Forks MSA	Full-scope	Grand Forks County
North Dakota Non-MSA	Full-scope	Adams, Barnes, Benson, Bottineau, Eddy, Foster, Hettinger, McHenry, McLean, Mountrail, Nelson, Ramsey, Renville, Stark, Steele, Stutsman, Traill, Walsh, Ward, and Williams counties
<b>Minnesota</b>		
St. Cloud MSA	Full-scope	Benton and Sterns counties
Minnesota Non-MSA	Full-scope	Becker, Douglas, Norman, and Otter Tail counties

## Appendix B: Summary of MMSA and State Ratings

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RATINGS GATE CITY BANK				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Gate City Bank	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
MMSA or State:				
Fargo ND-MN CSA	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
North Dakota	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Minnesota	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

## 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 §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

**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.

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**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

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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 loans are treated the same 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.

**Fargo ND-MN CSA**

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2018-21</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% 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	
Fargo ND-MN CSA	7,437	1,403,774	100.0	14,970	0.0	0.0	0.0	13.1	11.3	10.5	55.5	39.4	41.3	31.0	49.0	47.6	0.5	0.3	0.6	
<b>Total</b>	<b>7,437</b>	<b>1,403,774</b>	<b>100.0</b>	<b>14,970</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>13.1</b>	<b>11.3</b>	<b>10.5</b>	<b>55.5</b>	<b>39.4</b>	<b>41.3</b>	<b>31.0</b>	<b>49.0</b>	<b>47.6</b>	<b>0.5</b>	<b>0.3</b>	<b>0.6</b>	

*Source: 2015 ACS; 01/01/2018 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2018-21</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Fargo ND-MN CSA	7,437	1,403,774	100.0	14,970	18.6	7.0	7.7	18.9	20.9	20.4	23.1	26.7	20.8	39.3	38.1	27.3	0.0	7.4	23.8	
<b>Total</b>	<b>7,437</b>	<b>1,403,774</b>	<b>100.0</b>	<b>14,970</b>	<b>18.6</b>	<b>7.0</b>	<b>7.7</b>	<b>18.9</b>	<b>20.9</b>	<b>20.4</b>	<b>23.1</b>	<b>26.7</b>	<b>20.8</b>	<b>39.3</b>	<b>38.1</b>	<b>27.3</b>	<b>0.0</b>	<b>7.4</b>	<b>23.8</b>	

*Source: 2015 ACS; 01/01/2018 - 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 2018-21**

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	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Fargo ND-MN CSA	1,903	111,873	100.0	8,323	0.0	0.0	0.0	26.5	28.3	28.3	39.8	33.6	37.3	33.2	37.9	34.1	0.4	0.2	0.3
<b>Total</b>	<b>1,903</b>	<b>111,873</b>	<b>100.0</b>	<b>8,323</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>26.5</b>	<b>28.3</b>	<b>28.3</b>	<b>39.8</b>	<b>33.6</b>	<b>37.3</b>	<b>33.2</b>	<b>37.9</b>	<b>34.1</b>	<b>0.4</b>	<b>0.2</b>	<b>0.3</b>

Source: 2021 D&B Data; 01/01/2018 - 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 2018-21**

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
Fargo ND-MN CSA	1,903	111,873	100.0	8,323	84.1	32.1	34.7	5.3	18.4	10.7	49.6
<b>Total</b>	<b>1,903</b>	<b>111,873</b>	<b>100.0</b>	<b>8,323</b>	<b>84.1</b>	<b>32.1</b>	<b>34.7</b>	<b>5.3</b>	<b>18.4</b>	<b>10.7</b>	<b>49.6</b>

Source: 2021 D&B Data; 01/01/2018 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data.  
 Due to rounding, totals may not equal 100.0%.

**State of North Dakota**

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2018-21</b>		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% 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		
Bismarck MSA	4,338	915,216	43.4	7,178	0.0	0.0	0.0	12.0	5.6	8.0	79.7	75.2	76.4	8.3	19.2	15.5	0.0	0.0	0.0		
Grand Forks MSA	1,608	282,389	16.1	2,847	0.5	0.2	0.4	12.2	9.6	11.0	56.9	47.1	52.6	30.4	43.3	36.0	0.0	0.0	0.0		
ND Non-MSA	4,046	750,727	40.5	9,886	0.4	0.1	0.1	3.4	0.7	2.1	72.4	67.2	64.1	23.8	32.1	33.8	0.0	0.0	0.0		
<b>Total</b>	<b>9,992</b>	<b>1,948,332</b>	<b>100.0</b>	<b>19,911</b>	<b>0.3</b>	<b>0.1</b>	<b>0.1</b>	<b>7.1</b>	<b>4.2</b>	<b>5.5</b>	<b>72.7</b>	<b>67.4</b>	<b>66.9</b>	<b>19.9</b>	<b>28.3</b>	<b>27.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2015 ACS; 01/01/2018 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.*

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2018-21**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Bismarck MSA	4,338	915,216	43.4	7,178	18.0	6.8	8.5	18.9	19.0	21.0	25.0	28.1	23.0	38.2	41.3	30.2	0.0	4.9	17.3
Grand Forks MSA	1,608	282,389	16.1	2,847	21.0	5.1	4.7	19.2	20.2	19.1	20.1	25.1	20.9	39.7	43.3	32.3	0.0	6.3	22.9
ND Non-MSA	4,046	750,727	40.5	9,886	18.8	7.1	5.8	17.6	20.7	18.7	22.1	26.3	22.0	41.4	41.5	28.1	0.0	4.4	25.4
<b>Total</b>	<b>9,992</b>	<b>1,948,332</b>	<b>100.0</b>	<b>19,911</b>	<b>18.9</b>	<b>6.6</b>	<b>6.6</b>	<b>18.2</b>	<b>19.9</b>	<b>19.6</b>	<b>22.7</b>	<b>26.9</b>	<b>22.2</b>	<b>40.2</b>	<b>41.7</b>	<b>29.4</b>	<b>0.0</b>	<b>4.9</b>	<b>22.1</b>

Source: 2015 ACS; 01/01/2018 - 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 2018-21**

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	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Bismarck MSA	834	29,294	29.6	3,170	0.0	0.0	0.0	18.8	17.3	21.5	72.0	69.8	68.6	9.2	13.0	9.9	0.0	0.0	0.0
Grand Forks MSA	390	20,284	13.9	1,900	3.0	0.3	0.8	14.0	14.4	13.6	49.7	49.0	49.4	33.3	36.4	36.2	0.0	0.0	0.0
ND Non-MSA	1,591	99,060	56.5	5,903	0.4	0.1	0.2	3.2	0.5	4.8	67.4	64.6	61.3	29.0	34.9	33.7	0.0	0.0	0.0
<b>Total</b>	<b>2,815</b>	<b>148,638</b>	<b>100.0</b>	<b>10,973</b>	<b>0.6</b>	<b>0.1</b>	<b>0.2</b>	<b>9.0</b>	<b>7.4</b>	<b>11.1</b>	<b>66.6</b>	<b>63.9</b>	<b>61.4</b>	<b>23.8</b>	<b>28.6</b>	<b>27.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2021 D&B Data; 01/01/2018 - 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 2018-21**

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
Bismarck MSA	834	29,294	29.6	3,170	84.8	41.2	40.8	4.2	7.7	10.9	51.1
Grand Forks MSA	390	20,284	13.9	1,900	79.3	33.6	40.6	5.9	18.2	14.9	48.2
ND Non-MSA	1,591	99,060	56.5	5,903	82.7	32.6	44.6	4.3	17.3	13.0	50.1
<b>Total</b>	<b>2,815</b>	<b>148,638</b>	<b>100.0</b>	<b>10,973</b>	<b>82.9</b>	<b>35.3</b>	<b>42.8</b>	<b>4.5</b>	<b>14.6</b>	<b>12.6</b>	<b>50.1</b>

Source: 2021 D&B Data; 01/01/2018 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.

**St. Cloud MSA**

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2020-21**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% 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
St Cloud MSA	105	19,475	100.0	9,821	0.0	0.0	0.0	7.9	5.7	9.1	76.5	76.2	72.1	15.7	18.1	18.9	0.0	0.0	0.0
<b>Total</b>	<b>105</b>	<b>19,475</b>	<b>100.0</b>	<b>9,821</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.9</b>	<b>5.7</b>	<b>9.1</b>	<b>76.5</b>	<b>76.2</b>	<b>72.1</b>	<b>15.7</b>	<b>18.1</b>	<b>18.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2020-21**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
St Cloud MSA	105	19,475	100.0	9,821	20.0	6.7	7.9	17.5	18.1	23.4	23.0	26.7	21.9	39.5	41.9	29.4	0.0	6.7	17.4
<b>Total</b>	<b>105</b>	<b>19,475</b>	<b>100.0</b>	<b>9,821</b>	<b>20.0</b>	<b>6.7</b>	<b>7.9</b>	<b>17.5</b>	<b>18.1</b>	<b>23.4</b>	<b>23.0</b>	<b>26.7</b>	<b>21.9</b>	<b>39.5</b>	<b>41.9</b>	<b>29.4</b>	<b>0.0</b>	<b>6.7</b>	<b>17.4</b>

Source: 2015 ACS; 01/01/2020 - 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 2020-21**

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	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
St Cloud MSA	12	827	100.0	2,932	0.0	0.0	0.0	14.1	0.0	14.4	68.5	58.3	68.9	17.4	41.7	16.7	0.0	0.0	0.0
<b>Total</b>	<b>12</b>	<b>827</b>	<b>100.0</b>	<b>2,932</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>14.1</b>	<b>0.0</b>	<b>14.4</b>	<b>68.5</b>	<b>58.3</b>	<b>68.9</b>	<b>17.4</b>	<b>41.7</b>	<b>16.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2021 D&B Data; 01/01/2020 - 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 2020-21**

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
St Cloud MSA	12	827	100.0	2,932	84.5	50.0	37.3	5.5	0.0	10.0	50.0
<b>Total</b>	<b>12</b>	<b>827</b>	<b>100.0</b>	<b>2,932</b>	<b>84.5</b>	<b>50.0</b>	<b>37.3</b>	<b>5.5</b>	<b>0.0</b>	<b>10.0</b>	<b>50.0</b>

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

**State of Minnesota**

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2018-21**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% 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
MN Non-MSA	1,560	331,165	100.0	7,505	0.0	0.0	0.0	7.4	2.9	6.4	79.6	79.4	78.7	13.0	17.6	14.9	0.0	0.0	0.0
<b>Total</b>	<b>1,560</b>	<b>331,165</b>	<b>100.0</b>	<b>7,505</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.4</b>	<b>2.9</b>	<b>6.4</b>	<b>79.6</b>	<b>79.4</b>	<b>78.7</b>	<b>13.0</b>	<b>17.6</b>	<b>14.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS; 01/01/2018 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data.  
 Due to rounding, totals may not equal 100.0%.

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2018-21**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
MN Non-MSA	1,560	331,165	100.0	7,505	17.2	4.5	5.3	17.9	11.9	14.9	24.5	20.4	19.4	40.5	56.9	42.3	0.0	6.3	18.0
<b>Total</b>	<b>1,560</b>	<b>331,165</b>	<b>100.0</b>	<b>7,505</b>	<b>17.2</b>	<b>4.5</b>	<b>5.3</b>	<b>17.9</b>	<b>11.9</b>	<b>14.9</b>	<b>24.5</b>	<b>20.4</b>	<b>19.4</b>	<b>40.5</b>	<b>56.9</b>	<b>42.3</b>	<b>0.0</b>	<b>6.3</b>	<b>18.0</b>

Source: 2015 ACS; 01/01/2018 - 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 2018-21**

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	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
MN Non-MSA	263	12,676	100.0	2,868	0.0	0.0	0.0	9.0	1.9	8.2	80.3	82.9	77.5	10.7	15.2	14.3	0.0	0.0	0.0
<b>Total</b>	<b>263</b>	<b>12,676</b>	<b>100.0</b>	<b>2,868</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9.0</b>	<b>1.9</b>	<b>8.2</b>	<b>80.3</b>	<b>82.9</b>	<b>77.5</b>	<b>10.7</b>	<b>15.2</b>	<b>14.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2021 D&B Data; 01/01/2018 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data.  
 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>2018-21</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
MN Non-MSA	263	12,676	100.0	2,868	85.8	46.0	42.8	4.3	11.0	9.9	43.0	
<b>Total</b>	<b>263</b>	<b>12,676</b>	<b>100.0</b>	<b>2,868</b>	<b>85.8</b>	<b>46.0</b>	<b>42.8</b>	<b>4.3</b>	<b>11.0</b>	<b>9.9</b>	<b>43.0</b>	

*Source: 2021 D&B Data; 01/01/2018 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.*