



PUBLIC DISCLOSURE

February 17, 2015

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Neighborhood National Bank
Charter Number 15161

45 North Union Street
Mora, MN 55051

Office of the Comptroller of the Currency

Minneapolis Field Office
222 9th Street South, 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, nor should it 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.

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

- The bank's loan-to-deposit ratio (LTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- The majority of loan originations were made inside the bank's AAs.
- Distribution of loans reflects excellent penetration among businesses of different sizes and borrowers of different income levels.
- The geographic distribution of loans reflects poor dispersion throughout the bank's AAs.

SCOPE OF EXAMINATION

We evaluated Neighborhood National Bank's (NNB's) Community Reinvestment Act (CRA) performance using small bank lending performance standards. The bank's evaluation period was September 30, 2008 through February 17, 2015.

NNB has two designated AAs in Minnesota consisting of the non-metropolitan statistical area (Non-MSA) AA and the metropolitan statistical area AA (MSA AA). In 2014, geographic boundary revisions by the Office of Management and Budget (OMB) became effective. This affected the bank's Non-MSA AA as Mille Lacs County moved out of the Non-MSA AA and became part of the Minneapolis-St. Paul MSA. As a result, Mille Lacs County is included in the analysis of the Non-MSA AA for 2013, but is not included in the analysis for 2014. Given the OMB changes, 2013 and 2014 performance was analyzed separately for each AA. The Non-MSA AA was given more weight in our analysis given its significance to the bank in terms of deposit volume, loan production, and branches.

We assessed the bank's lending performance by determining primary products based on the number and dollar volume of loans originated between January 1, 2013 through December 31, 2014 (sample period). We determined commercial and consumer loans to be the bank's primary products in the Non-MSA AA, and commercial and residential real estate loans in the MSA AA. We sampled 20 loans of each primary product in each year for each AA, excluding residential real estate loans, for a total of 120 loans. Additional loans were sampled as necessary for analysis purposes. We relied on the 2013 and 2014 Home Mortgage Disclosure Act (HMDA) data to review residential real estate products as data was previously tested and deemed accurate. The tables on the following page show the number and dollar volume of loans originated and purchased during the sample period.

Non-MSA AA Loan Originations and Purchases in 2013 and 2014		
<i>Loan Type</i>	<i>Volume by \$</i>	<i>Volume by #</i>
Commercial	52.57%	15.16%
Residential Real Estate	27.02%	10.41%
Consumer	15.25%	68.95%
Agriculture	5.16%	5.48%

Source: Bank loan origination report for 2013 and 2014

MSA AA Loan Originations and Purchases in 2013 and 2014		
<i>Loan Type</i>	<i>Volume by \$</i>	<i>Volume by #</i>
Commercial	56.47%	31.11%
Residential Real Estate	36.86%	34.22%
Consumer	3.64%	34.22%
Agriculture	3.02%	0.44%

Source: Bank loan origination report for 2013 and 2014

DESCRIPTION OF INSTITUTION

NNB is an intrastate community bank headquartered in Mora, Minnesota (MN) with six branch locations located in east-central Minnesota. The bank is 83 percent owned by Peoples Bancshares Inc. with the remaining 17 percent of shares widely held. Peoples Bancshares is a one-bank holding company headquartered in Mora, MN. Since our last CRA evaluation, the bank opened one branch located in North Branch, MN, which is a part of the bank's MSA AA. NNB's five other branches are located in the cities of Mora, Aitkin, Crosby, and Brainerd, which are located in non-MSA areas. The bank operates four ATMs, all located within bank's AAs. NNB's only deposit-taking ATM is located in its branch in the Coborn's Superstore in Mora, MN. The bank changed its name from People's National Bank to Neighborhood National Bank in August 2014 in preparation for a merger with Neighborhood National Bank in Alexandria, MN. The merger had not been consummated as of the start date of our evaluation.

The bank offers traditional banking products and services including consumer, commercial, mortgage and agricultural loan products and various deposit offerings for both personal and business use. Other services and products include debit cards, direct deposit, overdraft protection, wire transfers, and internet and mobile banking options.

As of December 31, 2014, the bank's total assets were \$168 million with tier 1 capital of \$17 million. The tier 1 capital leverage ratio was 10.24 percent. The bank's loans portfolio represented 46.5 percent of total assets and was comprised of 48 percent commercial loans, 33.5 percent residential real estate loans, 13 percent consumer loans, and 5.5 percent agriculture loans. The investment portfolio represented 45 percent of total assets at year-end 2014 and with the majority of investments in US Treasury and Agency and municipal security holdings. The bank's primary business focus is commercial and residential real estate lending.

We did not identify any financial, legal, or other impediments that would impede the bank’s ability to meet the credit needs in its AA. The last CRA performance evaluation was conducted as of September 29, 2008 and resulted in a satisfactory rating.

DESCRIPTION OF ASSESSMENT AREAS

NNB’s two AAs consist of 39 census tracts (CTs) in six counties. The AAs contain mostly small towns surrounded by undeveloped and non-agricultural areas. The AAs meet the requirements of the regulation and do not arbitrarily exclude any low- or moderate-income geographies.

Description of the Non-MSA AA

In 2013, the Non-MSAAA consisted of 33 contiguous CTs in Aitkin, Crow Wing, Kanabec, Mille Lacs, and Pine counties. As previously described, Mille Lacs County became a part of the MSA AA. The 2014 non-MSA-AA was then reduced to 30 contiguous CTs in Aitkin, Crow Wing, Kanabec, and Pine counties. See the tables below and on the following page for demographic information on the AA.

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF THE 2013 NON-MSA AA	
Population	
Number of Families	34,043
Number of Households	50,919
% of Low-Income Families	21.27%
% of Moderate-Income Families	21.06%
% of Middle-Income Families	23.58%
% of Upper-Income Families	34.10%
Geographies	
Number of Census Tracts	33
% Low-Income Census Tracts	0.00%
% Moderate-Income Census Tracts	21.21%
% Middle-Income Census Tracts	78.79%
% Upper-Income Census Tracts	0.00%
Median Family Income (MFI)	
2010 MFI for Non-MSA AA	\$58,135
2013 HUD-Adjusted MFI	\$61,700
Economic Indicators	
2013 Unemployment Rate	7.70%
2010 Median Housing Value	\$190,528
% of Households Below Poverty Level	12.88%

Source: 2010 U.S. Census data with updated information when available

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF THE 2014 NON-MSA AA	
Population	
Number of Families	31,940
Number of Households	47,587
% of Low-Income Families	20.61%
% of Moderate-Income Families	21.01%
% of Middle-Income Families	23.59%
% of Upper-Income Families	34.78%
Geographies	
Number of Census Tracts	30
% Low-Income Census Tracts	0.00%
% Moderate-Income Census Tracts	20.00%
% Middle-Income Census Tracts	80.00%
% Upper-Income Census Tracts	0.00%
Median Family Income (MFI)	
2010 MFI for Non-MSA AA	\$ 58,135
2014 FFIEC-Adjusted MFI	\$ 61,700
Economic Indicators	
2014 Unemployment Rate	6.60%
2010 Median Housing Value	\$191,486
% of Households Below Poverty Level	12.56%

Source: 2010 U.S. Census data with updated information when available

Unemployment rates are trending downward in the Non-MSA AA but remain above state averages. Unemployment rates decreased across all counties in the 2014 Non-MSA with the highest being Kanabec County at 8.20 percent and the lowest Crow Wing County at 5.60 percent. The unemployment rate in the Non-MSA in 2014 was 6.60 percent, down from 7.70 percent the previous year. Despite improvements, the jobless rate in the Non-MSA AA remains significantly higher than 2014 state unemployment rate of 3.70 percent.

The Non-MSA AA deposit and lending market is very competitive. There are multiple deposit-taking institutions, which offer a variety of similar products and services in the AA. Competition includes other national banks, state chartered banks, and credit unions. The strongest competition is in the city of Brainerd due to the presence of several community banks as well as a large number of large- and mid-sized banking institutions with office locations in this AA.

There were 25 financial institutions with branches in the 2013 Non-MSA AA. Per the June 30, 2013 FDIC Deposit Market Share Report, NNB ranked eighth in market share of deposits in the AA with 5.52 percent of the market's deposits. In 2014, there were 21 financial and savings institutions with branches in the Non-MSA AA. Per the June 30, 2014 FDIC Deposit Market Share Report, NNB ranks seven in market share with 6.86 percent of the market's deposits. Competition for deposits remains strong as no one institution holds more than 14.64 percent of the market share.

In order to gather current information on the community and potential lending opportunities in the AA, we contacted a community leader. According to the contact, the local economic conditions in the Non-MSA AA are declining, with the exception of Brainerd and Baxter in Crow Wing County, which are improving due to growth in commercial businesses, tourism and the healthcare industry. The population of each county in the Non-MSA AA is aging according to our community contact. Economic growth is generally stagnant as the population ages. The contact indicated there is a growing need for affordable housing in each county of the Non-MSA AA, particularly workforce and senior living housing. Affordable workforce housing is needed in Kanabec County given the majority of the population in Mora commute to this county to work but do not live there. The U.S. Census Bureau shows that only 15 building permits were issued in Kanabec County in 2013, which is only three percent of the all the building permits issued in the 2013 Non-MSA AA. The AA is in need of affordable senior living housing in all counties, but the greatest need is in Aitkin County as they have the oldest population in the AA and the poorest income levels in the state.

Description of the MSA AA

The MSA AA includes nine contiguous census tracts with five census tracts in Chisago County and four census tracts in Isanti County. These counties are part of the Minneapolis-St. Paul, MN-WI MSA. The table below shows demographic information for NNB’s MSA AA in 2013 and 2014.

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF THE 2013 MSA AA	
Population	
Number of Families	12,464
Number of Households	16,820
% of Low-Income Families	20.82%
% of Moderate-Income Families	23.97%
% of Middle-Income Families	29.39%
% of Upper-Income Families	25.82%
Geographies	
Number of Census Tracts	9
% Low-Income Census Tracts	0.00%
% Moderate-Income Census Tracts	22.22%
% Middle-Income Census Tracts	77.78%
% Upper-Income Census Tracts	0.00%
Median Family Income (MFI)	
2010 MFI for AA	\$ 80,925
2013 FFIEC MFI	\$ 82,300
Economic Indicators	
2013 Unemployment Rate	6.00%
2010 Median Housing Value	\$212,766
% of Households Below Poverty Level	8.00%

Source: 2010 U.S. Census data with updated information when available

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF THE 2014 MSA AA	
Population	
Number of Families	12,464
Number of Households	16,820
% of Low-Income Families	20.16%
% of Moderate-Income Families	23.29%
% of Middle-Income Families	29.05%
% of Upper-Income Families	27.50%
Geographies	
Number of Census Tracts	9
% Low-Income Census Tracts	0.00%
% Moderate-Income Census Tracts	22.22%
% Middle-Income Census Tracts	77.78%
% Upper-Income Census Tracts	0.00%
Median Family Income (MFI)	
2010 MFI for MSA AA	70,003
2014 FFIEC MFI	\$ 83,900
Economic Indicators	
2014 Unemployment Rate	5.20%
2010 Median Housing Value	\$212,766
% of Households Below Poverty Level	8.00%

Source: 2010 U.S. Census data with updated information when available

Unemployment rates are trending downward in the MSA AA but are still above the 2014 state jobless rate of 3.70 percent. The 2014 MSA AA unemployment rate was 5.20 percent, down from 6 percent in 2013. During 2014, Isanti County had the higher unemployment rate of the two MSA AA counties averaging 5.3 percent, while Chisago County averaged 5.10 percent.

Competition in the MSA AA for loans and deposits is very strong. This is due to multiple deposit-taking institutions, which offer a variety of similar products and services to NNB in this AA. Competition includes other national banks, state chartered banks, and credit unions. Competition is particularly strong in the North Branch region with a denser population of competing banks due to its closer proximity to the Twin Cities.

Based on the June 30, 2014 FDIC Market Share report, there are 16 financial institutions with branches in the MSA AA. NNB ranks twelve in market share of deposits in the AA with 2.73 percent of the market’s deposits. Competition for deposits remains strong in the AA, as none of the institutions holds more than 15.66 percent market share.

In order to gather current information on the community and potential lending opportunities in the AA, we contacted a community leader. According to the contact, local economic conditions of the MSA AA are fair and improving. Housing and industrial growth have improved economic conditions in recent years. Most notably, foreclosures have declined, 1-4 family residential

construction has increased, and the industrial park has seen new businesses emerge in the welding, bio-diesel, and engineering fields. The contact mentioned that NNB’s president has been actively involved in a regional economic development effort called GPS 45:93, which is trying to bring high-tech businesses along the I-35 Corridor. NNB is also very involved in getting broadband into Kanabec County, in part to provide customers with the ability to participate in online banking.

There is a growing need for affordable senior living in this AA. Like the counties in the Non-MSA AA, the population of the MSA AA is aging. The need to expand such infrastructure will bring opportunities for local bank participation in the community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

NNB’s LTD ratio is reasonable given the bank’s size, financial condition, and AA credit needs. From June 30, 2008 to December 31, 2014, the bank’s quarterly LTD ratio ranged from 53.55 to 76.66 percent and averaged 63.69 percent. This ratio ranks last among similarly situated banks, however, NNB sells residential real estate loans on the secondary market and the volume of loans originated and subsequently sold is not reflected in the quarterly LTD ratio. Similarly situated banks include financial institutions with main offices or branches located in the AA and total assets between \$103 million and \$248 million. See table below for average LTD ratios for NNB and similarly situated banks.

LOAN-TO-DEPOSIT RATIO		
Institution	Total Assets	Average LTD Ratio (2Q08 – 4Q14)
American National Bank of Minnesota	248,041	90.46%
Woodlands National Bank	149,325	81.89%
First National Bank of Milaca	184,462	73.01%
Northwoods Bank of Minnesota	103,788	71.08%
Pine River State Bank	107,402	65.23%
Neighborhood National Bank	168,689	63.69%

Source: Call Report data as of December 31, 2014.

Lending in the Assessment Area

NNB originates a majority of its loans to borrowers located within its designated AAs. The table on the following page shows loans originated within the bank’s AAs by number and dollar volume for each loan type.

Lending in the AAs										
Loan Type	Number of Loans					Dollars of Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Mortgage	75	79.79 %	19	20.21 %	94	\$ 6,678	61.33 %	\$ 4,211	38.67 %	\$10,889
Commercial	62	77.50 %	18	22.50 %	80	\$ 6,562	70.79 %	\$ 2,708	29.21 %	\$ 9,270
Consumer	37	92.50 %	3	7.50 %	40	\$ 240	93.75 %	\$ 16	6.25 %	\$ 256
Totals	174	81.31 %	40	18.69 %	214	\$13,480	66.03 %	\$6,935	33.97 %	\$20,415

Source: Loan sample; HMDA data

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

NNB's overall distribution of loans reflects excellent penetration among businesses of different sizes and borrowers of different income levels. As noted previously, NNB's lending performance in the Non-MSA AA was weighted more heavily in our analysis given the significance of this AA to the bank in terms of deposits, loans and number of branches. Analysis of performance in the MSA is centered on commercial lending given limited real estate loans made within this AA.

Non-MSA Assessment Area

Business Loans

The bank's performance in lending to small business in 2013 and 2014 demonstrates excellent penetration. The bank's percentage of loans by number and dollar volume made to business with gross revenues less than \$1 million significantly exceeded the statistical comparator in both years.

Although the unreported businesses of 18.96 percent in 2013 and the 19.08 percent in 2014 could be potential additional small businesses, we have no reason to believe that the non-reporters are a disproportionate amount of small businesses.

Borrower Distribution of Loans to Businesses in the 2013 Non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	77.65%	3.39%	18.96%	100.00%
% of Bank Loans in AA by #	90.00%	10.00%	0.00%	100.00%
% of Bank Loans in AA by \$	90.43%	9.57%	0.00%	100.00%

Source: Loan sample; Dunn and Bradstreet Data 2013

Borrower Distribution of Loans to Businesses in the 2014 Non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	77.04%	3.88%	19.08%	100%
% of Bank Loans in AA by #	100.00%	0.00%	0.00%	100%
% of Bank Loans in AA by \$	100.00%	0.00%	0.00%	100%

Source: Loan sample; Dunn and Bradstreet Data 2014

Consumer Loans

Overall lending to borrowers of different income levels in 2013 and 2014 reflects excellent penetration given the demographics of the Non-MSA AA.

In 2013, NNB had excellent penetration among borrowers of different income levels when compared to the AA demographics. While the percentage of loans made to low-income households was slightly below the demographic; loans made to moderate-income households significantly exceeded demographics. The table below illustrates performance under this test.

Borrower Distribution of Consumer Loans in 2013 Non-MSA AA								
Borrower Income Level*	Low		Moderate		Middle		Upper	
	% of AA House holds	% of Number of Loans						
Consumer	24.86%	24.14%	17.43%	39.66%	20.91%	25.86%	36.80%	10.34%

Source: Loan Sample; 2010 US Census Data. *Note: 3.33% of the sample did not have income available

In 2014, NNB had excellent penetration among borrowers of different income levels when compared to the AA demographics. The percentage of loans made to low-income households exceeded demographics. Loans made to moderate-income households significantly exceeded demographics. The below table illustrates performance under this test.

Borrower Distribution of Consumer Loans in 2014 Non-MSA AA								
Borrower Income Level*	Low		Moderate		Middle		Upper	
	% of AA House holds	% of Number of Loans						
Consumer	23.70%	25.00%	17.15%	26.79%	21.01%	23.21%	38.14%	25.00%

Source: Loan Sample; 2010 US Census Data. * Note: 6.67% of the sample did not have income available

MSA Assessment Area

Lending to businesses of different sizes reflects reasonable penetration in 2013 and 2014 given the demographics of the MSA AA.

Business Loans

NNB had reasonable penetration among businesses of different sizes in the MSA AA. The bank's percentage of loans by number made to businesses with gross revenues less than \$1 million was similar to the demographic comparator in the 2013 and 2014 AAs. The percentage of loans by dollar amount made to businesses with gross revenues less than \$1 million was less than the demographic comparators. Although the unreported businesses of 18.14 percent in 2013 and the 19.02 percent in 2014 could be potential additional small businesses, we have no reason to believe that the non-reporters are a disproportionate amount of small businesses.

Borrower Distribution of Loans to Businesses in the 2013 MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	77.94%	3.93%	18.14%	100%
% of Bank Loans in AA by #	70.00%	30.00%	0.00%	100%
% of Bank Loans in AA by \$	46.34%	53.66%	0.00%	100%

Source: Loan sample; Dunn and Bradstreet Data 2013

Borrower Distribution of Loans to Businesses in the 2014 MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	76.72%	4.42%	18.86%	100%
% of Bank Loans in AA by #	68.75%	31.25%	0.00%	100%
% of Bank Loans in AA by \$	14.70%	85.30%	0.00%	100%

Source: Loan sample; Dunn and Bradstreet Data 2014

Residential Real Estate Loans

Although determined to be a primary product for the MSA AA based on originations during the sample period, only a limited number of residential real estate loans were made within the MSA AA. Therefore, analysis of this product would not be meaningful.

Geographic Distribution of Loans

Overall, the distribution of loans in 2013 and 2014 reflects poor dispersion throughout the bank's AA. As there are no low-income CTs in either AA, our analysis focused on the bank's performance in the moderate-income tracts. The bank's performance in the Non-MSA AA was significantly lower than AA demographics in 2013 and 2014 for both commercial and consumer loan originations, reflecting poor dispersion in this AA. The bank's performance in the MSA

AA reflects excellent dispersion; however, these findings received less weighting when rating the bank’s combined AA performance under this test.

Non-MSA Assessment Area

Business Loans

The geographic distribution of commercial loans reflects poor dispersion throughout the AA both in 2013 and 2014. The percentage of loans by number was significantly lower than the demographic comparator each year.

Geographic Distribution of Loans to Businesses in 2013 Non-MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans
Commercial	0.00%	0.00%	21.08%	10.00%	78.92%	90.00%	0.00%	0.00%

Source: Loan Sample; 2010 US Census Data

Geographic Distribution of Loans to Businesses in 2014 Non-MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans
Commercial	0.00%	0.00%	20.99%	11.67%	79.01%	88.33%	0.00%	0.00%

Source: Loan Sample; 2010 US Census Data

Consumer Loans

The geographic distribution of consumer loans reflects poor dispersion throughout the AA. Lending to moderate-income CTs in both 2013 and 2014 was below demographic comparators.

A significantly large proportion of loans in NNB are produced out of the main branch in Mora, MN. This is due the longevity of the branch, experience of loan officers, and lower competition levels. There are no low- or moderate-CTs in Kanabec or Pine County where the Mora office serves. The bank’s branches that are located near or in moderate-CTs are smaller branches with fewer loan officers, greater competition, and lower loan demand.

Geographic Distribution of Consumer Loans in 2013 Non-MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA House holds	% of Number of Loans	% of AA House holds	% of Number of Loans	% of AA House holds	% of Number of Loans	% of AA House holds	% of Number of Loans
Consumer	0.00%	0.00%	20.51%	15.00%	79.49%	85.00%	0.00%	0.00%

Source: Loan Sample; 2010 US Census Data

Geographic Distribution of Consumer Loans in 2014 Non-MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA House holds	% of Number of Loans	% of AA House holds	% of Number of Loans	% of AA House holds	% of Number of Loans	% of AA House holds	% of Number of Loans
Consumer	0.00%	0.00%	19.51%	15.00%	80.49%	85.00%	0.00%	0.00%

Source: Loan Sample; 2010 US Census Data

MSA Assessment Area

Business Loans

The geographic distribution of business loans reflects excellent dispersion throughout the AA in both 2013 and 2014. The bank’s lending to businesses in moderate-income tracts significantly exceeded the comparator of AA businesses in those tracts.

Geographic Distribution of Loans to Businesses in 2013 MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans
Commercial	0.00%	0.00%	16.03%	30.00%	83.97%	70.00%	0.00%	0.00%

Source: Loan Sample; 2010 US Census Data

Geographic Distribution of Loans to Businesses in 2014 MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Farms	% of # of Loans
Commercial	0.00%	0.00%	16.07%	50.00%	83.93%	50.00%	0.00%	0.00%

Source: Loan Sample; 2010 US Census Data

Residential Real Estate Loans

Although determined to be a primary product for the MSA AA based on loan originations during the sample period, a limited number of residential real estate loans were made within the MSA AA. Therefore, analysis of this product would not be meaningful.

Responses to Complaints

There have been no CRA-related complaints reported during the evaluation period.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), in determining a national bank's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.