



Office of the  
Comptroller of the Currency  
Washington, DC 20219

# **INTERMEDIATE SMALL BANK**

## **PUBLIC DISCLOSURE**

July 1, 2019

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

American Heritage National Bank  
Charter Number 15037

24 2nd Street South  
Long Prairie, MN 56347

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 Lending Test is rated: Satisfactory**

**The Community Development Test is rated: Satisfactory**

The major factors that support this rating include:

- The overall geographic distribution reflects reasonable dispersion throughout the assessment areas (AAs).
- The overall borrower distribution of loans reflects reasonable penetration throughout the AAs.
- The bank originated a majority of its loan inside its AAs.
- The bank's average net loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and secondary market loan sales.
- The bank's community development activities exhibit adequate responsiveness to meet the needs of low- and moderate-income individuals, support small business development, and promote economic development in the AAs.

## Description of Institution

American Heritage National Bank (AHNB) is a \$351 million single-state national bank headquartered in Long Prairie, Minnesota. AHNB primarily serves the St. Cloud Metropolitan Statistical Area (MSA), portions of Todd County, and the cities of Clearwater and Clear Lake. The bank operates six full services branches: two in St. Cloud and one in Avon, Long Prairie, Browerville, and Clearwater.

AHNB is a full-service bank offering a variety of loan and deposit products and services. While AHNB offers products and services to both retail and commercial customers, their primary focus is on commercial lending and home loans. As of March 31, 2019, the bank's outstanding loan portfolio totaled \$256 million or 71 percent of average assets. The loan portfolio by dollar volume was comprised of 49 percent business loans, 43 percent home mortgage loans, five percent agricultural loans, and three percent consumer loans. Tier 1 capital totaled \$38.9 million.

AHNB is wholly-owned by American Heritage Holding Company, a one-bank holding company located in St. Cloud, Minnesota. AHNB does not have any subsidiaries or affiliates, aside from the holding company. Prior to the evaluation period, AHNB opened the Clearwater branch in 2015. During the evaluation period, AHNB merged with Avon State Bank in August 2017.

AHNB has three AAs, which include the St. Cloud MSA, three census tracts in the Minneapolis-St. Paul MSA, and six census tracts in Todd County. The bank reasonably excludes one census tract within Stearns County, as the bank does not have a large presence in this census tract. In addition, the nearest branch was not added until 2017. The excluded census tract is serviced by other financial institutions located along Minnesota State Highway 55. The bank reasonably excludes two census tracts in Todd County, as the Long Prairie and Browerville branches do not have a large presence in these census tracts. The excluded census tracts are serviced by financial institutions located in Staples and Wadena, Minnesota. The bank reasonably excludes several census tracts located in Benton and Wright County as these are located in the Minneapolis-St. Paul MSA and are serviced by several financial institutions. The AAs meets the requirements of the regulation and do not arbitrarily exclude any low- or moderate-income (LMI) geographies.

Competition within the AAs is strong. Per the June 30, 2018 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, forty-three financial institutions operate within the AAs, with Stearns Bank, NA holding the largest share of deposits at \$1.1 billion or 17.80 percent of deposits. AHNB ranks seventh in deposit market share with \$307 million or 4.75 percent of deposits.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA. The bank received a "Satisfactory" rating at the prior CRA examination dated September 22, 2014.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated AHNB's CRA performance using small bank lending performance standards. The evaluation focused on the institution's lending performance in meeting the credit needs of the AAs. The CRA evaluation period for the LTD analysis, complaint review portions, and responsiveness to community development needs was from September 22, 2014 through March 31, 2019. We assessed the bank's lending performance by determining primary products based on the number and dollar volume of loans originated during the preceding three full calendar years, from January 1, 2016 to December 31, 2018. AHNB became subject to the intermediate small bank CRA community development expectations after its merger with Avon State Bank in 2017.

In the St. Cloud MSA AA, our analysis of AHNB loan originations during the evaluation period identified primary products as commercial loans (27.13 percent by number of originations and 49.64 percent by dollar volume) and home loans (31.39 percent by number of originations and 43.27 percent by dollar volume).

In the Todd County Minnesota Non-MSA AA, our analysis of AHNB loan originations during the evaluation period identified the primary products as commercial loans (19.35 percent by number of originations and 32.83 percent by dollar volume) and home loans (17.13 percent by number of originations and 42.81 percent by dollar volume).

In the Clearwater Minneapolis-St. Paul MSA AA, our analysis of AHNB loan originations during the evaluation period identified primary products as commercial loans (38.10 percent by number of originations and 76.75 percent by dollar volume) and home loans (33.33 percent by number of originations and 19.57 percent by dollar volume).

Loans originated in 2016 were compared to 2010 U.S. Census data and loans originated in 2017 and 2018 were compared to 2015 ASC survey data. We did not complete a review of the geographical distribution for Todd County Minnesota Non-MSA AA as it does not include low- and moderate-income census tracts and analysis would not be meaningful. We did not complete a review of the geographical or borrower distribution of the Clearwater Minneapolis-St. Paul MSA AA as analysis would not have been meaningful given the minimal amount of loans originated during the evaluation period.

### Selection of Areas for Full-Scope Review

We selected the Todd County Minnesota Non-MSA and St. Cloud MSA AA for a full-scope review given the significance of these AAs to the bank in terms of deposit and lending volume. AHNB has 99.1 percent of their deposit base in the Todd County Minnesota Non-MSA AA and the St. Cloud MSA AA, while only 0.9 percent of deposits are in Wright County, according to the June 30, 2018 FDIC Deposit Market Share report. Additionally, AHNB originated or purchased 97.68 percent of total loans by number of originations and 98.57 percent by dollar volume during the evaluation period in the Todd County Minnesota Non-MSA and St. Cloud MSA AA and only 2.32 percent of total loans by number of originations and 1.43 percent by dollar volume in the Clearwater Minneapolis-St. Paul MSA AA. We conducted a limited-scope review of the Clearwater Minneapolis-St. Paul MSA AA based on these factors. Therefore, the Todd County Minnesota Non-MSA and St. Cloud MSA AA received greater

weight in determining the institution's overall CRA rating. Please refer to Appendix A for an outline of the examination scope.

## **Ratings**

AHNB's overall rating is based primarily on the lending performance and community development activities within the Todd County Non-MSA AA and St. Cloud MSA AA. The St. Cloud MSA AA received greater weight given the higher number of branches and percentage of bank deposits and lending activity in the AA. The bank's lending performance was evaluated on five performance criteria: distribution of loans to borrowers of different income levels and businesses of different sizes, geographic distribution of loans to census tracts of different income levels, the LTD ratio, lending in the AA, and responses to CRA related complaints. Commercial and home loans were given equal weight in the analysis. The bank's community development performance was evaluated on three performance criteria: loans, investments, and services.

## **Data Integrity**

Prior to starting this evaluation, we independently reviewed the accuracy of AHNB's publically-reported home loans. We found the data to be reliable and used the data for this evaluation. We verified the data by testing a sample of loans. Testing consisted of reviewing each data field on AHNB's Home Mortgage Disclosure Act (HMDA) Loan Application Register (LAR) and comparing its reported accuracy to the actual contents in the loan file.

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

Pursuant to 12 CFR 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.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### **Loan-to-Deposit Ratio**

Considering the bank's size, financial condition, and credit needs of the AAs, the LTD ratio is reasonable. The LTD ratio averaged 86.98 percent over the 19 quarters since the prior CRA examination. The LTD ratio ranged from a low of 76.91 percent in the fourth quarter of 2017 to a high of 97.85 in the first quarter of 2016. We compared the LTD ratio to six other similarly situated financial institutions. AHNB ranks third among these institutions. Similarly-situated banks are defined as banks with total assets between \$200 million and \$400 million, as of March 31, 2019, and a location within Stearns, Sherburne or Wright County. There were no similarly-situated banks in Todd County. We compared the bank's LTD ratio to one institution located in Wright County, one in Sherburne County, and the remaining four compared institutions in Stearns County. Please refer to the table below.

<b>Loan-to-Deposit Ratios for Similarly Situated Banks</b>		
Institution	Total Assets (in thousands, as of 3/31/19)	Average LTD (3Q14-1Q19)
Bankvista	\$313,420	102.96%
Star Bank	\$287,924	100.19%
<b>American Heritage</b>	<b>\$351,949</b>	<b>86.98%</b>
Minnesota National Bank	\$201,490	78.87%
Sentry Bank	\$225,365	77.86%
The First National Bank of Elk River	\$269,546	67.41%
Liberty Bank Minnesota	\$219,319	58.36%

*Source: Call Report data.*

#### **Lending in Assessment Area**

A majority of the bank's loans are inside its AAs. We analyzed home loans and 56 business loans originated between January 1, 2016 and December 31, 2018. The bank originated 78.3 percent of its total loans by number and 65.4 percent by dollar inside the bank's AAs during the evaluation period. This analysis is performed at the bank level, rather than the AA level.

<b>Lending Inside and Outside of the Assessment Area</b>												
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$(000s)		
	Inside		Outside			Inside		Outside				
	#	%	#	%		\$	%	\$	%			
Home	182	76.8	55	23.2	237	42,521	66.4	21,472	33.6	63,994		
Commercial	56	83.6	11	16.4	67	10,555	61.5	6,616	38.5	17,171		
Total	238	78.3	66	21.7	304	53,076	65.4	28,088	34.6	81,165		

Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data, Loan Sample  
Due to rounding, totals may not equal 100.0

## St. Cloud MSA

**CRA rating for the St. Cloud MSA:** Satisfactory

**The Lending Test is rated:** Satisfactory

**The Community Development Test is rated:** Satisfactory

The major factors that support this rating include:

- The bank exhibits reasonable distribution of loans to families of different income levels and businesses of different sizes.
- Geographic distribution of loans to census tracts of different income levels in the St. Cloud MSA is adequate.
- AHNB exhibits adequate responsiveness to credit needs of the economically disadvantaged, low- and moderate-income individuals, and small businesses in the St. Cloud MSA.
- AHNB provides adequate CD services and investments to community economic development needs.
- AHNB provides excellent level of community development loans to in the St. Cloud MSA.

## Description of Institution's Operations in St. Cloud MSA AA

AHNB operates three full-service branches in the AA. The branches include two in St. Cloud and one in Avon, Minnesota. The Avon branch was merged into the bank in August 2017. As of June 30, 2018, AHNB reported \$214.7 million in deposits in the AA. This represents 69.73 percent of the bank's total deposits as of that date. According to the FDIC deposit market share information as of June 30, 2018, AHNB ranked 7<sup>th</sup> in deposit market share in the AA with a market share of 4.11 percent. The AA is highly competitive with 30 other deposit-taking institutions operating 63 branches. Competitors in the AA include many local community banks and credit unions, numerous regional banks, and two large national banks (Wells Fargo and U.S. Bank). The top three institutions in deposit market share (Stearns Bank N.A., Bremer Bank N.A. and Wells Fargo N.A.) make up 44 percent of the overall market share.

The bank's primary business focus in the AA is commercial and home loans. During the evaluation period, commercial loans total 27.13 percent by number and 49.64 percent by dollar volume of all loans in the AA. Home loans totaled 31.39 percent by number and 43.27 percent by dollar volume of all loans in the AA. The St. Cloud MSA AA accounted for 77.7 percent of all originations by number and 93.13 percent by dollar volume of total originations during the evaluation period.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: American Heritage NB_St Cloud MN MSA AA - 2016</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	37	0.0	13.5	78.4	8.1	0.0
Population by Geography	185,272	0.0	15.0	76.2	8.8	0.0
Housing Units by Geography	75,448	0.0	17.6	75.9	6.5	0.0
Owner-Occupied Units by Geography	50,487	0.0	10.4	81.9	7.7	0.0
Occupied Rental Units by Geography	19,338	0.0	36.4	59.3	4.3	0.0
Vacant Units by Geography	5,623	0.0	17.8	79.2	3.0	0.0
Businesses by Geography	12,272	0.0	16.4	74.0	9.6	0.0
Farms by Geography	1,236	0.0	2.6	95.5	1.9	0.0
Family Distribution by Income Level	45,832	18.8	17.0	26.3	38.0	0.0
Household Distribution by Income Level	69,825	22.9	16.8	19.3	41.0	0.0
Median Family Income MSA - 41060 St. Cloud, MN MSA	\$64,993	Median Housing Value			\$178,078	
		Median Gross Rent			\$662	
		Families Below Poverty Level			7.4%	
<i>Source: 2010 U.S. Census and 2016 D&amp;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.</i>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: American Heritage NB_St Cloud MN MSA AA – 2017 - 2018</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	37	0.0	10.8	75.7	13.5	0.0
Population by Geography	188,302	0.0	12.9	71.1	16.0	0.0
Housing Units by Geography	77,375	0.0	13.6	72.6	13.8	0.0
Owner-Occupied Units by Geography	49,914	0.0	8.0	75.9	16.0	0.0
Occupied Rental Units by Geography	21,609	0.0	26.7	63.3	10.0	0.0
Vacant Units by Geography	5,852	0.0	13.0	78.8	8.2	0.0
Businesses by Geography	12,263	0.0	14.2	69.2	16.6	0.0
Farms by Geography	1,067	0.0	2.4	89.7	7.9	0.0
Family Distribution by Income Level	46,426	20.0	17.4	23.0	39.7	0.0
Household Distribution by Income Level	71,523	23.6	16.0	19.3	41.1	0.0
Median Family Income MSA - 41060 St. Cloud, MN MSA	\$69,359	Median Housing Value			\$166,094	
		Median Gross Rent			\$744	
		Families Below Poverty Level			7.7%	

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 St. Cloud MSA

We performed a full-scope review of the St. Cloud MSA AA. Refer to Appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### LENDING TEST

The bank's performance under the Lending Test in the St. Cloud MSA is rated Satisfactory.

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

The bank exhibits reasonable geographic distribution of loans in the MMSA.

##### *Home Mortgage Loans*

Refer to Table O in the "St. Cloud MSA" 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.

Geographic distribution of home loans in 2016 is reasonable. AHNB originated 10.4 percent of its home mortgage loans in moderate-income census tracts, which is below the percentage of owner-occupied housing units located in the moderate-income census tracts (16.7 percent) but is in-line with aggregate data in the same moderate-income census tracts (10.6 percent).

Geographic distribution of home loans in 2017-2018 is reasonable. AHNB originated 22.2 percent of its home mortgage loans in moderate-income census tracts, which is below the percentage of owner-occupied housing units located in the moderate-income census tracts (40 percent) but is in-line with aggregate data in the same moderate-income census tracts (23.1 percent).

##### *Small Loans to Businesses*

Refer to Table Q in the "St. Cloud MSA" 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.

Geographic distribution of business loans in 2016 is reasonable. AHNB originated 21 percent of its business loans in moderate-income census tracts, which is in line with businesses located in moderate-income census tracts (16.4 percent) and aggregate data (15.6 percent).

Geographic distribution of business loans in 2016 is excellent. AHNB originated 35 percent of its business loans in moderate-income census tracts, which exceeds businesses located in moderate-income census tracts (14.2 percent) and aggregate data (16.4 percent).

## ***Lending Gap Analysis***

We reviewed summary reports and maps and analyzed AHNB's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

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

The bank exhibits reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

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

Refer to Table P in the "St. Cloud MSA" 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.

#### **2016**

The borrower distribution of AHNB's home mortgage loans for the 2016 evaluation period is reasonable. The bank originated 10 percent of its home mortgage loans to low-income borrowers. This is below the percentage of low-income families (18.8 percent) in the AA and is in line with 2016 HMDA aggregate data for home mortgage lending to low-income families in the same AA (9 percent).

The bank originated 22.2 percent of its home mortgage loans to moderate-income borrowers. This exceeds the percentage of moderate-income families (17 percent) in the AA and is in line with the 2016 HMDA aggregate data for home mortgage lending to moderate-income families in the same AA (22.4 percent).

#### **2017-2018**

The borrower distribution of AHNB's home mortgage loans for the 2017-2018 evaluation period is reasonable. The bank originated 10.4 percent of its home mortgage loans to low-income borrowers. This is below the percentage of low-income families (20 percent) in the AA and is in line with the 2017-2018 HMDA aggregate data for home mortgage lending to low-income families in the same AA (8.5 percent).

The bank originated 12.5 percent of its home mortgage loans to moderate-income borrowers. This is below both the percentage of moderate-income families (17.4 percent) in the AA and the 2017-2018 HMDA aggregate data for home mortgage lending to moderate-income families in the same AA (23.2 percent).

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

Refer to Table R in the "St. Cloud MSA" 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.

## 2016

The borrower distribution of AHNB's loans to small businesses for the 2016 evaluation period is reasonable. The bank originated 65 percent of its business loans to small businesses. This is below the percentage of small businesses (81.8 percent) in the AA and exceeds 2016 CRA aggregate data for business lending to small businesses in the same AA (42.8 percent).

## 2017-2018

The borrower distribution of AHNB's loans to small businesses for the 2017-2018 evaluation period is reasonable. The bank originated 45.0 percent of its business loans to small businesses. This is below the percentage of small businesses (80.8 percent) in the AA and is in line with 2017-2018 CRA aggregate data for business lending to small businesses in the same AA (45.7 percent).

### **Responses to Complaints**

AHNB did not receive any complaints regarding its CRA performance during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test in the St. Cloud MSA is rated Satisfactory.

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the MSA through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs.

### **Number and Amount of Community Development Loans**

The bank's performance in extending CD loans is excellent. The bank originated 7 qualifying loans within the AA, totaling \$4.4 million during the evaluation period. This equaled 11.05 percent of tier 1 capital as of March 31, 2019. The loans provided funds to support affordable housing, economic development, or other CD needs.

### **Number and Amount of Qualified Investments**

AHNB's level of qualified investments demonstrates adequate responsiveness to meeting the needs of the community. During the evaluation period, AHNB provided 28 donations, totaling \$106 thousand to qualifying organizations within the AA. The donations assisted in economic development, affordable housing, or various community services targeting low- and moderate-income individuals.

### **Extent to Which the Bank Provides Community Development Services**

AHNB provides a moderate level of CD services. During the evaluation period, three employees provided 307 hours to three qualified CD organizations benefitting the St. Cloud MSA AA. All service hours were provided to CD organizations that provide community services to low- and moderate-income individuals or for economic development.

## Todd County Minnesota Non-MSA

**CRA rating for Todd County Minnesota Non-MSA:** Satisfactory

**The Lending Test is rated:** Satisfactory

**The Community Development Test is rated:** Satisfactory

The major factors that support this rating include:

- The bank exhibits reasonable distribution of loans to individuals of different income levels and businesses of different sizes.
- Geographic distribution of loans to census tracts of different income levels in the Minnesota Todd County MSA is adequate.
- AHNB exhibits adequate responsiveness to credit needs of the economically disadvantaged, low- and moderate-income individuals, and small businesses in Todd County.
- AHNB provides adequate CD services and investment to community economic development needs.
- AHNB provides limited level of community development loans to Todd County.

## Description of Institution's Operations in Todd County Minnesota Non-MSA

AHNB operates two full-service branches in the AA. The branches are located in Long Prairie and Browerville, Minnesota. As of June 30, 2018, AHNB reported \$90.4 million in deposits in the AA. This represents 29.3 percent of the bank's total deposits as of that date. According to the FDIC deposit market share information as of June 30, 2018, AHNB ranked first in deposit market share in the AA with a market share of 27.53 percent. The AA is competitive with seven other deposit-taking institutions operating 11 branches. Competitors in the AA include local community banks. The top three institutions in deposit market share (American Heritage National Bank, First International Bank & Trust and Mid-Central Federal Savings Bank) make up 62.3 percent of the overall market share.

The bank's primary focus in the AA is commercial and home loans. Commercial loans total 19.35 percent by number and 32.83 percent by dollar volume of all loans in the AA. Home loans totaled 17.13 percent by number and 42.81 percent by dollar volume of all loans in the AA. The Todd County Minnesota Non-MSA AA accounted for 19.98 percent of all originations by number and 5.45 percent by dollar volume of total originations during the evaluation period.

Todd County Minnesota Non-MSA AA

<b>Table A – Demographic Information of the Assessment Area</b>											
<b>Assessment Area: American Heritage NB_MN Non-MSA AA – 2016</b>											
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>					
Geographies (Census Tracts)	6	0.0	0.0	100.0	0.0	0.0					
Population by Geography	18,956	0.0	0.0	100.0	0.0	0.0					
Housing Units by Geography	10,030	0.0	0.0	100.0	0.0	0.0					
Owner-Occupied Units by Geography	6,399	0.0	0.0	100.0	0.0	0.0					
Occupied Rental Units by Geography	1,215	0.0	0.0	100.0	0.0	0.0					
Vacant Units by Geography	2,416	0.0	0.0	100.0	0.0	0.0					
Businesses by Geography	1,051	0.0	0.0	100.0	0.0	0.0					
Farms by Geography	265	0.0	0.0	100.0	0.0	0.0					
Family Distribution by Income Level	5,464	21.0	21.2	24.4	33.4	0.0					
Household Distribution by Income Level	7,614	24.1	16.6	20.8	38.5	0.0					
Median Family Income Non-MSAs - MN	\$57,683	Median Housing Value			\$152,695						
		Median Gross Rent			\$564						
		Families Below Poverty Level			9.9%						
<i>Source: 2010 U.S. Census and 2016 D&amp;B Data. Due to rounding, totals may not equal 100.0</i>											
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>											

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: American Heritage NB_MN Non-MSA AA – 2017</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	6	0.0	0.0	100.0	0.0	0.0
Population by Geography	18,563	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	10,110	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	6,195	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	1,212	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	2,703	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	1,022	0.0	0.0	100.0	0.0	0.0
Farms by Geography	208	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	5,040	19.6	20.1	26.0	34.3	0.0
Household Distribution by Income Level	7,407	24.8	16.6	20.5	38.1	0.0
Median Family Income Non-MSAs - MN	\$63,182	Median Housing Value			\$154,577	
		Median Gross Rent			\$572	
		Families Below Poverty Level			8.4%	

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 Todd County Minnesota Non-MSA AA

We performed a full-scope review of the Todd County Minnesota Non-MSA. Refer to Appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### LENDING TEST

The bank's performance under the Lending Test in Todd County Minnesota Non-MSA AA is rated Satisfactory.

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

There were no low- or moderate-income census tracts during the 2016 or 2017-2018 evaluation period; therefore, an analysis of the bank's geographic distribution of loans during this period would not be meaningful.

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

The bank exhibits reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

##### *Home Mortgage Loans*

Refer to Table P in the "Todd County Minnesota Non-MSA" 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.

##### 2016

The borrower distribution of AHNB's home mortgage loans for the 2016 evaluation period is poor. The bank did not originate any home mortgage loans to low-income borrowers. This is below both the percentage of low-income families (21 percent) in the AA and the 2016 HMDA aggregate data for home mortgage lending to low-income families in the same AA (7 percent).

The bank originated 10 percent of home mortgage loans to moderate-income borrowers. This is below both the percentage of moderate-income families (21 percent) in the AA and the 2016 HMDA aggregate data for home mortgage lending to moderate-income families in the same AA (19.3 percent). The poor distribution in 2016 is explained by the low overall level of home loan originations in the AA during the evaluation period.

## 2017-2018

The borrower distribution of AHNB's home mortgage loans for the 2017-2018 evaluation period is reasonable. The bank originated 14.3 percent of its home mortgage loans to low-income borrowers. This is below the percentage of low-income families (19.6 percent) in the AA and exceeds the 2017-2018 HMDA aggregate data for home mortgage lending to low-income families in the same AA (9.8 percent).

The bank originated no home mortgage loans to moderate-income borrowers. This is below both the percentage of moderate-income families (20.1 percent) in the AA and the 2017-2018 HMDA aggregate data for home mortgage lending to moderate-income families in the same AA (19.6 percent).

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

Refer to Table R in the "Todd County Minnesota Non-MSA" 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.

## 2016

The borrower distribution of AHNB's loans to small businesses for the 2016 evaluation period is reasonable. The bank originated 62.5 percent of business loans to small businesses. This is below the percentage of small businesses (86.7 percent) in the AA and exceeds 2016 CRA aggregate data for business lending to small businesses in the same AA (44 percent).

## 2017-2018

The borrower distribution of AHNB's loans to small businesses for the 2017-2018 evaluation period is reasonable. The bank originated 73.7 percent of business loans to small businesses. This is in line with the percentage of small businesses (84.6 percent) in the AA and exceeds 2017-2018 CRA aggregate data for business lending to small businesses in the same AA (48 percent).

### **Responses to Complaints**

AHNB did not receive any complaints regarding its CRA performance during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test in Todd County Minnesota Non-MSA is rated Satisfactory.

Based on a full-scope review the bank exhibits adequate responsiveness to community development needs in the MSA through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AA.

### **Number and Amount of Community Development Loans**

AHNB did not have any qualifying CD loans. This has a neutral impact on the overall lending test in the Todd County Minnesota Non-MSA AA. AHNB lending to low- and moderate-income individuals and small business is reasonable under the lending test.

### **Number and Amount of Qualified Investments**

AHNB's level of qualified investments demonstrates adequate responsiveness to meeting the needs of the community. During the evaluation period, AHNB provided nine donations totaling \$9.4 thousand to qualifying organizations within the AA. The donations assisted in economic development, affordable housing, or various community services targeting low- and moderate-income individuals.

### **Extent to Which the Bank Provides Community Development Services**

AHNB provides a moderate level of CD services. During the evaluation period, one employee provided 288 hours to two qualified CD organizations benefitting the Minnesota Non-MSA AA. All service hours were provided to CD organizations that provide community services to low- and moderate-income individuals or for economic development.

## **Clearwater Minneapolis-St. Paul MSA AA**

### **LENDING TEST**

#### **Conclusions for the Clearwater Minneapolis-St. Paul MSA AA Receiving a Limited Scope Review**

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

### **COMMUNITY DEVELOPMENT TEST**

#### **Conclusions for Clearwater Minneapolis-St. Paul MSA Receiving a Limited Scope Review**

Based on a limited-scope review, the bank's performance under the CD Test in the Clearwater Minneapolis-St. Paul MSA is consistent with the bank's overall performance under the CD Test in the full scope areas.

## 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 MSA(s) and non-MSA(s) 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>	(09/22/2014 to 03/31/2019)	
<b>Bank Products Reviewed:</b>	Home mortgage, small business, community development loans, qualified investments and community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<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>
MSA(s)		
St. Cloud MSA	Full-scope	Benton County and partial county of Stearns. Including cities of St. Cloud and Avon. Excludes southwestern part of Stearns County being served by several financial institutions located in cities of Paynesville, Belgrade, and Brooten.
Todd County Minnesota Non-MSA	Full-scope	Partial county of Todd, excluding the northern parts of Todd without bank presence being served by other financial institutions located in the cities in the southern parts of Wadena and Cass county. Including town of Long Prairie and Browerville.
Clearwater Minneapolis MSA	Limited-scope	Includes cities of Clearwater and Clear Lake and immediate surrounding area.

## Appendix B: Summary of MSA Ratings

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RATINGS		American Heritage National Bank	
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
American Heritage National Bank	Satisfactory	Satisfactory	Satisfactory
MSA or State:			
St. Cloud MSA	Satisfactory	Satisfactory	Satisfactory
Todd County Minnesota Non-MSA	Satisfactory	Satisfactory	Satisfactory
Clearwater Minneapolis MSA	Satisfactory	Satisfactory	Satisfactory

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonhome or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1

million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

<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
MN Non-MSA	10	1,385	8.7	457	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Mpls MN MSA	15	9,226	13.0	732	0.0	0.0	0.0	20.1	26.7	21.7	79.9	73.3	78.3	0.0	0.0	0.0	0.0	0.0	0.0
St Cloud MSA	90	18,021	78.3	6,614	0.0	0.0	0.0	10.4	16.7	10.6	81.9	74.4	80.0	7.7	8.9	9.4	0.0	0.0	0.0
<b>Total</b>	<b>115</b>	<b>28,632</b>	<b>100</b>	<b>7,803</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>10.1</b>	<b>16.5</b>	<b>11.0</b>	<b>83.6</b>	<b>76.5</b>	<b>81.0</b>	<b>6.3</b>	<b>7.0</b>	<b>8.0</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, "--" data not available.  
Due to rounding, totals may not equal 100.0

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
MN Non-MSA	14	1,867	20.9	450	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Mpls MN MSA	5	306	7.5	650	0.0	0.0	0.0	22.2	40.0	23.1	77.8	60.0	76.9	0.0	0.0	0.0	0.0	0.0	0.0
St Cloud MSA	48	11,716	71.6	5,953	0.0	0.0	0.0	8.0	35.4	8.8	75.9	60.4	73.1	16.0	4.2	18.1	0.0	0.0	0.0

Total	67	13,889	100	7,053	0.0	0.0	0.0	8.3	28.4	9.6	78.5	68.7	75.2	13.1	3.0	15.3	0.0	0.0	0.0
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Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.  
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

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
MN Non-MSA	10	1,385	8.7	457	21.0	0.0	7.2	21.2	10.0	19.3	24.4	30.0	22.1	33.4	60.0	36.8	0.0	0.0	14.7
Mpls MN MSA	15	9,226	13.0	732	24.1	26.7	12.0	18.0	26.7	22.8	26.9	0.0	24.2	30.9	26.7	24.5	0.0	20.0	16.5
St Cloud MSA	90	18,021	78.3	6,614	18.8	10.0	9.0	17.0	22.2	22.4	26.3	15.6	22.9	38.0	32.2	31.0	0.0	20.0	14.7
<b>Total</b>	<b>115</b>	<b>28,632</b>	<b>100</b>	<b>7,803</b>	<b>19.4</b>	<b>11.3</b>	<b>9.2</b>	<b>17.5</b>	<b>21.7</b>	<b>22.2</b>	<b>26.1</b>	<b>14.8</b>	<b>23.0</b>	<b>37.0</b>	<b>33.9</b>	<b>30.7</b>	<b>0.0</b>	<b>18.3</b>	<b>14.9</b>

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

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** 2017-18

Assessment Area:	Total Home Mortgage Loans					Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
MN Non-MSA	14	1,867	73.7	450	19.6	14.3	9.8	20.1	0.0	19.6	26.0	28.6	21.8	34.3	50.0	36.7	0.0	0.0	12.2	
Mpls MN MSA	5	278	26.3	650	24.5	0.0	12.3	20.4	40.0	23.4	23.0	40.0	23.2	32.0	20.0	24.5	0.0	0.0	16.6	

St Cloud MSA	48	11,716	100.0	5,953	20.0	10.4	8.5	17.4	12.5	23.2	23.0	6.3	23.1	39.7	18.8	30.8	0.0	52.1	14.4
<b>Total</b>	<b>67</b>	<b>13,889</b>	<b>100</b>	<b>7,053</b>	<b>20.3</b>	<b>10.4</b>	<b>8.9</b>	<b>17.9</b>	<b>11.9</b>	<b>23.0</b>	<b>23.3</b>	<b>13.4</b>	<b>23.0</b>	<b>38.6</b>	<b>25.4</b>	<b>30.6</b>	<b>0.0</b>	<b>37.3</b>	<b>14.4</b>

Source: 2015 ACS Census ; 01/01/2017 - 12/31/2018 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** 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	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
St. Cloud MSA	13	2,749	65.0	2,846	0.0	0.0	0.0	16.4	21.05	15.6	74.0	68.42	73.0	9.6	10.53	11.5	0.0	0.0	0.0
<b>Total</b>	<b>13</b>	<b>2,749</b>	<b>65.0</b>	<b>3,321</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16.4</b>	<b>21.05</b>	<b>15.6</b>	<b>76.5</b>	<b>68.42</b>	<b>73.0</b>	<b>9.6</b>	<b>10.53</b>	<b>11.5</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, "--" data not available.

Due to rounding, totals may not equal 100.0

There are no Low or Moderate income tracts in the bank's Minnesota Non-MSA AA, this data was not tested.

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** 2017-18

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
St. Cloud MSA	9	809	45	2,868	0.0	0.0	0.0	14.2	35.0	16.4	69.2	50	66.0	16.6	15.0	17.6	0.0	0.0	0.0
<b>Total</b>	<b>9</b>	<b>809</b>	<b>45</b>	<b>3,312</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>13.3</b>	<b>35.0</b>	<b>15.3</b>	<b>72.4</b>	<b>50</b>	<b>69.4</b>	<b>14.3</b>	<b>15.0</b>	<b>15.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available.

Due to rounding, totals may not equal 100.0

There are no Low or Moderate Income census tracts in the bank's Minnesota Non-MSA AA, this data was not tested.

<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
Minnesota Non-MSA	4	78	62.50	193	86.7	62.50	44.0	3.3	37.50	10.0	0.0
St. Cloud MSA	13	2,749	65.0	2,846	81.8	65.0	42.8	7.1	35.0	11.1	0.0
<b>Total</b>	<b>17</b>	<b>2,872</b>	--	<b>3,321</b>	<b>82.7</b>	--	<b>43.4</b>	<b>6.7</b>	--	<b>10.6</b>	--

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

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017-18</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
Minnesota Non-MSA	14	515,264	73.68	152	84.6	73.68	48.0	4.1	26.32	11.3	0.0
St. Cloud MSA	9	771,832	45.0	2,868	80.8	45.0	45.7	7.3	55.0	11.9	0.0
<b>Total</b>	<b>15</b>	<b>1,287,096</b>	--	<b>3,312</b>	<b>81.6</b>	--	<b>46.5</b>	<b>7.0</b>	--	<b>11.4</b>	--

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