



## **PUBLIC DISCLOSURE**

May 6, 2019

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

Merchants Bank, National Association  
Charter Number: 14488

102 Plaza East  
Winona, MN 55987

Office of the Comptroller of the Currency

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 Merchants Bank, N.A. (MB or bank) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Merchants Bank, N.A. 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 Minnesota, Wisconsin, and La Crosse-Onalaska, WI-MN Multi-State Metropolitan Statistical Area (La Crosse MMSA) ratings. Performance in Minnesota is weighted most heavily because it represents the bank's primary area with 81 percent of branch locations, 78 percent of total deposit volume as of June 30, 2017, and 70 percent of Home Mortgage Disclosure Act (HMDA) and Community Reinvestment Act (CRA) loans originated during the evaluation period. Performance in the La Crosse MMSA AA receives the second greatest weight as it includes 15 percent of branch locations, 19 percent of deposit volume as of June 30, 2017, and 28 percent of HMDA and CRA loans originated during the evaluation period. Performance in Wisconsin is weighted the least heavily as there is only one branch, three percent of deposits, and three percent of HMDA and CRA loans originated in this area.
- The Investment Test rating is based on a combination of the Minnesota, Wisconsin, and La Crosse MMSA ratings. Performance in the Investment Test was weighted in the same manner as the Lending Test.
- The Service Test rating is based on a combination of the Minnesota, Wisconsin, and the La Crosse MMSA ratings. Performance in the Service Test was weighted in the same manner as the Lending Test.

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

- MB uses flexible lending practices in a safe and sound manner to address the credit needs of low- or moderate-income (LMI) individuals. MB is a preferred Farm Service Agency lender and a preferred Small Business Administration (SBA) lender. MB also offers conventional HomeReady loans through Fannie Mae, conventional Home Possible loans through Freddie Mac, Veteran

Administration loans, and Federal Housing Administration loans.

- MB offers a full line of deposits such as checking accounts, savings accounts, certificates of deposit, individual retirement accounts, and health savings accounts. Retail banking services targeted to LMI individuals, but available to all customers, include free checking accounts and basic savings accounts, which have a low minimum amount to open and avoid fees.
- MB offers alternative delivery systems that are available to all individuals and geographies including mobile banking, online banking, telephone banking, and free automatic teller machine (ATM) usage at all Kwik Trip convenience store locations.
- MB originated and purchased an adequate percentage of its loans within the bank's assessment areas (AAs).

### Lending in AAs

An adequate percentage of the bank's loans are in its AAs.

Management originated and purchased 50 percent of its total loans by number and 45 percent of its total loans by dollar inside the bank's AAs during the evaluation period. MB participates in a home loan correspondent program. Under this program, MB underwrites the loan, the correspondent closes the loan, and then MB purchases the loan from the correspondent. MB subsequently sells the loans to Fannie Mae with servicing rights retained. This program negatively impacts the AA concentration because many of the loans are to borrowers outside of the bank's AAs. With the correspondent loans removed, MB originated 65 percent of its loans by number and 59 percent of its loans by dollar inside the AA. This analysis is performed at the bank level, rather than the AA level.

Lending Inside and Outside of the AA										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	2,045	40	3,076	60	5,121	372,931	39	594,009	61	966,940
Small Business	1,535	56	1,198	44	2,733	205,432	53	184,292	47	389,724
Small Farm	857	85	153	15	1,010	80,711	82	18,325	18	99,036
Total Loans	4,437	50	4,427	50	8,864	659,074	45	796,626	55	1,455,700
Correspondent Loans	80	4	2,051	96	2,131	17,138	5	358,985	95	376,123
Total Without Correspondent	4,357	65	2,376	35	6,733	641,936	59	437,641	41	1,079,577

### Description of Institution

MB is a \$1.7 billion institution headquartered in Winona, Minnesota. MB operates one subsidiary, Merchants Bank Equipment Finance, a commercial leasing company located in Minneapolis, Minnesota. MB is wholly-owned by Merchants Financial Group, Inc., a one-bank holding company located in Winona, Minnesota. As of December 31, 2018, MFG had total assets of \$1.8 billion.

MB is a multistate institution with 26 branches in southeastern Minnesota and southwestern Wisconsin. The majority of MB's branches are located in Minnesota, with six branches in Winona and two branches

in Lakeville, Rochester, and Rosemount. MB operates one branch in each of the following Minnesota towns: Apple Valley, Caledonia, Cannon Falls, Cottage Grove, Hampton, Hastings, La Crescent, Lanesboro, Red Wing, Rushford, Spring Grove, and St. Charles. The bank also operates one branch in each of the following Wisconsin towns: Eau Claire and Onalaska. MB opened a branch in Rosemount, Minnesota during 2016 and relocated the branch in Cottage Grove, Minnesota during 2017. The bank did not merge with or acquire any institutions during the evaluation period.

In addition to its branch locations, MB operates 18 cash-dispensing ATMs. Three ATMs are located in Winona, two are located in Rochester, and one is located in each of the following towns: Apple Valley, Caledonia, Cannon Falls, Cottage Grove, Eau Claire, Hastings, La Crescent, Lakeville, Lanesboro, Onalaska, Red Wing, Rosemount, and St. Charles.

For purposes of the CRA, MB operates with three rating areas and five AAs. The rating areas include the La Crosse MMSA, State of Minnesota, and State of Wisconsin. The AAs include the La Crosse MMSA AA, Minnesota Non-Metropolitan Statistical Area (MSA) AA, Rochester MSA AA, Minneapolis-St. Paul-Bloomington, MN-WI MMSA (Twin Cities MSA) AA, and Eau Claire MSA AA. The Twin Cities MSA AA is a MMSA; however, MB's operations are limited to the Minnesota portion of the MMSA.

MB's primary business focus is commercial and home mortgage loans; however, the bank offers a full range of credit products within its AAs including agricultural and consumer loans. The bank also operates a trust department and offers credit cards and the sale of non-deposit investment products. Net loans represent 81 percent of total assets as of December 31, 2018. By dollar volume, the loan portfolio is comprised of the following types of credit: 64 percent real estate loans, 25 percent commercial loans, 3 percent agricultural loans, and 3 percent individual loans. Five percent of the loan portfolio is comprised of other loans. Tier one capital totals \$202.9 billion as of December 31, 2018.

There are no legal, financial, or other factors impeding MB's ability to help meet the credit needs of its AAs. MB received a "Satisfactory" rating at the prior CRA examination dated March 14, 2016.

## **Scope of the Evaluation**

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

The evaluation period for this examination is January 1, 2016 to December 31, 2017. We reviewed the home mortgage, small business, and small farm loans reported by management during the evaluation period. We also reviewed all community development (CD) loans, investments, donations, and services submitted by management as part of our examination.

### **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, MMSA, or combined statistical area (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 state ratings and the MMSA rating.

When determining conclusions for MB, we weighted the bank's performance in the State of Minnesota most heavily. Minnesota represents 81 percent of the bank's branches, 78 percent of total deposits as of June 30, 2017, and 70 percent of total loans originated during the evaluation period.

When determining conclusions for the Lending Test, we weighted loan products to be reflective of MB'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 46 percent of total loan originations by number and 57 percent of total loan originations by dollar during the evaluation period. Small loans to businesses were weighted the next highest, and small loans to farms carried the least weight in the Lending Test analysis.

The MMSA and state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State and MMSA 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 AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

## Multistate Metropolitan Statistical Area Rating

### La Crosse-Onalaska, WI-MN MMSA

**CRA rating for the La Crosse MMSA<sup>1</sup>:** Satisfactory

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

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

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

The major factors that support this rating include:

- Lending levels reflect good responsiveness to credit needs in the bank's AAs.
- MB exhibits good geographic distribution of loans in its AAs.
- The institution exhibits adequate distribution of loans to borrowers of different income levels and businesses and farms of different sizes.
- CD loans represent very poor responsiveness to AA needs. MB did not make any CD loans in the La Crosse MMSA AA during the evaluation period.
- MB has a poor level of CD investments. Management provided two investments and 42 donations totaling \$307 thousand during the evaluation period. This represents 0.86 percent of allocated tier one capital as of December 31, 2017.
- The institution provides a relatively high level of CD service hours. Five employees provided a total of 627 service hours to five qualified CD organizations in the La Crosse MMSA AA.
- MB's service delivery systems are unreasonably inaccessible to portions of the AA. There are no branches located in LMI geographies.

### Description of Institution's Operations in La Crosse MMSA AA

MB operates four branches and three cash-dispensing ATMs in the La Crosse MMSA AA. The branches are located in Caledonia, La Crescent, and Spring Grove, Minnesota and Onalaska, Wisconsin. The ATMs are located in Caledonia and La Crescent, Minnesota and Onalaska, Wisconsin. According to 2015 American Community Survey (ACS) data, the La Crosse MMSA AA includes 30 census tracts (CTs).

As of June 30, 2017, MB gathered \$257.1 million of deposits in the La Crosse MMSA AA. This represents 19 percent of total bank deposits. MB ranks fifth in total deposit share in the AA with total market share of 8.70 percent.

MB's primary business focus in the La Crosse MMSA AA is home mortgage loans and commercial loans. During the evaluation period, management originated 1,176 loans totaling \$182.2 million. This

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

represents 27 percent of total bank loan originations by number and 28 percent of total bank loan originations by dollar during the evaluation period. Home mortgage loans represent 47 percent of total loan originations by number and 57 percent of total loan originations by dollar in the La Crosse MMSA AA during the evaluation period.

Competition in the La Crosse MMSA AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report, MB ranked fifth out of 17 deposit-taking institutions operating in the La Crosse MMSA AA. Competitors in the AA who held a greater market share than MB include U.S. Bank, N.A., Wells Fargo Bank, N.A., Associated Bank, N.A., and Coulee Bank. U.S. Bank, N.A. and Wells Fargo Bank, N.A. are significantly larger in asset size than MB and control 30 percent of deposit market share in the La Crosse MMSA AA.

We completed one community contact in the La Crosse MMSA AA as part of this examination. The contact was completed via telephone with the Executive Director of an organization that provides a community service to LMI individuals in the AA. The contact stated economic conditions in La Crosse and the surrounding area are good with poverty and unemployment levels improving. The contact stated affordable housing is the AA's primary credit need. We also reviewed two community contacts completed in the La Crosse MMSA AA during the evaluation period. One contact was in La Crosse and one was in Caledonia. Those contacts noted the economy is good and banking needs include flexible business loans and affordable housing.

The following tables provide information on the demographic composition of the La Crosse MMSA AA.

Table A – Demographic Information of the AA						
AA: La Crosse MMSA AA - 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	30	3.3	13.3	66.7	16.7	0.0
Population by Geography	133,665	4.1	11.9	69.7	14.3	0.0
Housing Units by Geography	56,330	3.8	11.5	70.6	14.0	0.0
Owner-Occupied Units by Geography	36,409	0.5	4.1	79.0	16.4	0.0
Occupied Rental Units by Geography	16,862	10.6	26.4	53.6	9.4	0.0
Vacant Units by Geography	3,059	5.2	18.2	65.6	11.0	0.0
Businesses by Geography	7,066	3.1	18.8	68.1	10.0	0.0
Farms by Geography	571	0.2	1.1	92.3	6.5	0.0
Family Distribution by Income Level	32,865	18.3	18.6	24.7	38.4	0.0
Household Distribution by Income Level	53,271	25.3	14.8	19.6	40.3	0.0
Median Family Income MSA - 29100 La Crosse-Onalaska, WI-MN MSA		\$65,427	Median Housing Value			\$146,488
			Median Gross Rent			\$646
			Families Below Poverty Level			7.0%
Source: 2010 U.S. Census and 2016 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.						



Table A – Demographic Information of the AA						
AA: La Crosse-Onalaska MMSA AA - 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	30	3.3	13.3	63.3	16.7	3.3
Population by Geography	135,860	1.8	13.5	65.8	15.3	3.6
Housing Units by Geography	57,633	2.3	14.9	66.3	15.2	1.4
Owner-Occupied Units by Geography	36,449	0.3	6.4	73.7	19.2	0.4
Occupied Rental Units by Geography	17,782	5.7	30.9	51.8	8.0	3.7
Vacant Units by Geography	3,402	5.7	21.6	62.7	10.0	0.0
Businesses by Geography	7,138	10.0	14.4	64.0	10.7	0.8
Farms by Geography	524	0.6	1.7	89.5	8.0	0.2
Family Distribution by Income Level	33,393	18.6	18.9	22.7	39.8	0.0
Household Distribution by Income Level	54,231	21.8	17.3	19.0	41.9	0.0
Median Family Income MSA - 29100 La Crosse-Onalaska, WI-MN MSA		\$68,531	Median Housing Value			\$155,525
			Median Gross Rent			\$750
			Families Below Poverty Level			6.9%
Source: 2015 ACS Census and 2018 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 La Crosse MMSA AA

We completed a full-scope review of the La Crosse MMSA AA. Refer to the table in Appendix A for additional information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LA CROSSE MMSA AA

### LENDING TEST

The bank's performance under the Lending Test in the La Crosse MMSA AA is rated High Satisfactory.

Based on a full-scope review, the bank's performance in the La Crosse MMSA AA is good.

### Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

<b>Number of Loans</b>					
<b>Assessment Area</b>	<b>Home Mortgage</b>	<b>Small Business</b>	<b>Small Farm</b>	<b>Community Development</b>	<b>Total</b>
La Crosse MMSA	547	426	203	0	1,176

<b>Dollar Volume of Loans (000s)</b>					
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total
La Crosse MMSA	103,232	61,527	17,400	0	182,159

Lending levels in the La Crosse MMSA AA reflect good responsiveness to AA credit needs. During the evaluation period, management originated 547 home loans totaling \$103.2 million, 426 small loans to businesses totaling \$61.5 million, and 203 small loans to farms totaling \$17.4 million. Based on the FDIC Deposit Market Share report from June 30, 2017, there are 17 deposit-taking institutions with one or more banking offices in the La Crosse MMSA AA. MB ranks fifth with a deposit share of 8.70 percent.

MB's lending market share is good compared to its deposit market share in the La Crosse MMSA AA. Peer small business loan data for 2017 indicates MB ranks first among 49 lenders that reported small business loans, with a market share of 15.76 percent based on the number of loans. Peer small loans to farms data for 2017 indicates MB ranks first among eleven lenders that reported small loans to farms with a market share of 41.56 percent based on the number of loans.

Peer home mortgage data for 2017 indicates MB ranks third among 133 lenders that reported home purchase loans with a market share of 5.49 percent based on the number of loans. MB ranks fifth among 34 lenders that reported home improvement loans with a market share of 2.77 percent based on number of loans. MB ranks second among 112 lenders that reported home refinance loans with a market share of 5.78 percent based on the number of loans. MB ranks first among 13 lenders that reported multifamily loans with a market share of 19.05 percent based on number of loans.

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

The bank exhibits a good geographic distribution of loans in its AA.

Loans originated in 2016 are compared to 2006-2010 ACS (2010 ACS) data and loans originated in 2017 are compared to 2011-2015 ACS (2015 ACS) data and, therefore, were evaluated separately.

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

Refer to Table O in the MMSA 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 is excellent. In 2016, MB originated 1.1 percent of home loans to borrowers located in a low-income geography. The 2010 ACS data indicates 0.5 percent of owner-occupied units are located in a low-income geography. Aggregate HMDA data indicates 1.2 percent of home loans were originated to borrowers located in a low-income geography. MB originated 2.6 percent of home loans to borrowers located in a moderate-income geography. The 2010 ACS data indicates 4.1 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 4.6 percent of home mortgage loans were made to borrowers located in a moderate-income geography.

In 2017, MB originated 0.5 percent of home mortgage loans to borrowers located in a low-income geography. The 2015 ACS data indicates 0.3 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 0.5 percent of home mortgage loans were originated to borrowers located in a low-income geography. MB originated 4.0 percent of home

mortgage loans to borrowers located in a moderate-income geography. The 2015 ACS data indicates 6.4 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data indicates 7.7 percent of home mortgage loans were originated to borrowers located in a moderate-income geography.

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

Refer to Table Q in the MMSA 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 the La Crosse MMSA AA is adequate. In 2016, MB originated 1.5 percent of small loans to businesses located in a low-income geography. The 2010 ACS data indicates 3.1 percent of businesses are located in a low-income geography. Aggregate CRA data indicates 2.0 percent of small loans to businesses in the AA were originated to businesses located in a low-income geography. MB originated 12.3 percent of small loans to businesses located in a moderate-income geography. The 2010 ACS data indicates 18.8 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 17.1 percent of small loans to businesses in the AA were originated to businesses located in a moderate-income geography.

In 2017, MB originated 2.3 percent of small loans to businesses located in a low-income geography. The 2015 ACS data indicates 10.5 percent of small loans to businesses are located in a low-income geography. Aggregate CRA data indicates 8.9 percent of small loans to businesses in the AA were originated to businesses located in a low-income geography. MB originated 14.9 percent of small loans to businesses located in a moderate-income geography. The 2015 ACS data indicates 14.4 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 12.3 percent of small loans to businesses in the AA were originated to businesses located in a moderate-income geography.

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

Refer to Table S in the MMSA 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 farms.

The geographic distribution of small loans to farms in the La Crosse MMSA AA is adequate. In 2016, MB originated no small loans to farms located in a LMI geography. The 2010 ACS data indicates 0.2 percent of farms are located in a low-income geography and 1.1 percent of farms are located in a moderate-income geography. Those percentages equate to one farm in a low-income geography and six farms in a moderate-income geography. The opportunity to lend to farms located in LMI geographies is limited. This is further supported by aggregate CRA data, which shows no small loans were made to farms located in a low-income geography and only 0.5 percent of small loans to farms were made to farms in a moderate-income geography.

In 2017, MB originated no small loans to farms located in a LMI geography. The 2015 ACS data indicates 0.4 percent of farms are located in a low-income geography and 1.6 percent are located in a moderate-income geography. Those percentages equate to two farms in a low-income geography and eight farms in a moderate-income geography. The opportunity to lend to farms located in LMI geographies is limited. This is further supported by aggregate CRA data, which shows 0.4 percent of small loans to farms were made to farms located in a low-income geography and no small loans were made to farms located in a moderate-income geography.

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

Data detailing MB's lending activity during the evaluation period for home mortgage loans, small loans to businesses, and small loans to farms did not reveal any conspicuous gaps in the bank's lending activity. MB originated at least one home mortgage loan, small loan to a business, or small loan to a farm in every CT in the La Crosse MMSA AA during the evaluation period.

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

The bank exhibits an adequate distribution of loans among individuals of different income levels and business and farms of different sizes.

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

Refer to Table P in the MMSA 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 La Crosse MMSA AA is adequate. In 2016, MB originated 9.2 percent of home mortgage loans to low-income borrowers. The 2010 ACS data indicates 18.3 percent of families are low-income. Aggregate HMDA data indicates 7.5 percent of loans were made to low-income borrowers. The poverty level was seven percent, and the median home value was \$146 thousand in 2016. Families in poverty are less likely to qualify for a home loan and higher home values can make it difficult for low-income borrowers to qualify for a loan amount sufficient to purchase a home. MB made 17.5 percent of home mortgage loans to moderate-income borrowers. The 2010 ACS data indicates 18.6 percent of families are moderate-income. Aggregate HMDA data indicates 19.5 percent of home loans were made to moderate-income borrowers.

In 2017, MBs originated 10.6 percent of home mortgage loans to low-income borrowers. The 2015 ACS data indicates 18.6 of families are low-income. Aggregate HMDA data that indicates 9.1 percent of home loans were made to low-income borrowers. As indicated above, poverty and higher home values are barriers and result in lower levels of home mortgage lending to low-income borrowers. In 2017, the poverty level was seven percent, and the median home value was \$156 thousand. MB originated 17.2 percent of home mortgage loans to moderate-income borrowers. The 2015 ACS data indicates 18.9 percent of families are moderate-income. Aggregate HMDA data indicates 21.9 percent of home loans were to moderate-income borrowers.

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

Refer to Table R in the MMSA 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 La Crosse MMSA AA is adequate. In 2016, MB originated 52.0 percent of small business loans to businesses with gross annual revenues of \$1 million or less. The 2010 ACS data indicates 76.4 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 44.4 percent of small business loans were originated to businesses with revenues of \$1 million or less.

By loan size, 68.6 percent of MB's business loans were \$100 thousand or less. Aggregate CRA data indicates 89.8 percent of business loans originated in the AA were \$100 thousand or less. Fifteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 5.0 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Sixteen percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 5.2 percent of business loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 61.7 percent of small business loans to businesses with revenues of \$1 million or less. The 2015 ACS data indicates 76.1 percent of businesses in the AA had revenues of \$1 million or less. Aggregate CRA data indicates 50.6 percent of small business loans were originated to businesses with revenues of \$1 million or less.

By loan size, 62.2 percent of MB's business loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 88.3 percent of business loans originated in the AA were \$100 thousand or less. Twenty-four percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 6.7 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Fourteen percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 5.0 percent of business loans originated in the AA were greater than \$250 thousand.

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

Refer to Table T in the MMSA 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 farms.

The distribution of small loans to farms of different sizes in the La Crosse MMSA AA is good. In 2016, MB originated 82.2 percent of small farm loans to farms with gross annual revenues of \$1 million or less. The 2010 ACS data indicates 97.9 percent of AA farms had revenues of \$1 million or less. Aggregate CRA data indicates 70.0 percent of small farm loans were made to farms with revenues of \$1 million or less.

By loan size, 67.3 percent of MB's farm loans were \$100 thousand or less. Aggregate CRA data indicates 75.9 percent of farm loans originated in the AA were \$100 thousand or less. Twenty-five percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 16.8 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Eight percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 7.3 percent of farm loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 92.7 percent of small farm loans to farms with gross annual revenues of \$1 million or less. The 2015 ACS data indicates 97.5 percent of AA farms had revenues of \$1 million or less. Aggregate CRA data indicates 64.5 percent of small farm loans were made to farms with revenues of \$1 million or less.

By loan size, 74.0 percent of MB's farm loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 81.8 percent of farm loans originated in the AA were \$100 thousand or less. Nineteen percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 13.0 percent of farm loans originated in the AA were greater than \$100

thousand and less than or equal to \$250 thousand. Seven percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 5.2 percent of farm loans originated in the AA were greater than \$250 thousand.

## **CD Lending**

The institution has made few, if any, CD loans. The volume of CD loans represents very poor responsiveness to credit needs of the high economically disadvantaged, low-income individuals, or small businesses in the AA.

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.

MB did not originate any CD loans in the La Crosse MMSA AA during the evaluation period. The lack of CD lending reflects very poor responsiveness to CD needs within the AA. Opportunities existed for CD lending participation.

Because MB is a large bank for CRA purposes, the bank is required to file a CRA Loan Application Register (LAR) annually. The CRA LAR includes all loans secured by nonfarm nonresidential real estate and commercial and industrial loans with an original amount of \$1 million or less. During the evaluation period, MB originated two loans totaling \$2 million that qualified for CD credit because they were originated to a community service organization. However, since the bank reported them on the CRA LAR and CRA prevents double counting of these loan types, they could not be considered for CD lending purposes. The two loans represent 5.6 percent of the AA's allocated tier one capital as of December 31, 2017.

## **Product Innovation and Flexibility**

The institution uses innovative and/or flexible lending practices in order to serve AA credit needs. The MB branch located in Onalaska is a member of the Powell-Poage-Hamilton and Washburn Neighborhood Revitalization Lender Consortium, which works in tandem with the La Crosse Promise organization. Together, they offer a program to assist homebuyers in constructing a new home or purchasing and renovating an existing home in the Powell-Poage-Hamilton and Washburn neighborhoods. These neighborhoods are located in LMI CTs. The appraised value of these homes would normally not fit the loan-to-value requirements for loan approval if not part of this program. The program helps to revitalize LMI.

## **INVESTMENT TEST**

The institution's performance under the Investment Test in the La Crosse MMSA AA is rated Low Satisfactory.

Based on a full-scope review, the institution's performance in the La Crosse MMSA AA is adequate.

The institution has a poor level of qualified CD investments and grants, particularly those that are not routinely provided by private investors.

The institution exhibits adequate responsiveness to credit and community economic development needs. The institution occasionally 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)
La Crosse MMSA	--	-	42	307	42	27	307	4	--	--

\* 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.

MB's investments and donations demonstrate poor responsiveness to community needs and opportunities in the La Crosse MMSA AA. Donations and investments total \$307 thousand during the evaluation period. This represents 0.86 percent of allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the La Crosse MMSA AA.

During the evaluation period, management purchased two bonds totaling \$281 thousand that benefit the La Crosse MMSA AA. The bonds supported affordable housing in the AA. Management also provided 40 donations totaling \$26 thousand to the La Crosse MMSA AA. The donations supported 13 qualified CD organizations in the AA. The vast majority of the donations, 39 totaling \$26 thousand, supported organizations providing community services to the AA.

### SERVICE TEST

The institution's performance under the Service Test in the La Crosse MMSA AA is rated Low Satisfactory.

Based on a full-scope review, the institution's performance in the La Crosse MMSA AA is adequate.

### Retail Banking Services

Delivery systems are unreasonably inaccessible to portions of the AAs, particularly LMI geographies and/or LMI individuals.

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
La Crosse MMSA	100	4	100	0	0	100	0	2	14	66	15

There are four branches in the La Crosse MMSA AA. As of 2017, all branches were located in a middle-income CT. There were no branches in LMI geographies. The branch distribution across LMI geographies compares poorly to demographic data that shows 1.8 percent of the population lives in a low-income CT and 13.5 percent of the population lives in a moderate-income CT. Additionally, 3.3

percent of CTs in the AA are low-income and 16 percent of CTs are moderate-income. There are no deposit-taking ATMs in the AA.

Distribution of Branch Openings/Closings						
Branch Openings/Closings						
AA	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or - )			
			Low	Mod	Mid	Upp
La Crosse MMSA	--	--	--	--	--	--

The bank did not open or close branches during the evaluation period.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of the bank's AA, particularly LMI geographies and/or individuals.

Lobby and drive-up hours are similar between all branches in the AA. Each of the four branches offer weekday lobby and drive-up service hours and drive-up hours on Saturdays. MB offers free checking and low-cost savings accounts at all branches. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch.

## CD Services

The institution provides a relatively high level of CD services.

During the evaluation period, five employees provided 627 service hours to five qualified CD organizations benefiting the La Crosse MMSA AA. All service hours were provided to CD organizations that provide community services to LMI individuals. The following are examples of some of the CD services provided to the La Crosse MMSA AA during the evaluation period:

- One employee served as a fundraising campaign co-chair for an organization that provides a variety of community services to LMI individuals.
- One employee served as a member of the Strategic Planning and Financial Review Committees for an organization that provides a variety of community services to LMI individuals.
- One employee served as the chair of the Finance Committee for an organization that provides mentoring services to LMI children.



## State Rating

### State of Minnesota

**CRA rating for the State of Minnesota<sup>2</sup>:** Satisfactory

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

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

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

The major factors that support this rating include:

- Lending levels reflect good responsiveness to credit needs in the bank's AAs.
- MB exhibits excellent geographic distribution of loans in its AAs.
- The institution exhibits good distribution of loans to borrowers of different income levels and businesses and farms of different sizes.
- CD loans represent very poor responsiveness to AA needs. MB made two CD loans totaling \$400 thousand benefiting the Rochester MSA AA during the evaluation period.
- MB has a significant level of CD investments. Management provided five investments and 100 donations totaling \$6.6 million to the AAs in the State of Minnesota during the evaluation period.
- The institution provides a relatively high level of CD service hours. Thirty employees provided a total of 2,298 service hours to 32 qualified CD organizations in AAs in the State of Minnesota.
- MB's service delivery systems are readily accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in Minnesota

Minnesota represents MB's primary area of operations. MB operates 21 branches and 14 cash-dispensing ATMs in Minnesota. Minnesota operations are divided into three AAs: Minnesota Non-MSA AA, Rochester MSA AA, and Twin Cities MSA AA.

#### Minnesota Non-MSA AA

The Minnesota Non-MSA AA includes Goodhue and Winona counties. MB operates nine branches in the AA. Six branches are located in Winona and one is located in each of the following towns: Cannon Falls, Red Wing, and St. Charles. MB operates six cash-dispensing ATMs in the Minnesota Non-MSA AA. Three of the ATMs are located in Winona and one is located in each of the following towns: Cannon Falls, Red Wing, and St. Charles. According to 2015 ACS data, the Minnesota Non-MSA AA includes 20 CTs.

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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.

As of June 30, 2017, MB gathered \$638.8 million of deposits in the Minnesota Non-MSA AA. This represents 31 percent of total bank deposits. MB ranks first in total deposit share in the AA, with total market share of 31.42 percent.

MB's primary business focus in the Minnesota Non-MSA AA is home mortgage loans and commercial loans. During the evaluation period, management originated 1,851 loans totaling \$254.6 million. This represents 42 percent of total bank loan originations by number and 39 percent of total bank loan originations by dollar during the evaluation period. Home mortgage loans represent 45 percent of total loan originations by number and 53 percent of total loan originations by dollar in the Minnesota Non-MSA AA during the evaluation period.

Competition in the Minnesota Non-MSA AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report, MB ranked first out of 19 deposit-taking institutions operating in the AA. Competitors in the AA who held a notable deposit market share include Wells Fargo Bank, N.A. and Winona National Bank, with a combined market share of 25 percent. Other local competitors include First Farmers & Merchants Bank and Bank of Zumbrota.

We completed one community contact in the Minnesota Non-MSA AA as part of this examination. The contact was completed via telephone with the President of an organization that promotes economic development in the AA. The contact stated economic conditions in Winona were strong with a significant number of construction and development projects occurring in the city. The contact stated banks have several opportunities to participate in CD activities in the AA. We also reviewed two community contacts completed in the Minnesota Non-MSA AA during the evaluation period. One contact was in Winona and one was in Cannon Falls. Those contacts identified affordable housing, new/small business financing, and agricultural transition loans as primary credit needs.

#### Rochester MSA AA

MB operates four branches in the AA. Two branches are located in Rochester and one is located in each of the following towns: Lanesboro and Rushford. MB operates three cash-dispensing ATMs in the Rochester MSA AA. Two of the ATMs are located in Rochester and one is located in Lanesboro. According to 2015 ACS data, the Rochester MSA AA includes 36 CTs.

As of June 30, 2017, MB gathered \$186.5 million of deposits in the Rochester MSA AA. This represents three percent of total bank deposits. MB ranks sixth in total deposit share in the AA, with total market share of 3.43 percent.

MB's primary business focus in the Rochester MSA AA is home mortgage loans and commercial loans. During the evaluation period, management originated 778 loans totaling \$114.5 million. This represents 18 percent of total bank loan originations by number and 17 percent of total bank loan originations by dollar during the evaluation period. Home mortgage loans represent 44 percent of total loan originations by number and 53 percent of total loan originations by dollar in the Rochester MSA AA during the evaluation period.

Competition in the Rochester MSA AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report, MB ranked sixth out of 36 deposit-taking institutions operating in the AA. Competitors in the AA who held a greater market share than MB include Think Mutual Bank, Wells Fargo Bank, N.A., U.S. Bank, N.A., and Bremer Bank, N.A. The three latter banks are significantly larger in asset size than MB and control 34 percent of deposit market share in the Rochester MSA AA.

We reviewed two recently completed community contacts in the Rochester MSA AA as part of this examination. Both contacts were in Rochester. The first contact stated the local economy is strong, primarily due to the Mayo Clinic, which is the town's largest employer and contributes to 40 percent of the local economy. However, the area does have agricultural concerns including young farmers struggling to enter the market, older farmers transferring assets to the next generation, and corporate farming. The contact stated affordable housing, new business funding, and agricultural transition loans are the primary credit needs of the AA. The second contact also stated the local agricultural economy is struggling and noted more customers are needing FSA assistance.

### Twin Cities MSA AA

MB operates eight branches in the AA. Two branches are located in Lakeville, two are located in Rosemount, and one is located in each of the following towns: Apple Valley, Cottage Grove, Hampton, and Hastings. MB operates five cash-dispensing ATMs in the Twin Cities MSA AA. One ATM is located in each of the following towns: Apple Valley, Cottage Grove, Hastings, Lakeville, and Rosemount. According to 2015 ACS data, the Twin Cities MSA AA includes 55 CTs.

As of June 30, 2017, MB gathered \$229.9 million of deposits in the Twin Cities MSA AA. This represents two percent of total bank deposits. MB ranks 38<sup>th</sup> in total deposit share in the AA, with total market share of 0.12 percent.

MB's primary business focus in the Minnesota Non-MSA AA is home mortgage loans and commercial loans. During the evaluation period, management originated 540 loans totaling \$89.9 million. This represents 12 percent of total bank loan originations by number and 14 percent of total bank loan originations by dollar during the evaluation period. Home mortgage loans represent 49 percent of total loan originations by number and 69 percent of total loan originations by dollar in the Twin Cities MSA AA during the evaluation period.

Competition in the Twin Cities MSA AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report, MB ranked 38<sup>th</sup> out of 153 deposit-taking institutions operating in the AA. Competitors in the AA who held a notable deposit market share include Wells Fargo Bank, N.A., U.S. Bank, N.A., TCF National Bank, and Bremer Bank, N.A. These banks are significantly larger in asset size than MB and control 83 percent of deposit market share.

We reviewed two recently completed community contacts in the Twin Cities MSA AA as part of this examination. Both contacts were in the Twin Cities metro. The first contact stated the local economy is on a steady upward trend for most industries, with the exception of the retail industry. Vacancies in retail spaces are increasing, especially historic mall locations. The contact stated affordable housing and new business funding are the primary credit needs of the AA. The second contact stated small businesses have been doing well during the past three years. Primary credit needs are commercial loans to fund capital and refinance debt.

The tables on the following pages provide information on the demographic composition of the AAs in Minnesota.

## Minnesota Non-MSA AA

Table A – Demographic Information of the AA						
AA: Minnesota Non-MSA AA - 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	20	0.0	0.0	70.0	30.0	0.0
Population by Geography	97,644	0.0	0.0	70.1	29.9	0.0
Housing Units by Geography	41,014	0.0	0.0	69.7	30.3	0.0
Owner-Occupied Units by Geography	28,636	0.0	0.0	66.4	33.6	0.0
Occupied Rental Units by Geography	9,536	0.0	0.0	79.3	20.7	0.0
Vacant Units by Geography	2,842	0.0	0.0	70.2	29.8	0.0
Businesses by Geography	6,188	0.0	0.0	72.1	27.9	0.0
Farms by Geography	950	0.0	0.0	57.3	42.7	0.0
Family Distribution by Income Level	24,857	14.7	15.5	22.8	46.9	0.0
Household Distribution by Income Level	38,172	23.3	14.0	17.3	45.5	0.0
Median Family Income Non-MSAs - MN		\$57,683	Median Housing Value			\$179,192
			Median Gross Rent			\$627
			Families Below Poverty Level			6.2%
Source: 2010 U.S. Census and 2016 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.						

Table A – Demographic Information of the AA						
AA: Minnesota Non-MSA AA - 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	20	0.0	5.0	75.0	20.0	0.0
Population by Geography	97,590	0.0	4.0	76.9	19.1	0.0
Housing Units by Geography	41,237	0.0	4.6	76.2	19.2	0.0
Owner-Occupied Units by Geography	27,571	0.0	5.1	72.1	22.7	0.0
Occupied Rental Units by Geography	10,290	0.0	3.8	87.1	9.0	0.0
Vacant Units by Geography	3,376	0.0	3.1	75.5	21.4	0.0
Businesses by Geography	6,146	0.0	4.6	76.2	19.2	0.0
Farms by Geography	834	0.0	0.5	58.9	40.6	0.0
Family Distribution by Income Level	23,875	14.9	16.5	22.2	46.4	0.0
Household Distribution by Income Level	37,861	23.0	15.5	17.1	44.5	0.0
Median Family Income Non-MSAs - MN		\$63,182	Median Housing Value			\$172,273
			Median Gross Rent			\$650
			Families Below Poverty Level			7.0%
Source: 2015 ACS Census and 2018 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.						

**Rochester MSA AA**

Table A – Demographic Information of the AA						
AA: Rochester MSA AA - 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	36	0.0	16.7	61.1	22.2	0.0
Population by Geography	153,763	0.0	14.3	58.1	27.6	0.0
Housing Units by Geography	64,296	0.0	15.3	59.5	25.2	0.0
Owner-Occupied Units by Geography	46,090	0.0	12.0	59.2	28.8	0.0
Occupied Rental Units by Geography	13,895	0.0	23.9	62.1	14.0	0.0
Vacant Units by Geography	4,311	0.0	23.6	53.8	22.6	0.0
Businesses by Geography	9,255	0.0	13.0	59.4	27.6	0.0
Farms by Geography	756	0.0	20.9	54.1	25.0	0.0
Family Distribution by Income Level	39,933	16.2	18.2	23.6	42.1	0.0
Household Distribution by Income Level	59,985	20.8	17.1	19.9	42.2	0.0
Median Family Income MSA - 40340 Rochester, MN MSA		\$74,450	Median Housing Value			\$182,752
			Median Gross Rent			\$747
			Families Below Poverty Level			5.2%
Source: 2010 U.S. Census and 2016 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.						

Table A – Demographic Information of the AA						
AA: Rochester MSA AA - 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	36	0.0	27.8	41.7	30.6	0.0
Population by Geography	158,470	0.0	25.9	38.4	35.8	0.0
Housing Units by Geography	66,072	0.0	27.7	38.7	33.5	0.0
Owner-Occupied Units by Geography	45,788	0.0	21.1	39.3	39.6	0.0
Occupied Rental Units by Geography	16,052	0.0	43.9	37.4	18.6	0.0
Vacant Units by Geography	4,232	0.0	38.0	37.3	24.7	0.0
Businesses by Geography	9,690	0.0	26.3	40.5	33.2	0.0
Farms by Geography	667	0.0	27.4	46.2	26.4	0.0
Family Distribution by Income Level	41,222	18.2	17.6	23.1	41.0	0.0
Household Distribution by Income Level	61,840	22.6	15.7	18.6	43.1	0.0
Median Family Income MSA - 40340 Rochester, MN MSA		\$81,036	Median Housing Value			\$183,942
			Median Gross Rent			\$857
			Families Below Poverty Level			5.5%
Source: 2015 ACS Census and 2018 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.						

## Twin Cities MSA AA

Table A – Demographic Information of the AA						
AA: Twin Cities MSA AA - 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	55	0.0	3.6	54.5	41.8	0.0
Population by Geography	265,502	0.0	2.5	55.3	42.2	0.0
Housing Units by Geography	96,826	0.0	2.9	56.7	40.4	0.0
Owner-Occupied Units by Geography	81,138	0.0	2.0	53.9	44.0	0.0
Occupied Rental Units by Geography	11,988	0.0	8.9	72.3	18.8	0.0
Vacant Units by Geography	3,700	0.0	1.8	68.4	29.9	0.0
Businesses by Geography	15,427	0.0	2.2	53.5	44.3	0.0
Farms by Geography	717	0.0	0.7	65.3	34.0	0.0
Family Distribution by Income Level	71,738	11.7	16.6	25.4	46.3	0.0
Household Distribution by Income Level	93,126	13.8	13.3	20.2	52.6	0.0
Median Family Income MSA - 33460 Minneapolis-St. Paul-Bloomington, MN-WI MSA		\$79,301	Median Housing Value			\$255,118
			Median Gross Rent			\$979
			Families Below Poverty Level			3.1%
Source: 2010 U.S. Census and 2016 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.						

Table A – Demographic Information of the AA						
AA: Twin Cities MSA AA - 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	55	0.0	12.7	49.1	38.2	0.0
Population by Geography	272,896	0.0	11.6	48.9	39.5	0.0
Housing Units by Geography	101,603	0.0	12.8	50.3	36.9	0.0
Owner-Occupied Units by Geography	81,752	0.0	9.8	49.2	40.9	0.0
Occupied Rental Units by Geography	16,669	0.0	26.1	55.5	18.4	0.0
Vacant Units by Geography	3,182	0.0	17.9	51.8	30.4	0.0
Businesses by Geography	16,149	0.0	11.3	47.6	41.1	0.0
Farms by Geography	687	0.0	5.8	60.4	33.8	0.0
Family Distribution by Income Level	73,843	13.6	15.9	24.2	46.4	0.0
Household Distribution by Income Level	98,421	14.7	13.7	19.8	51.8	0.0
Median Family Income MSA - 33460 Minneapolis-St. Paul-Bloomington, MN-WI MSA		\$85,636	Median Housing Value			\$227,029
			Median Gross Rent			\$1,066
			Families Below Poverty Level			3.8%
Source: 2015 ACS Census and 2018 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 full-scope reviews of the Minnesota Non-MSA AA, the Rochester MSA AA, and the Twin Cities MSA AA. Refer to the table in 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 High Satisfactory.

### Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Minnesota Non-MSA AA, Rochester MSA AA, and Twin Cities MSA AA is good.

### Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

Number of Loans							
AA	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
MN Non-MSA	838	622	391	0	1,851	58	60
Rochester MSA	344	226	208	2	780	25	18
Twin Cities MSA	265	222	53	0	540	17	22

Dollar Volume of Loans (000s)							
AA	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
MN Non-MSA	135,029	81,959	37,615	0	254,603	55	60
Rochester MSA	60,499	33,477	20,490	400	114,866	25	18
Twin Cities MSA	61,651	23,195	5,077	0	89,923	20	22

### Minnesota Non-MSA AA

MB's lending market share in the Minnesota Non-MSA AA is good compared to its deposit market share. During the evaluation period, management originated 838 home loans totaling \$135 million, 622 small loans to businesses totaling \$82 million, and 391 small loans to farms totaling \$37.6 million. Based on the June 30, 2017 FDIC Deposit Market Share report, there are 19 deposit-taking institutions with one or more banking offices in the Minnesota Non-MSA AA. MB ranks first with a deposit share of 31.42 percent.

Peer home mortgage loan data for 2017 indicates MB ranks first among 145 lenders that reported home purchase loans with a market share of 13.83 percent. MB ranks fifth among 39 lenders that reported home improvement loans with a market share of 9.17 percent. MB ranks first among 125 lenders that

reported home refinance loans with a market share of 15.77 percent. MB ranks first among nine lenders that reported multifamily loans with a market share of 35.71 percent.

Peer small loans to businesses data for 2017 indicates MB ranks first among 48 lenders that reported small business loans. MB had a market share of 22.08 percent. The 2017 small loans to farms peer data indicates MB ranks first among 15 lenders that reported small loans to farms. MB had a market share of 32.45 percent.

#### Rochester MSA AA

MB's lending market share in the Rochester MSA AA is good compared to its deposit market share. During the evaluation period, management originated 334 home loans totaling \$60.5 million, 226 small loans to businesses totaling \$33.5 million, and 208 small loans to farms totaling \$20.5 million. Based on the June 30, 2017 FDIC Deposit Market Share report, there are 36 deposit-taking institutions with one or more banking offices in the Rochester MSA AA. MB ranked sixth with a deposit share of 3.43 percent.

Peer home mortgage loan data for 2017 indicates MB ranks 12<sup>th</sup> among 196 lenders that reported home purchase loans with a market share of 1.97 percent. MB ranks seventh among 57 lenders that reported home improvement loans with a market share of 1.80 percent. MB ranks seventh among 149 lenders that reported home refinance loans with a market share of 3.13 percent. MB ranks 22<sup>nd</sup> among 27 lenders that reported multifamily loans with a market share of 2.78 percent.

Peer small loans to businesses data for 2017 indicates MB ranks ninth among 56 lenders that reported small loans to businesses. MB had a market share of 4.27 percent. The 2017 small loans to farms peer data indicates MB ranks second among thirteen lenders that reported small loans to farms. MB had a market share of 25.06 percent.

#### Twin Cities MSA AA

MB's lending market share in the Twin Cities MSA AA is good compared to its deposit market share. During the evaluation period, management originated 265 home loans totaling \$61.7 million, 222 small loans to businesses totaling \$23.2 million, and 53 small loans to farms totaling \$5.1 million. Based on the June 30, 2017 FDIC Deposit Market Share report, there are 153 deposit-taking institutions with one or more banking offices in the Twin Cities MSA AA. MB ranked 38<sup>th</sup> with a deposit share of 0.12 percent.

Peer home mortgage loan data for 2017 indicates MB ranks 36<sup>th</sup> among 275 lenders that reported home purchase loans with a market share of 0.60 percent. MB ranks 56<sup>th</sup> among 98 lenders that reported home improvement loans with a market share of 0.22 percent. MB ranks 23<sup>rd</sup> among 257 lenders that reported home refinance loans with a market share of 0.95 percent. MB made no multifamily loans. There were ten lenders in the AA that reported multifamily loans in 2017.

Peer small loans to businesses data for 2017 indicates MB ranks 12<sup>th</sup> among 96 lenders that reported small loans to businesses. MB had a market share of 1.27 percent. The 2017 small loans to farms peer data indicates MB ranks third among 17 lenders that reported small loans to farms. MB had a market share of 15.82 percent.



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

The bank exhibits an excellent geographic distribution of loans in its AAs.

We completed the geographic distribution analysis for the Rochester MSA AA in 2016 and 2017 and the Twin Cities MSA AA in 2017. Only two of 55 CTs in the Twin Cities MSA AA were moderate-income in 2016. There were no LMI CTs in the MN Non-MSA AA in 2016 and only one of 20 CTs in 2017 were moderate-income. A geographic distribution analysis of these AAs would not provide meaningful information.

Loans originated in 2016 are compared to 2010 ACS data and loans originated in 2017 are compared to 2015 ACS data and, therefore, were evaluated separately.

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

Refer to Table O 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 and purchases.

The geographic distribution of home mortgage loans to CTs of different income levels in the State of Minnesota is excellent.

#### **Rochester MSA AA**

The geographic distribution of home mortgage loans in the Rochester MSA AA to CTs of different income levels is excellent. There are no low-income CTs in the Rochester MSA AA. In 2016, MB originated 17.4 percent of home loans to borrowers located in a moderate-income geography. The 2010 ACS data indicates 12.0 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 originated to borrowers located in a moderate-income geography.

In 2017, MB originated 22.6 percent of home mortgage loans to borrowers located in a moderate-income geography. The 2015 ACS data indicates 21.1 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 21.5 percent of home mortgage loans were originated to borrowers located in a moderate-income geography.

#### **Twin Cities MSA AA**

The geographic distribution of home mortgage loans in the Twin Cities MSA AA to CTs of different income levels is excellent. There are no low-income CT in the Twin Cities MSA AA. In 2017, MB originated 10.6 percent of home mortgage loans to borrowers located in a moderate-income geography. The 2015 ACS data indicates 9.8 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 8.9 percent of home mortgage loans were originated to borrowers located in a moderate-income geography.

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

Refer to Table Q in the State of Minnesota 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 to CTs of different income levels in the State of Minnesota is excellent.

#### Rochester MSA AA

The geographic distribution of small loans to businesses located in CTs of different income levels in the Rochester MSA AA is excellent. There are no low-income CTs in the Rochester MSA AA. In 2016, MB originated 21.6 percent of small loans to businesses located in a moderate-income geography. The 2010 ACS data indicates 13.0 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 9.9 percent of small loans to businesses were originated to businesses located in a moderate-income geography.

In 2017, MB originated 28.2 percent of small loans to businesses located in a moderate-income geography. The 2015 ACS indicates 26.6 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 23.1 percent of small loans to businesses were originated to businesses located in a moderate-income geography.

#### Twin Cities MSA AA

The geographic distribution of small loans to businesses located in CTs of different income levels in the Twin Cities MSA AA is excellent. There are no low-income CTs in the Twin Cities MSA AA. In 2017, MB originated 20.0 percent of small loans to businesses located in a moderate-income geography. The 2015 ACS data indicates 11.3 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 9.6 percent of small loans to businesses were originated to businesses located in a moderate-income geography.

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

Refer to Table S in the State of Minnesota 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 farms.

The geographic distribution of small loans to farms to CTs of different income levels in the State of Minnesota is excellent.

#### Rochester MSA AA

The geographic distribution of small loans to farms located in CTs of different income levels in the Rochester MSA AA is excellent. There are no low-income CTs in the Rochester MSA AA. In 2016, MB originated 27.7 percent of small loans to farms located in a moderate-income geography. The 2010 ACS data indicates 20.9 percent of farms are located in a moderate-income geography. Aggregate CRA data indicates 19.4 percent of small loans were originated to farms located in a moderate-income geography.

In 2017, MB originated 59.4 percent of small loans to farms located in a moderate-income geography. The 2015 ACS data indicates 27.8 percent of farms are located in a moderate-income geography. Aggregate CRA data indicates 24.7 percent of small loans were originated to farms located in a moderate-income geography.

### Twin Cities MSA AA

The geographic distribution of small loans to farms located in CTs of different income levels in the Twin Cities MSA AA is excellent. There are no low-income CTs in the Twin Cities MSA AA. In 2017, MB originated 3.6 percent of small loans to farms located in a moderate-income geography. The 2015 ACS data indicates 6.4 percent of farms are located in a moderate-income geography. Aggregate CRA data indicates 1.4 percent of small loans were made to farms located in a moderate-income geography. As reflected in the aggregate data, the opportunity to lend to farms in a moderate-income geography in the AA is limited. The 2015 ACS data indicates there are 47 farms in a moderate-income geography. MB ranks third for farm lending in this AA, according to the June 30, 2017 FDIC Market Share Report.

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

Data detailing MB's lending activity during the evaluation period for home mortgage loans, small loans to businesses, and small loans to farms did not reveal any conspicuous gaps in the bank's lending activity.

### Rochester MSA AA

MB originated at least one home mortgage loan, small loan to a business, or small loan to a farm in every moderate-income CT in the Rochester MSA AA during the evaluation period.

### Twin Cities MSA AA

We identified two moderate-income CTs in the Twin Cities AA with no loan activity during the evaluation period. These gaps do not represent a concern. Both CTs contain residential neighborhoods, making opportunities for business and farm lending limited. Additionally, a vast majority of homes in one CT are listed with realtors that refer to specific lenders making difficult for MB to compete in this area. The other CT has high competition from a nearby state bank and many of the homes are older with older residents that do not need mortgage loans.

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

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

Loans originated in 2016 are compared to 2010 ACS data and loans originated in 2017 are compared to 2015 ACS data and, therefore, were evaluated separately.

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

Refer to Table P 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 and purchases.

The distribution of home mortgage loans to borrowers of different income levels in the State of Minnesota is good.

### Minnesota Non-MSA AA

The distribution of home mortgage loans to borrowers of different income levels in the Minnesota Non-MSA AA is excellent. In 2016, MB originated 6.7 percent of home mortgage loans to low-income borrowers. The 2010 ACS data indicates 14.7 percent of families are low-income. Aggregate HMDA data indicates 6.2 percent of loans were originated to low-income borrowers. MB originated 19.3 percent of home mortgage loans to moderate-income borrowers. The 2010 ACS data indicates 15.5 percent of families are moderate-income. Aggregate HMDA data indicates 19.6 percent of loans were originated to moderate-income borrowers.

In 2017, MB originated 8.0 percent of home mortgage loans to low-income borrowers. The 2015 ACS data indicates 14.9 of families are low-income. Aggregate HMDA data indicates 6.2 percent of home loans were originated to low-income borrowers. MB originated 22.4 percent of home mortgage loans to moderate-income borrowers. The 2015 ACS data indicates 16.5 percent of families are moderate-income. Aggregate HMDA data indicates 20.1 percent of home loans were originated to moderate-income borrowers.

### Rochester MSA AA

The distribution of home mortgage loans to borrowers of different income levels in the Rochester MSA AA is excellent. In 2016, MB originated 10.6 percent of home mortgage loans to low-income borrowers. The 2010 ACS data indicates 16.2 percent of families are low-income. Aggregate HMDA data indicates 10.0 percent of loans were originated to low-income borrowers. MB made 24.6 percent of home mortgage loans to moderate-income borrowers. The 2010 ACS data indicates 18.2 percent of families are moderate-income. Aggregate HMDA data indicates 21.9 percent of loans were originated to moderate-income borrowers.

In 2017, MB originated 13.1 percent of home mortgage loans to low-income borrowers. The 2015 ACS data indicates 18.2 of families are low-income. Aggregate HMDA data indicates 11.4 percent of home loans were originated to low-income borrowers. MB originated 23.4 percent of home mortgage loans to moderate-income borrowers. The 2015 ACS data indicates 17.6 percent of families are moderate-income. Aggregate HMDA data indicates 23.8 percent of home loans were originated to moderate-income borrowers.

### Twin Cities MSA AA

The distribution of home mortgage loans to borrowers of different income levels in the Twin Cities MSA AA is adequate. In 2016, MB originated 5.3 percent of home mortgage loans to low-income borrowers. The 2010 ACS data indicates 11.7 percent of families are low-income. Aggregate HMDA data indicates 5.9 percent of loans were originated to low-income borrowers. Merchants originated 15.2 percent of home mortgage loans to moderate-income borrowers. The 2010 ACS data indicates 16.6 percent of families are moderate-income. Aggregate HMDA data indicates 18.5 percent of loans were made to moderate-income borrowers.

In 2017, MB originated 7.4 percent of home mortgage loans to low-income borrowers. The 2015 ACS data indicates 13.6 of families are low-income. Aggregate HMDA data indicates 7.0 percent of home loans were made to low-income borrowers. MB originated 12.8 percent of home mortgage loans to moderate-income borrowers. The 2015 ACS data indicates 15.9 percent of families are moderate-

income. Aggregate HMDA data indicates 21.0 percent of home loans were originated to moderate-income borrowers.

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

Refer to Table R in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of small loans to businesses of different sizes in the State of Minnesota is adequate.

### **Minnesota Non-MSA AA**

The distribution of loans to businesses of different sizes in the Minnesota Non-MSA AA is adequate. In 2016, MB originated 52.6 percent of loans to small businesses. Small businesses are businesses with gross annual revenues of \$1 million or less. The 2010 ACS data indicates 81.2 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 48.8 percent of business loans were originated to small businesses.

By loan size, 71.9 percent of MB's business loans were \$100 thousand or less. Aggregate CRA data indicates 90.6 percent of loans originated in the AA were \$100 thousand or less. Fifteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 20.1 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Thirteen percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 4.3 percent of business loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 62.5 percent of loans to small businesses. The 2015 ACS data indicates 80.4 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 56.4 percent of loans were made to small businesses.

By loan size, 71.6 percent of MB's business loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 89.5 percent of loans originated in the AA were \$100 thousand or less. Fourteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 6.1 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Fourteen percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 4.4 percent of business loans originated in the AA were greater than \$250 thousand.

### **Rochester MSA AA**

The distribution of loans to businesses of different sizes in the Rochester MSA AA is adequate. In 2016, MB originated 49.1 percent of loans to small businesses. The 2010 ACS data indicates 82.1 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 50.0 percent of business loans were originated to small businesses.

By loan size, 62.9 percent of MB's business loans were \$100 thousand or less. Aggregate CRA data indicates 92.0 percent of loans originated in the AA were \$100 thousand or less. Fourteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 3.9 percent of business loans originated in the AA were greater than \$100

thousand and less than or equal to \$250 thousand. Twenty-three percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 4.1 percent of business loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 51.8 percent of loans to small businesses. The 2015 ACS data indicates 81.7 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 58.4 percent of loans were made to small businesses.

By loan size, 68.2 percent of MB's business loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 91.7 percent of loans originated in the AA were \$100 thousand or less. Fifteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 4.4 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Sixteen percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 3.9 percent of business loans originated in the AA were greater than \$250 thousand.

### Twin Cities MSA AA

The distribution of loans to businesses of different sizes in the Twin Cities MSA AA is adequate. In 2016, MB originated 57.3 percent of loans to small businesses. The 2010 ACS data indicates 88.8 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 52.6 percent of business loans were made to small businesses.

By loan size, 67.5 percent of MB's business loans were \$100 thousand or less. Aggregate CRA data indicates 95.8 percent of loans originated in the AA were \$100 thousand or less. Twenty-two percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 2.4 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Ten percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 1.8 percent of business loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 61.9 percent of loans to small businesses. The 2015 ACS data indicates 88.8 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 60.1 percent of loans were made to small businesses.

By loan size, 72.4 percent of MB's business loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 94.8 percent of loans originated in the AA were \$100 thousand or less. Eighteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 2.5 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Ten percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 2.6 percent of business loans originated in the AA were greater than \$250 thousand.

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

Refer to Table T in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The distribution of small loans to businesses of different sizes in the State of Minnesota is good.

Minnesota Non-MSA AA

The distribution of loans to farms of different sizes in the Minnesota Non-MSA AA is good. In 2016, MB originated 84.7 percent of loans to small farms. Small farms are farms with gross annual revenues of \$1 million or less. The 2010 ACS data indicates 98.2 percent of farms in the AA are small farms. Aggregate CRA data indicates 64.8 percent of farm loans were originated to small farms.

By loan size, 68.9 percent of MB's farm loans were \$100 thousand or less. Aggregate CRA data indicates 74.0 percent of loans originated in the AA were \$100 thousand or less. Twenty-three percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 18.0 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Eight percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 8.0 percent of farm loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 85.1 percent of loans to small farms. The 2015 ACS data indicates 97.5 percent of farms in the AA are small farms. Aggregate CRA data indicates 61.9 percent of loans were originated to small farms.

By loan size, 67.7 percent of MB's farm loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 76.5 percent of loans originated in the AA were \$100 thousand or less. Twenty-two percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 16.0 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Ten percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 7.5 percent of farm loans originated in the AA were greater than \$250 thousand.

Rochester MSA AA

The distribution of loans to farms of different sizes in the Rochester MSA AA is good. In 2016, MB originated 86.6 percent of loans to small farms. The 2010 ACS data indicates 98.5 percent of farms in the AA are small farms. Aggregate CRA data indicates 66.2 percent of farm loans were made to small farms.

By loan size, 69.6 percent of MB's farm loans were \$100 thousand or less. Aggregate CRA data indicates 73.7 percent of loans originated in the AA were \$100 thousand or less. Twenty-one percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 17.2 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Nine percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 9.1 percent of farm loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 91.7 percent of loans to small farms. The 2015 ACS data indicates 98.2 percent of farms in the AA are small farms. Aggregate CRA data indicates 63.2 percent of loans were made to small farms.

By loan size, 66.7 percent of MB's farm loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 76.6 percent of loans originated in the AA were \$100 thousand or less. Twenty-one

percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 14.6 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Thirteen percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 8.8 percent of farm loans originated in the AA were greater than \$250 thousand.

### Twin Cities MSA AA

The distribution of loans to farms of different sizes in the Twin Cities MSA AA is excellent. In 2016, MB originated 84.0 percent of loans to small farms. The 2010 ACS data indicates 97.5 percent of farms in the AA are small farms. Aggregate CRA data indicates 48.3 percent of farm loans were originated to small farms.

By loan size, 56.0 percent of MB's farm loans were \$100 thousand or less. Aggregate CRA data indicates 78.7 percent of loans originated in the AA were \$100 thousand or less. Thirty-six percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 14.6 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Eight percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 6.7 percent of farm loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 85.7 percent of loans to small farms. The 2015 ACS data indicates 96.9 percent of farms in the AA are small farms. Aggregate CRA data indicates 41.4 percent of loans were originated to small farms.

By loan size, 85.7 percent of MB's farm loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 91.4 percent of loans originated in the market were \$100 thousand or less. Seven percent of MB's farm loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 5.0 percent of farm loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Seven percent of MB's farm loans were greater than \$250 thousand. Aggregate CRA data indicates 3.6 percent of farm loans originated in the AA were greater than \$250 thousand.

### **CD Lending**

The institution has made a low level of CD loans. The volume of CD loans represents very poor responsiveness to credit needs of the high economically disadvantaged, low-income individuals, or small businesses in the AAs.

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.

### Minnesota Non-MSA AA

MB made few, if any, CD loans in the Minnesota Non-MSA AA during the evaluation period. The lack of CD lending reflects very poor responsiveness to CD needs within the AA. Opportunities existed for CD lending participation.



Because MB is a large bank for CRA purposes, the bank is required to file a CRA LAR annually. The CRA LAR includes all loans secured by nonfarm nonresidential real estate and commercial and industrial loans with an original amount of \$1 million or less. During the evaluation period, MB originated four loans totaling \$353 thousand that qualified for CD credit because they were originated to a community service organization. However, since the bank reported them on the CRA LAR and CRA prevents double counting of these loan types, they could not be considered for CD lending purposes. The loans represent 0.4 percent of the AA's allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Minnesota Non-MSA AA.

#### Rochester MSA AA

MB made a low level of CD loans in the Rochester MSA AA during the evaluation period. Management originated two CD loans \$400 thousand during the evaluation period. This represents 1.53 percent of allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Rochester MSA AA. Both CD loans supported affordable housing. CD loans exhibit poor responsiveness to CD needs within the AA.

During the evaluation period, MB originated two loans totaling \$2 million that qualified for CD credit because they were originated to a community service organization. However, since the bank reported them on the CRA LAR and CRA prevents double counting of these loan types, they could not be considered for CD lending purposes. The loans represent 3.84 percent of the AA's allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Rochester MSA AA.

#### Twin Cities MSA AA

MB did not originate any CD loans in the Twin Cities MSA AA during the evaluation period. The lack of CD lending reflects very poor responsiveness to CD needs within the AA. Opportunities existed for CD lending participation.

### **Product Innovation and Flexibility**

The institution uses innovative and/or flexible lending practices in order to serve credit needs in the State of Minnesota.

MB offers home mortgage loans through the Minnesota Housing Finance Agency. These loans provide affordable, fixed interest rates on home loans, require a three percent down payment, include down payment and closing cost assistance, and allow for no or minimum insurance premiums.

MB offers home mortgage loans through Minnesota Rural Development. Low- and very low-income individuals and families living in rural areas can qualify for these loans. The loans in this program provide low, fixed-rate interest rates on home loans, are guaranteed by the United States Department of Agriculture, do not require a down payment, and include payment assistance to increase the applicant's repayment ability.

MB offers Beginning Farmer loans through the Minnesota Rural Finance Authority. This program allows MB to offer agricultural borrowers low interest loans. The loans have no origination fees and minimal application fees. Loan proceeds can be used to purchase farmland, finance farm improvements, or restructure debt to improve cash flow.

## INVESTMENT TEST

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

### Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Minnesota Non-MSA AA is poor. Based on full-scope reviews, the bank's performance in the Rochester MSA AA and the Twin Cities MSA AA is good.

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

The institution exhibits good responsiveness to credit and community economic development needs. The institution occasionally 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)
Minnesota Non-MSA	--	--	59	442	59	39	442	6	--	--
Rochester MSA	--	--	21	1,262	21	14	1,262	18	--	--
Twin Cities MSA	--	--	25	4,927	25	16	4,927	71	--	--

\* 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.

### Minnesota Non-MSA AA

MB's investments and donations demonstrate poor responsiveness to community needs and opportunities in the Minnesota Non-MSA AA. Investments and donations total \$442 thousand during the evaluation period. This represents 0.49 percent of allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Minnesota Non-MSA AA.

During the evaluation period, management purchased one municipal bond totaling \$325 thousand that benefits the Minnesota Non-MSA AA. The municipal bond was issued to fund two affordable housing projects in Winona County. There were not any prior period investments to consider.

Management provided 58 donations totaling \$117 thousand to 24 qualified CD organizations during the evaluation period. The majority of donations, 49 totaling \$104 thousand, supported community services agencies. Seven donations totaling \$11 thousand supported affordable housing agencies. Two donations totaling \$3 thousand supported economic development agencies.

### Rochester MSA AA

MB's investments and donations demonstrate excellent responsiveness to community needs and opportunities in the Rochester MSA AA. Investments and donations total \$1.3 million during the

evaluation period. This represents 4.84 percent of allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Rochester MSA AA.

During the evaluation period, management purchased two mortgage-backed security (MBS) loan pools totaling \$1.2 million that benefit the Rochester MSA AA. Each MBS loan pool is comprised of loans specifically for the purpose of affordable housing. There were not any prior period investments to consider.

Management provided 19 donations totaling \$15 thousand to nine qualified CD organizations during the evaluation period. The majority of donations, 15 totaling \$14 thousand, supported community services agencies. Three donations totaling \$1 thousand supported an affordable housing agency. One donation totaling \$500 supported an economic development agency.

### Twin Cities MSA AA

MB's investments and donations demonstrate excellent responsiveness to community needs and opportunities in the Twin Cities MSA AA. Investments and donations total \$4.9 million during the evaluation period. This represents 15.33 percent of allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Twin Cities MSA AA.

During the evaluation period, management purchased two MBS loan pools totaling \$4.9 million that benefit the Twin Cities MSA AA. Each MBS loan pool is comprised of loans specifically for the purpose of affordable housing. There were not any prior period investments to consider.

Management provided 23 donations totaling \$40 thousand to seven qualified CD organizations during the evaluation period. All donations provided in the Twin Cities MSA AA supported community services agencies.

## **SERVICE TEST**

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

## **Conclusions for Areas Receiving Full-Scope Reviews**

Based on a full-scope review, the bank's performance in the Minnesota Non-MSA AA is excellent. Based on full-scope reviews, the bank's performance in the Rochester MSA AA and the Twin Cities MSA AA is good.

## **Retail Banking Services**

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

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
Minnesota Non-MSA	18	4	19	0	25	25	50	0	26	38	36
Rochester MSA	22	8	38	0	25	63	12	0	12	49	39
Twin Cities MSA	60	9	43	0	22	78	0	0	4	77	19

### Minnesota Non-MSA AA

Service delivery systems are readily accessible to geographies and individuals of different income levels. There are nine branches in the Minnesota Non-MSA AA. As of 2017, two of nine branches, or 22.2 percent of branches, are located in a moderate-income CT. This compares favorably to 2015 ACS data indicating that 4.0 percent of the population lives in a moderate-income CT and 5.0 percent of CTs in the AA are moderate-income. There are no low-income CTs in the AA. The remaining seven branches are located in middle-income CTs.

### Rochester MSA AA

Service delivery systems are readily accessible to geographies and individuals of different income levels. There are four branches in the Rochester MSA AA. As of 2017, one of four branches, or 25 percent of branches, are located in a moderate-income CT. This is comparable to 2015 ACS data that indicates 25.9 percent of the population lives in a moderate-income CT and 27.8 percent of CTs are moderate-income. There are no low-income CTs in the AA. Of the remaining branches, one is located in a middle-income CT and two are located in an upper-income CT. There are no deposit-taking ATMs in the AA.

### Twin Cities MSA AA

Service delivery systems are readily accessible to geographies and individuals of different income levels. There are eight branches in the Twin Cities MSA AA. As of 2017, two of eight branches, or 25 percent of branches, are located in a moderate-income CT. This compares favorably to 2015 ACS data indicating that 11.6 percent of the population lives in a moderate-income CT and 12.7 percent of CTs are moderate-income. There are no low-income CTs in the AA. Of the remaining branches, five are located in a middle-income CT and one is located in an upper-income CT. There are no deposit-taking ATMs in the AA.

Distribution of Branch Openings/Closings						
Branch Openings/Closings						
AA	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Minnesota Non-MSA	--	--	--	--	--	--
Rochester MSA	2	1	--	--	+1	--
Twin Cities MSA	--	--	--	--	--	--

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.

#### Minnesota Non-MSA AA

MB did not open or close any branches or deposit-taking ATMs in the Minnesota Non-MSA AA during the evaluation period.

#### Rochester MSA AA

MB did not open or close any branches or deposit-taking ATMs in the Rochester MSA AA during the evaluation period.

#### Twin Cities MSA AA

MB opened a new branch, "The Rosemount", located at the Steeple Center Senior Living facility in June 2016. At the time of branch opening, the CT was categorized as middle-income and is reflected as such in the table above. In 2017, the CT changed to moderate-income. Given the change in CT income level, it is reasonable to conclude this branch serves LMI individuals. The Cottage Grove branch changed locations in October 2016. The previous branch location and new location are in the same middle-income CT. This branch change has no impact on accessibility.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of the bank's AAs, particularly LMI geographies and/or individuals.

#### Minnesota Non-MSA AA

Lobby and drive-up hours are similar between all full-service branches in the AA. Each full service branch offers weekday lobby and drive-up service hours and drive-up hours on Saturdays. In addition, there are three branches operated in retirement communities. One of the retirement branches is located in a moderate-income CT. The retirement community branches have reduced hours with service one day a month. These branches operate as a convenience to residents at the retirement communities and do not target the general public. There are full-service branches nearby that customers can use when the retirement community branch is closed. MB offers free checking and low-cost savings accounts at all branches. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch. Lenders will go to branches upon request to help customers with lending needs.

Rochester MSA AA

Lobby and drive-up hours are similar between all branches in the AA. Each branch offers weekday lobby and drive-up service hours and drive-up hours on Saturdays. MB offers free checking and low-cost savings accounts at all branches. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch.

Twin Cities MSA AA

Lobby and drive-up hours are similar between all full-service branches in the AA. Each full service branch offers weekday lobby and drive-up service hours and drive-up hours on Saturdays. In addition, there are two branches operated in retirement communities. One of the retirement branches is located in a moderate-income CT. The retirement community branches have reduced hours with service one day a week. These branches operate as a convenience to residents at the retirement communities and do not target the general public. There are full-service branches nearby that customers can use when the retirement community branch is closed. MB offers free checking and low-cost savings accounts at all branches. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at any branch. Lenders will go to branches upon request to help customers with lending needs.

**CD Services**

The institution provides a relatively high level of CD services.

Minnesota Non-MSA AA

MB is a leader in providing CD services in the Minnesota Non-MSA AA. Twenty employees provided a total of 1,723 service hours to 21 qualified CD organizations during the evaluation period. Services supported affordable housing, community services for LMI individuals, and economic development. Community contacts identified affordable housing and small business lending as needs within the AA. MB's employees were responsive to those needs by providing five services that supported affordable housing and six services that supported economic development by financing small businesses and retaining LMI jobs. The following are examples of some of the CD services provided to the Minnesota Non-MSA AA during the evaluation period:

- One employee served as a Board member for an organization that provides funding to small businesses in the Cannon Falls area.
- Two employees served as Board members for an organization that provides affordable housing to LMI families.
- One employee served as a member of the Finance Committee for an organization that offers free healthcare services to LMI individuals.

Rochester MSA AA

MB provides a relatively high level of CD services in the Rochester MSA AA. Five employees served 192 hours to five organizations. These organizations provide affordable housing and community services to LMI individuals. Community contacts identified affordable housing and small business lending as needs within the AA. MB's employees were adequately responsive to the identified needs.

The following are examples of some of the CD services provided to the Rochester MSA AA during the evaluation period:

- One employee served as the Board President of an organization that provides affordable housing to LMI families in the local area.
- One employee provided free tax return preparation to LMI individuals.
- One employee served as a Board member of an organization that provides affordable housing and community services to LMI individuals through their nursing home, assisted living, and apartment facilities.

#### Twin Cities MSA AA

Merchants provides a relatively high level of CD services in the Twin Cities MSA AA. Three employees served 285 hours to four organizations. These organizations provide community services to LMI individuals and support economic development. Community contacts identified affordable housing and economic development as needs within the AA. MB's employees were adequately responsive to the identified needs. The following are examples of some of the CD services provided to the Twin Cities MSA AA during the evaluation period:

- One employee served as a Board member and Executive Committee member of an organization that provides SBA 504 loans to small businesses and these loans help retain and/or create jobs.
- One employee served as the Chairman of the Board for an organization that helps train and find jobs for disabled LMI individuals.
- One individual served as a Director for an organization that provides free meals and school supplies to LMI individuals.

#### Statewide

Two employees provided 98 services hours to two qualified CD organizations that support economic development in the State of Minnesota during the evaluation period.

- One employee served on the Board and as a Loan Committee member of an organization that provides SBA 504 loans throughout the State of Minnesota.
- One employee served as Vice President of the SBA 504 Board, which supports economic development in the State of Minnesota.

## State Rating

### State of Wisconsin

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

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

**The Investment Test is rated:** Substantial Noncompliance

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

The major factors that support this rating include:

- Lending levels reflect adequate responsiveness to credit needs in the bank's AAs.
- MB exhibits excellent geographic distribution of loans in its AAs.
- The institution exhibits adequate distribution of loans to borrowers of different income levels and businesses and farms of different sizes.
- CD loans represent very poor responsiveness to AA needs. MB did not make any CD loans in the Eau Claire MSA AA during the evaluation period.
- MB has a very poor level of CD investments. Management provided six donations totaling \$5 thousand during the evaluation period. This represents 0.09 percent of allocated tier one capital as of December 31, 2017.
- The institution provides an adequate level of CD service hours. One employee provided a total of 200 service hours to one qualified CD organization in the Eau Claire MSA AA.
- MB's service delivery systems are unreasonably inaccessible to portions of the bank's AA, particularly LMI geographies and individuals of different income levels in the Eau Claire MSA AA.

### Description of Institution's Operations in Wisconsin

MB operates one branch and one cash-dispensing ATM in the state of Wisconsin. The branch and ATM are located in Eau Claire, Wisconsin. According to 2015 ACS data, the Eau Claire MSA AA includes 25 CTs.

As of June 30, 2017, MB gathered \$44.3 million of deposits in the Eau Claire MSA AA. This represents 3 percent of total bank deposits. MB ranks 16<sup>th</sup> in total deposit share in the AA with total market share of 1.50 percent.

MB's primary business focus in the Eau Claire MSA AA is home mortgage loans and commercial loans. During the evaluation period, management originated 92 loans totaling \$17.9 million. This represents 2 percent of total bank loan originations by number and 3 percent of total bank loan originations by dollar during the evaluation period. Home mortgage loans represent 55 percent of total loan originations by

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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.



number and 70 percent of total loan originations by dollar in the Eau Claire MSA AA during the evaluation period.

Competition in the Eau Claire MSA AA is significant. According to the June 30, 2017 FDIC Deposit Market Share Report, MB ranked 16<sup>th</sup> out of 24 deposit-taking institutions operating in the Eau Claire MSA AA. Competitors in the AA with the greatest market share percentages include Charter Bank, Northwestern Bank, BMO Harris Bank, N.A., and U.S. Bank, N.A. The two latter banks are significantly larger in asset size than MB and control 20 percent of deposit market share in the Eau Claire MSA AA.

We completed one community contact in the Eau Claire MSA AA as part of this examination. The contact was completed via telephone with the Economic Director for a city in the AA. The contact stated the MSA's population continues to grow; however, unemployment remains low because of the area's commitment to job growth and workforce development in the area. The contact stated workforce development and housing availability, including affordable housing, are the AA's primary credit needs.

The following tables provide information on the demographic composition of the La Crosse MMSA AA.

Table A – Demographic Information of the AA						
AA: Eau Claire MSA AA – 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	0.0	12.0	68.0	20.0	0.0
Population by Geography	126,635	0.0	7.9	71.0	21.0	0.0
Housing Units by Geography	53,654	0.0	8.6	73.2	18.3	0.0
Owner-Occupied Units by Geography	33,136	0.0	6.5	74.4	19.1	0.0
Occupied Rental Units by Geography	17,335	0.0	11.4	71.6	17.1	0.0
Vacant Units by Geography	3,183	0.0	14.7	68.9	16.4	0.0
Businesses by Geography	7,280	0.0	12.6	71.0	16.4	0.0
Farms by Geography	387	0.0	3.1	71.3	25.6	0.0
Family Distribution by Income Level	31,089	17.7	18.4	23.6	40.4	0.0
Household Distribution by Income Level	50,471	25.0	14.8	17.9	42.4	0.0
Median Family Income MSA - 20740 Eau Claire, WI MSA		\$62,064	Median Housing Value			\$151,296
			Median Gross Rent			\$658
			Families Below Poverty Level			7.8%
Source: 2010 U.S. Census and 2016 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.						

Table A – Demographic Information of the AA						
AA: Eau Claire MSA AA - 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	0.0	16.0	72.0	12.0	0.0
Population by Geography	129,582	0.0	13.5	70.6	15.9	0.0
Housing Units by Geography	54,886	0.0	14.8	71.3	13.8	0.0
Owner-Occupied Units by Geography	32,616	0.0	7.1	78.2	14.7	0.0
Occupied Rental Units by Geography	19,299	0.0	27.1	60.2	12.8	0.0
Vacant Units by Geography	2,971	0.0	20.7	68.3	11.0	0.0
Businesses by Geography	7,484	0.0	17.2	69.8	13.0	0.0
Farms by Geography	356	0.0	4.8	80.1	15.2	0.0
Family Distribution by Income Level	30,906	17.5	17.9	23.8	40.8	0.0
Household Distribution by Income Level	51,915	24.7	16.0	18.2	41.1	0.0
Median Family Income MSA - 20740 Eau Claire, WI MSA		\$66,688	Median Housing Value			\$154,117
			Median Gross Rent			\$731
			Families Below Poverty Level			7.0%
Source: 2015 ACS Census and 2018 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 Wisconsin

We completed a full-scope review of the Eau Claire MSA AA. Refer to the table in Appendix A for additional information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WISCONSIN

### LENDING TEST

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

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Eau Claire MSA AA is good.

## Lending Activity

Lending levels reflect adequate responsiveness to AA credit needs.

<b>Number of Loans</b>							
AA	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Eau Claire MSA	51	39	2	0	92	100	100

<b>Dollar Volume of Loans</b>							
AA	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Eau Claire MSA	12,520	5,274	129	0	17,923	100	100

Lending activity in the Eau Claire MSA AA reflects adequate responsiveness to the AA needs. During the evaluation period, management originated 51 home loans totaling \$12.5 million, 39 small loans to businesses totaling \$5.3 million, and two small loans to farms totaling \$129 thousand. Based on the FDIC Deposit Market Share report from June 30, 2017, there are 24 deposit-taking institutions with one or more banking offices in the Eau Claire MSA AA. MB ranked 16<sup>th</sup> with a deposit share of 1.50 percent.

MB's lending market share is adequate compared to its deposit market share in the Eau Claire MSA AA. Peer home mortgage loan data for 2017 indicates MB ranks 37<sup>th</sup> among 164 lenders that reported home purchase loans with a market share of 0.36 percent. MB did not originate a home improvement loan in 2017. Peer home improvement loan data indicates there were 35 lenders that reported a home improvement loan in 2017. Peer home refinance loan data indicates MB ranks 18<sup>th</sup> among 118 lenders that reported a home refinance loan with a market share of 1.43 percent. Peer multifamily loan data indicates MB ranks seventh among 16 lenders that reported multifamily loans with a market share of 6.06 percent.

Peer small loans to businesses data for 2017 indicates MB ranks 24<sup>th</sup> among 53 lenders that reported small loans to businesses with a market share of 0.60 percent. Peer small loans to farm data for 2017 indicates MB ranks ninth among 14 lenders that reported small loans to farms with a market share of 1.91 percent.

## Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA. We completed geographic distribution analysis on home mortgage loans and small loans to businesses in the Eau Claire MSA AA. We did not complete geographic analysis on farm loans. MB originated two farm loans during the evaluation period. Geographic distribution analysis would not provide meaningful information.

Loans originated in 2016 are compared to 2010 ACS data and loans originated in 2017 are compared to 2015 ACS data and, therefore, were evaluated separately.

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

Refer to Table O in the State of Wisconsin 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 in the Eau Claire MSA AA is excellent. There are no low-income CTs in the Eau Claire MSA AA. In 2016, MB originated 11.1 percent of home loans to borrowers located in a moderate-income geography. The 2010 ACS data indicates 6.5 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data shows 7.0 percent of home mortgage loans were originated to borrowers located in a moderate income geography.

In 2017, MB originated 37.5 percent of home mortgage loans to borrowers located in a moderate-income geography. The 2015 ACS data indicates 7.1 percent of owner-occupied housing units are located in a moderate-income geography. Aggregate HMDA data indicates 9.5 percent of home mortgage loans were originated to borrowers located in a moderate income geography.

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

Refer to Table Q in the State of Wisconsin 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 the Eau Claire MSA AA is good. There are no low-income CTs in the Eau Claire MSA AA. In 2016, MB originated 10.7 percent of small loans to businesses located in a moderate-income geography. The 2010 ACS data indicates 12.6 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 12.0 percent of small loans were originated to businesses located in a moderate-income geography.

In 2017, MB originated 18.2 percent of small loans to businesses located in a moderate-income geography. The 2015 ACS data indicates 17.1 percent of businesses are located in a moderate-income geography. Aggregate CRA data indicates 13.2 percent of small loans were made to businesses located in a moderate-income geography.

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

Refer to Table S in the State of Wisconsin 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 farms.

We did not complete geographic distribution analysis on small loans to farms. MB originated two small loans to farms during the evaluation period, and analysis would not be meaningful. However, we did find that one of the small loans in 2017, or 50 percent, was made to a farm located in a moderate-income geography. The 2015 ACS data indicates 4.8 percent of farms are located in a moderate-income geography and aggregate CRA data indicates 4.1 percent of small loans were originated to farms located in a moderate-income geography. We considered this favorably when determining the geographic distribution conclusion for the Eau Claire MSA AA.

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

Data detailing MB's lending activity during the evaluation period for home mortgage loans, small loans to businesses, and small loans to farms did not reveal any conspicuous gaps in the bank's lending

activity. MB originated at least one home mortgage loan, small loan to a business, or small loan to a farm in every CT in the Eau Claire MSA AA during the evaluation period.

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

The bank exhibits an adequate distribution of loans among individuals of different income levels and business and farms of different sizes, given the product lines offered by the institution. We completed borrower distribution analysis on home mortgage loans and small loans to businesses in the Eau Claire MSA AA. We did not complete borrower distribution analysis on farm loans. Merchants originated two farm loans during the evaluation period. Borrower distribution analysis of farm loans would not provide meaningful information.

Loans originated in 2016 are compared to 2010 ACS data and loans originated in 2017 are compared to 2015 ACS data and, therefore, were evaluated separately.

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

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

The distribution of home mortgage loans to borrowers of different income levels in the Eau Claire MSA AA is adequate. In 2016, MB originated no home mortgage loans to low-income borrowers. The 2010 ACS data indicates 17.7 percent of families are low-income. Aggregate HMDA data shows 8.6 percent of loans were originated to low-income borrowers. The aggregate data was below the demographic data and indicates a lower need and/or ability to qualify for home loans by low-income borrowers. The poverty level for the AA was 7.8 percent in 2016, and the median home value was \$151 thousand. Families in poverty are less likely to qualify for a home loan, and the higher home values also make it difficult for low-income borrowers to qualify for a loan amount sufficient to purchase a home. MB originated 18.5 percent of home mortgage loans to moderate-income borrowers. The 2010 ACS data indicates 18.4 percent of families are moderate-income. Aggregate HMA data indicates 21.9 percent of loans were made to moderate-income borrowers.

In 2017, MB originated 8.3 percent of home mortgage loans to low-income borrowers. The 2015 ACS data that indicates 17.5 percent of families are low-income. Aggregate HMDA data that indicates 7.6 percent of home loans were originated to low-income borrowers. As indicated above, poverty and higher home values are barriers to getting home loans. In 2017, the poverty level for the AA was seven percent, and the median home value was \$154 thousand. MB originated 16.7 percent of home mortgage loans to moderate-income borrowers. The 2015 ACS data indicates 17.9 percent of families are moderate-income and the aggregate HMDA data indicates 19.4 percent of home loans were originated to moderate-income borrowers.

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

Refer to Table R in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of loans to businesses of different sizes in the Eau Claire MSA AA is adequate. In 2016, MB originated 57.1 percent of loans by number to small businesses. Small businesses are businesses with gross annual revenues of \$1 million or less. The 2010 ACS data indicates 77.9 percent

of businesses in the AA are small businesses. Aggregate CRA data indicates 41.4 percent of business loans were originated to small businesses.

By loan size, 60.7 percent of MB's business loans were \$100 thousand or less. Aggregate CRA data indicates 93.6 percent of loans originated in the AA were \$100 thousand or less. Eighteen percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 2.5 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Twenty-one percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 3.9 percent of business loans originated in the AA were greater than \$250 thousand.

In 2017, MB originated 54.5 percent of loans to small businesses. The 2015 ACS data indicates 77.8 percent of businesses in the AA are small businesses. Aggregate CRA data indicates 46.7 percent of loans were originated to small businesses.

By loan size, 63.6 percent of MB's business loans in 2017 were \$100 thousand or less. Aggregate CRA data indicates 91.9 percent of loans originated in the market were \$100 thousand or less. Twenty-seven percent of MB's business loans were greater than \$100 thousand and less than or equal to \$250 thousand. Aggregate CRA data indicates 2.1 percent of business loans originated in the AA were greater than \$100 thousand and less than or equal to \$250 thousand. Nine percent of MB's business loans were greater than \$250 thousand. Aggregate CRA data indicates 6.0 percent of business loans originated in the AA were greater than \$250 thousand.

## **CD Lending**

The institution has made few, if any, CD loans. The volume of CD loans represents very poor responsiveness to credit needs of the high economically disadvantaged, low-income individuals, or small businesses in the AA.

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.

MB did not originate any CD loans in the Eau Claire MSA AA during the evaluation period. The lack of CD lending reflects very poor responsiveness to CD needs within the AA. Opportunities existed for CD lending participation.

## **Product Innovation and Flexibility**

The institution uses innovative and/or flexible lending practices in order to serve credit needs in the Eau Claire MSA AA.

## **INVESTMENT TEST**

The bank's performance under the Investment Test in Wisconsin is rated Substantial Noncompliance.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Eau Claire MSA AA is very poor.

The institution has a few, if any, qualified CD investments or grants, particularly those that are not routinely provided by private investors.

The institution exhibits poor responsiveness to credit and community economic development needs. The institution does not use 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)
Eau Claire MSA	--	--	6	5	6	4	5	< 1	--	--

\* 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.

MB's investments and donations demonstrate poor responsiveness to community needs and opportunities in the Eau Claire MSA AA. Investments and donations total \$5 thousand and represent 0.09 percent of allocated tier one capital as of December 31, 2017. Capital was allocated based on the bank's portion of deposits in the Eau Claire MSA AA.

Management did not purchase any investments during the evaluation period and there were not any prior period investments to consider. Management provided six donations totaling \$5 thousand to five qualified CD organizations during the evaluation period. All of the donations provided in the Eau Claire MSA AA supported community service agencies.

## SERVICE TEST

The bank's performance under the Service Test in Wisconsin is rated Low Satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Eau Claire MSA AA is adequate.

## Retail Banking Services

Delivery systems are unreasonably inaccessible to portions of the AA, particularly LMI geographies and/or LMI individuals.

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
Eau Claire MSA	100	1	100	0	0	100	0	0	13	71	16

MB operates one branch in the Eau Claire MSA AA. As of 2017, this branch is located in a middle-income CT. This compares poorly to demographic data indicating that 13.5 percent of the population lives in a moderate-income CT and 16.0 percent of CTs are moderate-income. There are no low-income CTs in this AA. There are no deposit-taking ATMs in the AA.

<b>Distribution of Branch Openings/Closings</b>						
Branch Openings/Closings						
AA	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or - )			
			Low	Mod	Mid	Upp
Eau Claire MSA	--	--	--	--	--	--

Management did not open or close branches or deposit-taking ATMs in the Eau Claire MSA AA during the evaluation period.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals.

Lobby and drive-up hours at the Eau Claire branch are similar to MB's full-service branches in other AAs. The branch offers weekday lobby and drive-up service hours and drive-up hours on Saturdays. MB offers free checking and low-cost savings accounts. Initial contact for all loan products, including consumer, home mortgage, commercial, and agricultural, can be made at the branch.

## **CD Services**

The institution provides an adequate level of CD services.

One employee provided 200 qualified CD service hours to one organization. The employee served as the President on the Board for an organization that provides free meals to LMI individuals in the Eau Claire area.



## 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>	1/1/2016 to 12/31/2017	
<b>Bank Products Reviewed:</b>	Home mortgage, small business, small farm loans CD loans, qualified investments, CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		
<b>La Crosse-Onalaska, WI-MN MMSA</b>		
La Crosse-Onalaska, WI-MN MMSA	Full-scope	Includes Houston county in Minnesota and La Crosse county in Wisconsin.
<b>Minnesota</b>		
Minnesota Non-MSA	Full-scope	Includes Goodhue and Winona counties.
Rochester MSA	Full-scope	Includes portions of Fillmore county near Rushford and Lanesboro and all of Olmstead county.
Twin Cities MSA	Full-scope	Includes southern portion of Dakota county including Apple Valley, Hampton, Hastings, Lakeville, and Rosemount and southern portion of Washington county near Cottage Grove.
<b>Wisconsin</b>		
Eau Claire MSA	Full-scope	Includes southwest portion of Chippewa county and all of Eau Claire county.

## Appendix B: Summary of MMSA and State Ratings

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RATINGS		MERCHANTS BANK, N.A.		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Merchants Bank, N.A.	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
MMSA or State:				
La Crosse-Onalaska, WI-MN MMSA	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of Minnesota	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State of Wisconsin	High Satisfactory	Substantial Noncompliance	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/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. CTs nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. CTs 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 LMI individuals; community services targeted to LMI 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 LMI 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 CT 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 MSA 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 CT 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/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 MSA 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 MMSA 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 CD.

**Rating Area:** A rated area is a state or MMSA. 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 MMSA, the institution will receive a rating for the MMSA.

**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 One 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 MMSA, 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/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 included in each set:

- Table O. AA 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. AA 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 Q. AA 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 AA.
- Table R. AA Distribution of Loans to Small Businesses by Gross Annual Revenue -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. AA Distribution of Loans to Farms by Income Category of the Geography -** The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because aggregate small farm data are not available for

geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.

- Table T. AA Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. AA Distribution of Consumer Loans by Income Category of the Geography** – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. AA 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.

## La Crosse-Onalaska, WI-MN Multistate MSA

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2016</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
2016 La Crosse-Onalaska MMSA	349	60,980	100.0	4,590	0.5	1.1	1.2	4.1	2.6	4.6	79.0	82.2	76.7	16.4	14.0	17.5	0.0	0.0	0.0
<b>Total</b>	<b>349</b>	<b>60,980</b>	<b>100.0</b>	<b>4,590</b>	<b>0.5</b>	<b>1.1</b>	<b>1.2</b>	<b>4.1</b>	<b>2.6</b>	<b>4.6</b>	<b>79.0</b>	<b>82.2</b>	<b>76.7</b>	<b>16.4</b>	<b>14.0</b>	<b>17.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2017</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
2017 La Crosse-Onalaska MMSA	198	42,252	100.0	3,773	0.3	0.5	0.5	6.4	4.0	7.7	73.7	89.4	72.4	19.2	5.1	18.7	0.4	1.0	0.7
<b>Total</b>	<b>198</b>	<b>42,252</b>	<b>100.0</b>	<b>3,773</b>	<b>0.3</b>	<b>0.5</b>	<b>0.5</b>	<b>6.4</b>	<b>4.0</b>	<b>7.7</b>	<b>73.7</b>	<b>89.4</b>	<b>72.4</b>	<b>19.2</b>	<b>5.1</b>	<b>18.7</b>	<b>0.4</b>	<b>1.0</b>	<b>0.7</b>

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 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																			2016
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
2016 La Crosse-Onalaska MMSA	349	60,980	100.0	4,590	18.3	9.2	7.5	18.6	17.5	19.5	24.7	22.6	23.2	38.4	45.8	38.8	0.0	4.9	11.0
Total	349	60,980	100.0	4,590	18.3	9.2	7.5	18.6	17.5	19.5	24.7	22.6	23.2	38.4	45.8	38.8	0.0	4.9	11.0
Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 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																			2017
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
2017 La Crosse-Onalaska MMSA	198	42,252	100.0	3,773	18.6	10.6	9.1	18.9	17.2	21.9	22.7	26.8	24.2	39.8	36.4	33.4	0.0	9.1	11.3
Total	198	42,252	100.0	3,773	18.6	10.6	9.1	18.9	17.2	21.9	22.7	26.8	24.2	39.8	36.4	33.4	0.0	9.1	11.3
Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2016</b>
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</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>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
2016 La Crosse-Onalaska MMSA	204	29,304	100.0	1,553	3.1	1.5	2.0	18.8	12.3	17.1	68.1	81.4	67.5	10.0	4.9	13.4	0.0	0.0	0.0
<b>Total</b>	<b>204</b>	<b>29,304</b>	<b>100.0</b>	<b>1,553</b>	<b>3.1</b>	<b>1.5</b>	<b>2.0</b>	<b>18.8</b>	<b>12.3</b>	<b>17.1</b>	<b>68.1</b>	<b>81.4</b>	<b>67.5</b>	<b>10.0</b>	<b>4.9</b>	<b>13.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2017</b>
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</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>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
2017 La Crosse-Onalaska MMSA	222	32,223	100.0	1,387	10.5	2.3	8.9	14.4	14.9	12.3	63.8	74.3	64.9	10.6	8.1	13.6	0.8	0.5	0.3
<b>Total</b>	<b>222</b>	<b>32,223</b>	<b>100.0</b>	<b>1,387</b>	<b>10.5</b>	<b>2.3</b>	<b>8.9</b>	<b>14.4</b>	<b>14.9</b>	<b>12.3</b>	<b>63.8</b>	<b>74.3</b>	<b>64.9</b>	<b>10.6</b>	<b>8.1</b>	<b>13.6</b>	<b>0.8</b>	<b>0.5</b>	<b>0.3</b>

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 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>2016</b>
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
2016 La Crosse-Onalaska MMSA	204	29,304	100.0	1,553	76.4	52.0	44.4	7.9	36.3	15.6	11.8
<b>Total</b>	<b>204</b>	<b>29,304</b>	<b>100.0</b>	<b>1,553</b>	<b>76.4</b>	<b>52.0</b>	<b>44.4</b>	<b>7.9</b>	<b>36.3</b>	<b>15.6</b>	<b>11.8</b>
<i>Source: 2016 D&amp;B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017</b>
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
2017 La Crosse-Onalaska MMSA	222	32,223	100.0	1,387	76.1	61.7	50.6	8.2	31.1	15.6	7.2
<b>Total</b>	<b>222</b>	<b>32,223</b>	<b>100.0</b>	<b>1,387</b>	<b>76.1</b>	<b>61.7</b>	<b>50.6</b>	<b>8.2</b>	<b>31.1</b>	<b>15.6</b>	<b>7.2</b>
<i>Source: 2017 D&amp;B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>																			<b>2016</b>
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2016 La Crosse-Onalaska MMSA	107	9,775	100.0	220	0.2	0.0	0.0	1.1	0.0	0.5	92.3	100.0	98.6	6.5	0.0	0.9	0.0	0.0	0.0
<b>Total</b>	<b>107</b>	<b>9,775</b>	<b>100.0</b>	<b>220</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>1.1</b>	<b>0.0</b>	<b>0.5</b>	<b>92.3</b>	<b>100.0</b>	<b>98.6</b>	<b>6.5</b>	<b>0.0</b>	<b>0.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

<b>Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>																			<b>2017</b>
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2017 La Crosse-Onalaska MMSA	96	7,625	100.0	231	0.4	0.0	0.4	1.6	0.0	0.0	89.8	100.0	97.8	7.9	0.0	1.7	0.4	0.0	0.0
<b>Total</b>	<b>96</b>	<b>7,625</b>	<b>100.0</b>	<b>231</b>	<b>0.4</b>	<b>0.0</b>	<b>0.4</b>	<b>1.6</b>	<b>0.0</b>	<b>0.0</b>	<b>89.8</b>	<b>100.0</b>	<b>97.8</b>	<b>7.9</b>	<b>0.0</b>	<b>1.7</b>	<b>0.4</b>	<b>0.0</b>	<b>0.0</b>
Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>											<b>2016</b>
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2016 La Crosse-Onalaska MMSA	107	9,775	100.0	220	97.9	82.2	70.0	1.4	12.2	0.7	5.6
<b>Total</b>	<b>107</b>	<b>9,775</b>	<b>100.0</b>	<b>220</b>	<b>97.9</b>	<b>82.2</b>	<b>70.0</b>	<b>1.4</b>	<b>12.2</b>	<b>0.7</b>	<b>5.6</b>
<i>Source: 2016 D&amp;B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>											<b>2017</b>
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2017 La Crosse-Onalaska MMSA	96	7,625	100.0	231	97.5	92.7	64.5	1.4	7.3	1.1	0.0
<b>Total</b>	<b>96</b>	<b>7,625</b>	<b>100.0</b>	<b>231</b>	<b>97.5</b>	<b>92.7</b>	<b>64.5</b>	<b>1.4</b>	<b>7.3</b>	<b>1.1</b>	<b>0.0</b>
<i>Source: 2017 D&amp;B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

## State of Minnesota

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2016</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
2016 MN Non-MSA	477	77,673	55.8	2,949	0.0	0.0	0.0	0.0	0.0	0.0	66.4	75.5	61.0	33.6	24.5	39.0	0.0	0.0	0.0
2016 Rochester MSA	207	36,591	24.2	6,753	0.0	0.0	0.0	12.0	17.4	10.5	59.2	52.2	55.8	28.8	30.4	33.7	0.0	0.0	0.0
2016 Twin Cities MSA	171	39,855	20.0	16,610	0.0	0.0	0.0	2.1	00	1.1	53.9	73.7	58.7	44.0	26.3	40.2	0.0	0.0	0.0
<b>Total</b>	<b>855</b>	<b>154,119</b>	<b>100.0</b>	<b>26,312</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4.6</b>	<b>4.2</b>	<b>3.4</b>	<b>57.8</b>	<b>69.5</b>	<b>58.2</b>	<b>37.6</b>	<b>26.3</b>	<b>38.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<i>Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2017</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
2017 MN Non-MSA	361	57,356	61.0	2,584	0.0	0.0	0.0	5.1	6.6	3.4	72.1	76.5	76.4	22.7	16.9	20.2	0.0	0.0	0.0
2017 Rochester MSA	137	23,908	23.1	6,059	0.0	0.0	0.0	21.1	22.6	21.5	39.3	48.9	38.0	39.6	28.5	40.5	0.0	0.0	0.0
2017 Twin Cities MSA	94	21,796	15.9	13,854	0.0	0.0	0.0	9.8	10.6	8.9	49.2	58.5	53.1	40.9	30.9	38.0	0.0	0.0	0.0
<b>Total</b>	<b>592</b>	<b>103,060</b>	<b>100.0</b>	<b>22,497</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>12.3</b>	<b>11.0</b>	<b>11.7</b>	<b>50.4</b>	<b>67.2</b>	<b>51.7</b>	<b>37.3</b>	<b>21.8</b>	<b>36.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2016
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
2016 MN Non-MSA	477	77,673	55.8	2,949	14.7	6.7	6.2	15.5	19.3	19.6	22.8	21.4	21.8	46.9	47.4	38.1	0.0	5.2	14.3
2016 Rochester MSA	207	36,591	24.2	6,753	16.2	10.6	10.0	18.2	24.6	21.9	23.6	28.5	21.3	42.1	32.9	34.0	0.0	3.4	12.8
2016 Twin Cities MSA	171	39,855	20.0	16,610	11.7	5.3	5.9	16.6	15.2	18.5	25.4	31.0	23.7	46.3	42.1	34.4	0.0	6.4	17.5
Total	855	154,119	100.0	26,312	13.5	7.4	7.0	16.9	19.8	19.5	24.4	25.0	22.9	45.2	42.8	34.7	0.0	5.0	15.9
Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 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																			2017
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
2017 MN Non-MSA	361	57,356	61.0	2,584	14.9	8.0	6.2	16.5	22.4	20.1	22.2	19.9	22.9	46.4	42.1	37.3	0.0	7.5	13.5
2017 Rochester MSA	137	23,908	23.1	6,059	18.2	13.1	11.4	17.6	23.4	23.8	23.1	26.3	20.0	41.0	29.2	32.4	0.0	8.0	12.3
2017 Twin Cities MSA	94	21,796	15.9	13,854	13.6	7.4	7.0	15.9	12.8	21.0	24.2	27.7	24.4	46.4	44.7	30.9	0.0	7.4	16.6
Total	592	103,060	100.0	22,497	15.2	9.1	8.1	16.5	21.1	21.7	23.5	22.6	23.1	44.8	39.5	32.1	0.0	7.6	15.1
Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2016</b>
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
2016 MN Non-MSA	302	38,642	56.4	1,526	0.0	0.0	0.0	0.0	0.0	0.0	72.1	77.5	73.3	27.9	22.5	26.7	0.0	0.0	0.0
2016 Rochester MSA	116	18,682	21.7	3,028	0.0	0.0	0.0	13.0	21.6	9.9	59.4	54.3	58.0	27.6	24.1	32.0	0.0	0.0	0.0
2016 Twin Cities MSA	117	12,398	21.9	4,960	0.0	0.0	0.0	2.2	1.7	2.4	53.5	72.7	48.4	44.3	25.6	49.1	0.0	0.0	0.0
<b>Total</b>	<b>535</b>	<b>69,722</b>	<b>100.0</b>	<b>9,514</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5.0</b>	<b>5.0</b>	<b>4.4</b>	<b>59.0</b>	<b>71.4</b>	<b>55.5</b>	<b>36.0</b>	<b>23.6</b>	<b>40.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2017</b>
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
2017 MN Non-MSA	320	43,317	59.8	1,427	0.0	0.0	0.0	4.6	11.6	6.4	76.2	73.4	76.5	19.2	15.0	17.0	0.0	0.0	0.0
2017 Rochester MSA	110	14,795	20.6	2,514	0.0	0.0	0.0	26.6	28.2	23.1	40.8	48.2	42.9	32.6	23.6	34.0	0.0	0.0	0.0
2017 Twin Cities MSA	105	10,797	19.6	4,317	0.0	0.0	0.0	11.3	20.0	9.6	47.6	53.3	47.5	41.1	26.7	42.9	0.0	0.0	0.0
<b>Total</b>	<b>535</b>	<b>68,909</b>	<b>100.0</b>	<b>8,258</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>14.5</b>	<b>16.6</b>	<b>13.2</b>	<b>51.2</b>	<b>64.3</b>	<b>51.1</b>	<b>34.3</b>	<b>19.1</b>	<b>35.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 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>2016</b>
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
2016 MN Non-MSA	302	38,642	56.4	1,526	81.2	52.6	48.8	6.6	39.7	12.2	7.6
2016 Rochester MSA	116	18,682	21.7	3,028	82.1	49.1	50.0	5.6	42.2	12.4	8.6
2016 Twin Cities MSA	117	12,398	21.9	4,960	88.8	57.3	52.6	3.8	35.9	7.3	6.8
<b>Total</b>	<b>535</b>	<b>69,722</b>	<b>100.0</b>	<b>9,514</b>	<b>85.3</b>	<b>52.9</b>	<b>51.2</b>	<b>4.9</b>	<b>39.4</b>	<b>9.8</b>	<b>7.7</b>
<i>Source: 2016 D&amp;B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017</b>
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
2017 MN Non-MSA	320	43,317	59.8	1,427	80.4	62.5	56.4	6.6	32.2	13.1	5.3
2017 Rochester MSA	110	14,795	20.6	2,514	81.7	51.8	58.4	5.7	40.0	12.7	8.2
2017 Twin Cities MSA	105	10,797	19.6	4,317	88.8	61.9	60.1	3.7	35.2	7.5	2.9
<b>Total</b>	<b>535</b>	<b>68,909</b>	<b>100.0</b>	<b>8,258</b>	<b>85.0</b>	<b>60.2</b>	<b>58.9</b>	<b>4.9</b>	<b>34.4</b>	<b>10.1</b>	<b>5.4</b>
<i>Source: 2017 D&amp;B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

**Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography** **2016**

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	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2016 MN Non-MSA	196	18,163	58.9	539	0.0	0.0	0.0	0.0	0.0	0.0	57.3	58.7	68.5	42.7	41.3	31.5	0.0	0.0	0.0
2016 Rochester MSA	112	10,646	33.6	361	0.0	0.0	0.0	20.9	27.7	19.4	54.1	71.4	67.6	25.0	0.9	13.0	0.0	0.0	0.0
2016 Twin Cities MSA	25	2,974	7.5	89	0.0	0.0	0.0	0.7	0.0	0.0	65.3	84.0	76.4	34.0	16.0	23.6	0.0	0.0	0.0
<b>Total</b>	<b>333</b>	<b>31,783</b>	<b>100.0</b>	<b>989</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6.7</b>	<b>9.3</b>	<b>7.1</b>	<b>58.6</b>	<b>64.9</b>	<b>68.9</b>	<b>34.6</b>	<b>25.8</b>	<b>24.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.

**Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography** **2017**

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	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2017 MN Non-MSA	195	19,452	61.1	601	0.0	0.0	0.0	0.5	0.0	0.0	58.7	59.0	68.9	40.7	41.0	31.1	0.0	0.0	0.0
2017 Rochester MSA	96	9,844	30.1	364	0.0	0.0	0.0	27.8	59.4	24.7	46.6	38.5	60.2	25.7	2.1	15.1	0.0	0.0	0.0
2017 Twin Cities MSA	28	2,103	8.8	140	0.0	0.0	0.0	6.4	3.6	1.4	60.1	82.1	72.9	33.6	14.3	25.7	0.0	0.0	0.0
<b>Total</b>	<b>319</b>	<b>31,399</b>	<b>100.0</b>	<b>1,105</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>10.6</b>	<b>18.2</b>	<b>8.3</b>	<b>55.4</b>	<b>54.9</b>	<b>66.5</b>	<b>33.9</b>	<b>27.0</b>	<b>25.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** **2016**

Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2016 MN Non-MSA	196	18,183	58.9	539	98.2	84.7	64.8	1.6	13.8	0.2	1.5
2016 Rochester MSA	112	10,646	33.6	361	98.5	86.6	66.2	0.8	10.7	0.7	2.7
2016 Twin Cities MSA	25	2,974	7.5	89	97.5	84.0	48.3	1.5	12.0	1.0	1.0
<b>Total</b>	<b>333</b>	<b>31,783</b>	<b>100.0</b>	<b>989</b>	<b>98.1</b>	<b>85.3</b>	<b>63.8</b>	<b>1.3</b>	<b>12.6</b>	<b>0.6</b>	<b>2.1</b>

Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.

**Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** **2017**

Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2017 MN Non-MSA	195	19,452	61.1	601	97.5	85.1	61.9	1.9	13.8	0.6	1.0
2017 Rochester MSA	96	9,844	30.1	364	98.2	91.7	63.2	1.0	7.3	0.8	1.0
2017 Twin Cities MSA	28	2,103	8.8	140	96.9	85.7	41.4	1.9	14.3	1.2	0.0
<b>Total</b>	<b>319</b>	<b>31,399</b>	<b>100.0</b>	<b>1,105</b>	<b>97.5</b>	<b>87.1</b>	<b>59.7</b>	<b>1.6</b>	<b>11.9</b>	<b>0.8</b>	<b>0.9</b>

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

## State of Wisconsin

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2016</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
2016 Eau Claire MSA	27	5,189	100.0	4,003	0.0	0.0	0.0	6.5	11.1	7.0	74.4	63.0	74.6	19.1	25.9	18.4	0.0	0.0	0.0
<b>Total</b>	<b>27</b>	<b>5,189</b>	<b>100.0</b>	<b>4,003</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6.5</b>	<b>11.1</b>	<b>7.0</b>	<b>74.4</b>	<b>63.0</b>	<b>74.6</b>	<b>19.1</b>	<b>25.9</b>	<b>18.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2017</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
2017 Eau Claire MSA	24	7,331	100.0	3,488	0.0	0.0	0.0	7.1	37.5	9.5	78.2	50.0	76.0	14.7	12.5	14.5	0.0	0.0	0.0
<b>Total</b>	<b>24</b>	<b>7,331</b>	<b>100.0</b>	<b>3,488</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.1</b>	<b>37.5</b>	<b>9.5</b>	<b>78.2</b>	<b>50.0</b>	<b>76.0</b>	<b>14.7</b>	<b>12.5</b>	<b>14.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 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>2016</b>
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
2016 Eau Claire MSA	27	5,189	100.0	4,003	17.7	0.0	8.6	18.4	18.5	21.9	23.6	14.8	22.2	40.4	37.0	32.9	0.0	29.6	14.4
<b>Total</b>	<b>27</b>	<b>5,189</b>	<b>100.0</b>	<b>4,003</b>	<b>17.7</b>	<b>0.0</b>	<b>8.6</b>	<b>18.4</b>	<b>18.5</b>	<b>21.9</b>	<b>23.6</b>	<b>14.8</b>	<b>22.2</b>	<b>40.4</b>	<b>37.0</b>	<b>32.9</b>	<b>0.0</b>	<b>29.6</b>	<b>14.4</b>
<i>Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2017</b>
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
2017 Eau Claire MSA	24	7,331	100.0	3,488	17.5	8.3	7.6	17.9	16.7	19.4	23.8	0.0	22.9	40.8	29.2	34.9	0.0	45.8	15.1
<b>Total</b>	<b>592</b>	<b>103,060</b>	<b>100.0</b>	<b>22,497</b>	<b>15.2</b>	<b>9.1</b>	<b>8.1</b>	<b>16.5</b>	<b>21.1</b>	<b>21.7</b>	<b>23.5</b>	<b>22.6</b>	<b>23.1</b>	<b>44.8</b>	<b>39.5</b>	<b>32.1</b>	<b>0.0</b>	<b>7.6</b>	<b>15.1</b>
<i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2016</b>
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
2016 Eau Claire MSA	28	3,971	100.0	1,535	0.0	0.0	0.0	12.6	10.7	12.0	71.0	57.1	68.7	16.4	32.1	19.3	0.0	0.0	0.0
<b>Total</b>	<b>28</b>	<b>3,971</b>	<b>100.0</b>	<b>1,535</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>12.6</b>	<b>10.7</b>	<b>12.0</b>	<b>71.0</b>	<b>57.1</b>	<b>68.7</b>	<b>16.4</b>	<b>32.1</b>	<b>19.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2017</b>
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
2017 Eau Claire MSA	11	1,303	100.0	1,627	0.0	0.0	0.0	17.1	18.2	13.2	70.0	72.7	73.9	13.0	9.1	12.9	0.0	0.0	0.0
<b>Total</b>	<b>11</b>	<b>1,303</b>	<b>100.0</b>	<b>1,627</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>17.1</b>	<b>18.2</b>	<b>13.2</b>	<b>70.0</b>	<b>72.7</b>	<b>73.9</b>	<b>13.0</b>	<b>9.1</b>	<b>12.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 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>2016</b>
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
2016 Eau Claire MSA	28	3,971	100.0	1,535	77.9	57.1	41.4	7.3	28.6	14.8	14.3
<b>Total</b>	<b>28</b>	<b>3,971</b>	<b>100.0</b>	<b>1,535</b>	<b>77.9</b>	<b>57.1</b>	<b>41.4</b>	<b>7.3</b>	<b>28.6</b>	<b>14.8</b>	<b>14.3</b>
<i>Source: 2016 D&amp;B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017</b>
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
2017 Eau Claire MSA	11	1,303	100.0	1,627	77.8	54.5	46.7	7.2	36.4	15.0	9.1
<b>Total</b>	<b>11</b>	<b>1,303</b>	<b>100.0</b>	<b>1,627</b>	<b>77.8</b>	<b>54.5</b>	<b>46.7</b>	<b>7.2</b>	<b>36.4</b>	<b>15.0</b>	<b>9.1</b>
<i>Source: 2017 D&amp;B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>																			<b>2016</b>
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	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2016 Eau Claire MSA	0	0	0.0	67	0.0	0.0	0.0	3.1	0.0	1.5	71.3	0.0	74.6	25.6	0.0	23.9	0.0	0.0	0.0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>67</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.1</b>	<b>0.0</b>	<b>1.5</b>	<b>71.3</b>	<b>0.0</b>	<b>74.6</b>	<b>25.6</b>	<b>0.0</b>	<b>23.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.

<b>Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>																			<b>2017</b>
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	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2017 Eau Claire MSA	2	129	100.0	73	0.0	0.0	0.0	4.8	50.0	4.1	79.3	0.0	76.7	15.9	50.0	19.2	0.0	0.0	0.0
<b>Total</b>	<b>2</b>	<b>129</b>	<b>100.0</b>	<b>73</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4.8</b>	<b>50.0</b>	<b>4.1</b>	<b>79.3</b>	<b>0.0</b>	<b>76.7</b>	<b>15.9</b>	<b>50.0</b>	<b>19.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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



<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>											<b>2016</b>
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2016 Eau Claire MSA	0	0	0.0	67	97.2	0.0	46.3	1.8	0.0	1.0	0.0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>67</b>	<b>97.2</b>	<b>0.0</b>	<b>46.3</b>	<b>1.8</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>
<i>Source: 2016 D&amp;B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>											<b>2017</b>
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2017 Eau Claire MSA	2	129	100.0	73	96.6	0.0	37.0	2.8	0.0	0.6	100.0
<b>Total</b>	<b>2</b>	<b>129</b>	<b>100.0</b>	<b>73</b>	<b>96.6</b>	<b>0.0</b>	<b>37.0</b>	<b>2.8</b>	<b>0.0</b>	<b>0.6</b>	<b>100.0</b>
<i>Source: 2017 D&amp;B Data; 01/01/2017 - 12/31/2017 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											