



Office of the  
Comptroller of the Currency  
Washington, DC 20219

**SMALL BANK**

## **PUBLIC DISCLOSURE**

September 8, 2025

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

B2 Bank National Association  
Charter Number 11622

8355 Unity Drive, Suite 400  
Mountain Iron, MN 55768

Office of the Comptroller of the Currency

222 S 9<sup>th</sup> 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 lending test is rated: Satisfactory.**

The major factors that support this rating include:

- The lending test rating is based on the bank's performance in the state of Minnesota, as it is the bank's only rating area.
- The bank's loan-to-deposit (LTD) ratio is reasonable.
- A majority of the bank's loans are outside its assessment area (AA).
- The bank received no complaints regarding its CRA performance.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and the credit needs of the AA, the bank's LTD ratio was reasonable.

Based on Call Report data, the bank's quarterly LTD ratio averaged 56.79 percent over the 20 quarters since the previous CRA evaluation. The bank's LTD ratio ranged from a low of 33.46 percent in the third quarter of 2023 to a high of 81.64 percent in the first quarter of 2020. B2 ranked fourth among six similarly situated banks operating in the bank's AA with total assets between \$75 million and \$155 million. Comparable banks had an average LTD ratio between 52.67 percent and 92.00 percent.

B2 Bank National Association (B2) experienced rapid and material deposit growth in the second quarter of 2023 with the launch of a high yield savings account, which was offered in partnership with affiliate M1 Finance, LLC (M1). Total deposits increased by \$26 million during the quarter, which represented 83 percent growth quarter over quarter. The deposit influx negatively impacted the bank's LTD ratio because deposit growth significantly outpaced loan growth. The LTD ratio improved in 2023 and in 2024 as deposit volumes stabilized and loan growth increased.

### Lending in Assessment Area

A majority of the bank's loans were outside its AA.

The bank originated 55.0 percent of sampled loans by number outside its AA during the evaluation period. As illustrated in Table 1 below, the bank's home mortgage lending demonstrated a substantial majority by number inside the bank's AA. Adversely, the bank's consumer lending showed a substantial majority made outside the bank's AA. Consumer loans comprised the largest volume by loan category during the evaluation period. We placed more weight on consumer lending performance to reach the conclusion that a majority of the bank's loans were made outside the AA.

Most consumer loans made during the evaluation period were originated outside the bank's AA through a digital nationwide lending program in partnership with affiliate M1. Home mortgage and consumer loans originated through the bank's traditional community bank division were made mostly inside the bank's AA but accounted for a smaller portion of overall lending. Nationwide consumer loans through the M1 partnership accounted for 89 percent of the bank's consumer lending and 84 percent of overall lending by number during the evaluation period, and most of that volume was in 2024.

Table 1: Lending Inside and Outside of the Assessment Area									2022-2024	
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	17	85.0	3	15.0	20	2,140	64.9	1,159	35.1	3,299
Consumer	1	5.0	19	95.0	20	2	0.4	426	99.6	427
<b>Total</b>	<b>18</b>	<b>45.0</b>	<b>22</b>	<b>55.0</b>	<b>40</b>	<b>2,142</b>	<b>57.5</b>	<b>1,584</b>	<b>42.5</b>	<b>3,726</b>

Source: 1/1/2022 - 12/31/2024 Bank Data.  
Due to rounding, totals may not equal 100.0%

## Description of Institution

B2 is a federally chartered intrastate bank headquartered in Mountain Iron, Minnesota. The bank is wholly owned by B2 Bancorp, Incorporated. The bank has two locations, which include a main office located in Mountain Iron, MN and a branch located in Buhl, MN. The bank does not have any deposit-taking automated teller machines (ATMs). There were no branch or deposit-taking ATM openings or closings since the last CRA evaluation. B2 has one AA, and performance of the AA is reflected in the State of Minnesota rating area.

The bank's ownership, name, and business plan changed since the previous CRA evaluation. In July 2021, one individual personally acquired control of the bank, eliminating the bank's former holding company. In October 2021, the OCC approved the bank's application for a substantial asset change under 12 C.F.R. § 5.53. Subsequently, bank ownership moved to B2 Bancorp under a bank holding company structure and the bank began implementing a new business plan. In November 2022, the bank changed its name from The First National Bank of Buhl to B2. In December 2022 and May 2023, respectively, B2 began offering unsecured consumer loans and personal deposit accounts nationwide, in partnership with affiliate M1.

B2 is a full-service community bank offering a variety of loan and deposit products, including personal and business checking and savings accounts, consumer loans, home mortgage loans, commercial loans, and other traditional banking services. Within the AA, the bank has traditional operations, and lending is focused on consumer and home mortgage. The bank's partnership with M1 adds a nationwide digital presence through consumer loans and personal deposit products. As of December 31, 2024, the bank reported \$34.5 million in outstanding loans. The loan portfolio by total commitment consisted of 47 percent home mortgages, 38 percent consumer, 15 percent business, and zero percent farm loans. Net loans represented 41 percent of total assets. Tier one capital totaled \$10.4 million.

The bank received an "Outstanding" rating at the last CRA evaluation, dated April 27, 2020. There were no financial or legal factors impeding the bank's ability to help meet the credit needs in its AA during the evaluation period.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated the bank's CRA performance using small bank performance standards. The evaluation period was January 1, 2022, through December 31, 2024. We selected consumer and home mortgage loan samples to evaluate the bank's performance under the Lending Test because these were the bank's primary lending products during the evaluation period.

Consumer lending performance carried more weight than home mortgage loan performance when determining combined conclusions. Consumer loans comprised a substantial majority of loan originations by number and a majority by dollar during the evaluation period. Consumer lending accounted for 94 percent of total loan originations by number and 60 percent by dollar during the evaluation period. Home mortgage had the next highest volume with four percent by number and 29 percent by dollar. Digital nationwide loans through the M1 partnership accounted for 89 percent of the bank's total consumer lending and 84 percent of overall lending by number during the evaluation period, and most of that volume was in 2024. By dollar, M1 consumer loans comprised 88 percent of the consumer loan originations and 53 percent of total loan originations.

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

The bank delineated a single AA within a combined statistical area (CSA) in the State of Minnesota. The AA received a full-scope review. Refer to the "Scope" section under the State Rating and Appendix A, Scope of Examination, for more details on the AA.

### **Ratings**

The bank's overall rating is based on performance in the State of Minnesota, which is the bank's only rating area.

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

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

## State Rating

### State of Minnesota

**CRA rating for the State of Minnesota:** Satisfactory.

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

The major factors that support this rating include:

- The distribution of loans throughout different income level geographies is reasonable.
- The distribution of loans to borrowers of different income levels is excellent.
- The bank received no CRA-related complaints.

### Description of Institution's Operations in Minnesota

During the evaluation period, the bank had two locations in St. Louis County, Minnesota. The bank delineated a single AA covering portions of St. Louis and Itasca Counties in northern Minnesota. The AA covers the Quad Cities of Mountain Iron, Virginia, Eveleth, and Gilbert, and includes a region often referred to as the Iron Range. The AA was comprised of 28 census tracts (CT) in total, which included 25 CTs in St. Louis County and three CTs in Itasca County. The geographic distribution of CTs within the AA included one low-income, eight moderate-income, 18 middle-income, and one upper-income. St. Louis County is part of the Duluth, MN-WI Metropolitan Statistical Area (MSA), while Itasca County is in a non-MSA area. St. Louis and Itasca Counties are both included in the Duluth-Grand Rapids CSA and combinable as a single AA for CRA evaluation purposes.

Competition in the bank's market was strong during the evaluation period. The AA contained a variety of state and federally chartered banks. The 2024 FDIC Deposit Market Share Report showed 25 financial institutions with 80 locations operating in St. Louis and Itasca Counties. B2 ranked 15<sup>th</sup>, with an overall deposit market share of 1.3 percent. The top three institutions in the AA by deposit share were Wells Fargo Bank, Park State Bank, and U.S Bank. These institutions had 52.2 percent of total deposits in the AA.

As part of this evaluation, we contacted a community member at a community development based organization in Duluth, MN. The organization supports community development in northern Minnesota through grants and assistance programs to non-profits, government entities, tribal nations, small businesses, and community-based programs. The contact recognized the local economy is tied closely to the mining community. According to the community contact, the area needs financial support for economic development initiatives that support small businesses and affordable housing for low- and moderate-income (LMI) individuals. There is also a need for small dollar consumer loans, vehicle loans, and home mortgage loans. The contact said the local region suffers from lack of affordable and newer housing. The contact noted that the housing supply is old, and high construction costs and older citizens aging in their homes are also factors in the lack of available housing. The contact stated that B2 has good relationships within the community and supports credit needs.

We also reviewed four community contact interactions that were previously completed during the evaluation period. Two contacts were home realtors in the AA. These two contacts stated there has been a housing shortage in the area for several years and home prices have increased, which has led to a need for affordable housing. Both contacts stated local banks were meeting the credit needs of the area. The

other two contacts were organizations focused on economic development in Itasca and St. Louis Counties. One of these contacts stated the local economy was stable but recognized increasing home prices and lack of affordable housing. This contact indicated that primary credit needs were business and home mortgage lending and local banks were meeting credit needs, although the lack of affordable housing had limited home mortgage opportunities in recent years. The other economic development contact indicated the Iron Range economy is very cyclical and dependent on the fortune of the iron mining industry, specifically taconite mining. The contact stated the main industries in the area included mining, logging, healthcare, and government. The contact indicated that banking was robust in the area with lots of local banks, and credit needs were met despite some banks not being active in business lending.

The table below provides AA demographic and economic data.

### Duluth-Grand Rapids CSA

Assessment Area – Duluth-Grand Rapids CSA						
2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
<b>Geographies (Census Tracts)</b>	28	3.57	28.57	64.29	3.57	0.00
<b>Population by Geography</b>	72,620	3.31	28.16	65.05	3.48	0.00
<b>Housing Units by Geography</b>	45,838	3.23	27.97	65.77	3.04	0.00
<b>Owner-Occupied Housing by Geography</b>	25,986	1.47	25.83	69.68	3.02	0.00
<b>Occupied Rental Units by Geography</b>	7,415	11.11	40.46	43.65	4.77	0.00
<b>Vacant Units by Geography</b>	12,437	2.19	24.99	70.79	2.03	0.00
<b>Businesses by Geography</b>	2,497	6.05	23.35	62.76	7.85	0.00
<b>Farms by Geography</b>	112	0.00	16.07	82.14	1.79	0.00
<b>Family Distribution by Income Level</b>	19,438	22.39	20.35	23.29	33.97	0.00
<b>Household Distribution by Income Level</b>	33,401	28.04	16.25	18.72	37.00	0.00
<b>Unemployment rate (%)</b>	5.34	16.32	6.10	4.72	1.64	0.00
<b>Households Below Poverty Level (%)</b>	14.00	39.60	20.00	10.09	9.04	0.00
<b>Median Family Income (20260 – Duluth, MN-WI MSA)</b>	\$77,539			<b>Median Housing Value</b>	\$121,900	
<b>Median Family Income (Non-MSAs – MN)</b>	\$74,710			<b>Median Gross Rent</b>	\$631	
<b>Median Family Income (20260 – Duluth, MN-WI MSA) for 2024</b>	\$94,700			<b>Families Below Poverty Level</b>	9.70	
<b>Median Family Income (Non-MSAs – MN) for 2024</b>	\$90,300					
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
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

The Minnesota rating area is based wholly on the bank's single AA, referred to as the Duluth-Grand Rapids CSA. The AA received a full-scope review. Home mortgage and consumer loans were the primary lending products in the AA during the evaluation period and were used to determine Lending Test performance. Refer to Appendix A, Scope of Examination, for a list of geographies within the AA.

### LENDING TEST

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

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Duluth-Grand Rapids CSA AA was reasonable.

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

The bank exhibited reasonable geographic distribution of loans in the state.

For geographic distribution, the bank's performance in moderate-income geographies carried more weight than performance in low-income geographies given the bank's AA included only one low-income CT.

#### *Home Mortgage Loans*

Refer to Table 7 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations.

B2 demonstrated reasonable distribution of home mortgage loans across geographies of different income levels. In low-income geographies, the bank's percentage of home mortgage loans exceeded the percentage of owner-occupied housing units (demographic comparator) and was comparable with aggregate lending. Aggregate lending by HMDA reporting institutions in low-income geographies exceeded the demographic comparator. In moderate-income geographies, the bank's percentage of home mortgage loans was lower than both the demographic and aggregate lending comparators.

Approximately ten percent of total owner-occupied housing units in the AA were in moderate-income geographies away from the bank's locations with several other financial institutions in closer proximity to those areas. These factors reduced opportunity for B2 to originate loans in those geographies. If the comparator was adjusted to remove those areas, the percentage of owner-occupied housing units in moderate-income geographies would be reduced to 15.95 percent, and the bank's lending at 9.09 percent of home mortgage loans would be somewhat below the comparator.

#### *Consumer Loans*

Refer to Table 13 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations.

B2 demonstrated reasonable distribution of consumer loans across geographies of different income levels. In low-income geographies, the bank's percentage of consumer loans was near the percentage of households. In moderate-income geographies, the bank's percentage of consumer loans was lower than the percentage of households. Approximately ten percent of total households in the AA were in moderate-income geographies away from the bank's locations with several other financial institutions in closer proximity. These factors reduced opportunity for B2 to originate loans in those geographies. If the comparator was adjusted to remove those areas, the percentage of households in moderate-income geographies would be reduced to 18.89 percent, and the bank's lending at 16.67 percent of consumer loans would be near the comparator.

#### *Lending Gap Analysis*

There were no unexplainable conspicuous gaps in lending to LMI geographies within the AA.

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

The bank exhibited an excellent distribution of loans to individuals of different income levels.

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

Refer to Table 8 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

B2 demonstrated an excellent distribution of home mortgage loans to individuals of different income levels. The bank's percentage of home mortgage loans to moderate-income borrowers exceeded the aggregate lending percentage to moderate-income borrowers and the percentage of moderate-income families in the AA. The bank's percentage of home mortgage loans to low-income borrowers was somewhat below the aggregate lending percentage to low-income borrowers and below the percentage of low-income families in the AA. Within the AA, 9.70 percent of families were in poverty. Families in poverty were less likely to be able to afford a home, which limited lending opportunities. Consideration was also given to the lack of affordable housing, which limited lending opportunities given LMI borrowers could not afford higher priced homes.

### ***Consumer Loans***

Refer to Table 14 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations.

B2 demonstrated an excellent distribution of consumer loans to individuals of different income levels. The bank's percentage of consumer loans to LMI borrowers exceeded the percentages of LMI households in the AA.

### **Responses to Complaints**

The bank received no complaints regarding its CRA performance since the prior CRA evaluation.

## 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>	01/01/22-12/31/24	
<b>Bank Products Reviewed:</b>	Home mortgage, consumer loans	
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
Minnesota		Partial Counties of St. Louis and Itasca.
Duluth-Grand Rapids CSA	Full-scope	<p>St. Louis – 25 census tracts, which include 113.00, 114.01, 114.02, 121.00, 122.00, 123.00, 124.00, 125.00, 126.00, 127.00, 128.00, 130.00, 131.00, 132.00, 133.00, 134.00, 135.00, 136.00, 138.00, 139.00, 140.00, 151.00, 152.00, 154.02, 155.01</p> <p>Itasca County – three census tracts, which include 4804.01, 4805.00, 4810.02</p>

## Appendix B: Summary of MMSA and State Ratings

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RATINGS	
Overall Bank:	Lending Test Rating
B2 Bank, N.A.	Satisfactory
State:	
Minnesota	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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

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

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

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

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

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

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

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of CD loans and qualified investments, branch distribution, and CD services).

**Low-Income:** Individual income that is at less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/AA.

**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.

**Multistate Metropolitan Statistical Area (MMSA):** 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.

**Prior Period Investments:** Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

**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 multistate 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 multistate metropolitan statistical area, the institution will receive a rating for the multistate 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.

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

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. 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:

**Table 7. 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 8. 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/AA. The table also presents aggregate peer data for the years the data is available.

**Table 13. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.

**Table 14. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

## State of Minnesota

Assessment Area:	2022-2024																		
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	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
Duluth-Grand Rapids CSA	445,913	100.00	1,544	1.47	2.27	2.78	25.83	9.09	30.44	69.68	86.36	63.86	3.02	2.27	2.91	--	0.00	--	
<b>Total</b>	<b>445,913</b>	<b>100.00</b>	<b>1,544</b>	<b>1.47</b>	<b>2.27</b>	<b>2.78</b>	<b>25.83</b>	<b>9.09</b>	<b>30.44</b>	<b>69.68</b>	<b>86.36</b>	<b>63.86</b>	<b>3.02</b>	<b>2.27</b>	<b>2.91</b>	--	<b>0.00</b>	--	

Source: FFIEC File — 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 HMDA Aggregate Data, “--” data not available.  
Due to rounding, totals may not equal 100.0%

Assessment Area:	2022-2024																		
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Duluth-Grand Rapids CSA	445,913	100.00	1,544	22.39	13.64	18.39	20.35	25.00	24.16	23.29	34.09	20.92	33.97	20.45	24.22	--	6.82	12.31	
<b>Total</b>	<b>445,913</b>	<b>100.00</b>	<b>1,544</b>	<b>22.39</b>	<b>13.64</b>	<b>18.39</b>	<b>20.35</b>	<b>25.00</b>	<b>24.16</b>	<b>23.29</b>	<b>34.09</b>	<b>20.92</b>	<b>33.97</b>	<b>20.45</b>	<b>24.22</b>	--	<b>6.82</b>	<b>12.31</b>	

Source: FFIEC File — 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 HMDA Aggregate Data, “--” data not available.  
Due to rounding, totals may not equal 100.0%

Table 13: Assessment Area Distribution of Consumer Loans by Income Category of the Geography											2022-2024		
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total Number	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Duluth-Grand Rapids CSA	60	1,003	100.00	3.61	1.67	29.07	16.67	63.90	81.67	3.41	0.00	--	0.00
<b>Total</b>	<b>60</b>	<b>1,003</b>	<b>100.00</b>	<b>3.61</b>	<b>1.67</b>	<b>29.07</b>	<b>16.67</b>	<b>63.90</b>	<b>81.67</b>	<b>3.41</b>	<b>0.00</b>	--	<b>0.00</b>

Source: FFIEC File — 2024 Census; 1/1/2022 - 12/31/2024 Bank Data.  
Due to rounding, totals may not equal 100.0%

Table 14: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower											2022-2024		
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total Number	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Duluth-Grand Rapids CSA	60	1,003	100.00	28.04	43.33	16.25	28.33	18.72	16.67	37.00	10.00	--	0.00
<b>Total</b>	<b>60</b>	<b>1,003</b>	<b>100.00</b>	<b>28.04</b>	<b>43.33</b>	<b>16.25</b>	<b>28.33</b>	<b>18.72</b>	<b>16.67</b>	<b>37.00</b>	<b>10.00</b>	--	<b>0.00</b>

Source: FFIEC File — 2024 Census; 1/1/2022 - 12/31/2024 Bank Data.  
Due to rounding, totals may not equal 100.0%