



## **PUBLIC DISCLOSURE**

March 2, 2026

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

Merchants Bank, National Association  
Charter Number: 14488

102 East Third Street  
Winona, MN 55987

Office of the Comptroller of the Currency

222 S 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. (Merchants) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Merchants Bank, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	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:

- Merchants' Lending Test performance is good. The bank has good performance in each rating area, which included the La Crosse MMSA, and states of Minnesota and Wisconsin. Performance in Minnesota received the most weight given Minnesota represented the bank's largest portion of deposits, loans, and branches.
- Merchants' Investment Test performance is good. Merchants has adequate performance in Minnesota and excellent performance in the La Crosse MMSA and Wisconsin. Performance in Minnesota received the most weight.
- Merchants' Service Test performance is excellent. Merchants has excellent performance in Minnesota, and adequate performance in La Crosse and Wisconsin.

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

- Merchants uses flexible home loan programs targeted to low-and moderate-income (LMI) individuals, including Federal Housing Administration, Department of Veterans Affairs, and United States Department of Agriculture loans. Merchants also originates loans through Fannie Mae's HomeReady and Freddie Mac Home Possible programs, which are low down payment and flexible funding mortgage products designed for LMI borrowers. Loans in these programs made during the evaluation period are included in the bank's home mortgage lending activity under the retail Lending Test. These products are considered flexible under the Service Test.
- Merchants offers a full line of deposit products 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 and low-cost savings accounts at all branches.
- The bank offers alternative delivery systems that are available to all individuals and geographies

including mobile banking, online banking, telephone banking, and free automated teller machine (ATM) usage at all Kwik Trip convenience store locations.

### Lending in Assessment Area

An adequate percentage of the bank’s loans were in its assessment areas (AAs).

The bank originated and purchased 59.93 percent of its loans by number and 49.57 percent by dollar inside its AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	3,227	61.33	2,035	38.67	5,262	656,687	48.62	693,960	51.38	1,350,647
Small Business	1,593	49.92	1,598	50.08	3,191	285,976	45.46	343,053	54.54	629,029
Small Farm	820	85.59	138	14.41	958	95,920	83.17	19,416	16.83	115,336
<b>Total</b>	<b>5,640</b>	<b>59.93</b>	<b>3,771</b>	<b>40.07</b>	<b>9,411</b>	<b>1,038,583</b>	<b>49.57</b>	<b>1,056,429</b>	<b>50.43</b>	<b>2,095,012</b>

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

### Description of Institution

Merchants is a nationally chartered interstate bank headquartered in Winona, Minnesota. Merchants is a full-service financial institution offering a wide variety of loan and deposit products to both retail and commercial customers. The bank provides home loans through a network of correspondent banks with approximately 93 locations in Minnesota, Wisconsin, Iowa, North Dakota, and South Dakota. Merchants is a Small Business Administration (SBA) preferred lender, preferred Farm Service Agency (FSA) lender, and offers Beginning Farmer Program loans through the Minnesota Rural Finance Authority. Merchants also provides trust and investment services.

As of December 31, 2024, Merchants operated 23 full-service locations in Minnesota and Wisconsin. In addition to full-service branches, Merchants maintained an operations office located in Winona, Minnesota and a leasing office located in Edina, Minnesota. During the evaluation period, Merchants closed four branches. The bank operated 19 deposit-taking ATMs, including three in the La Crosse Multistate Metropolitan Statistical Area (MMSA) and 16 in Minnesota. There were no ATM openings or closing during the evaluation period. Refer to the Description of Operations in each of the MMSA and state sections for information regarding the branches and ATMs by state and AA.

As of December 31, 2024, Merchants had \$2.78 billion in total assets with total loans and leases comprising 76.12 percent of assets. The leverage ratio was 10.58 percent with \$290.37 million in tier one capital.

Merchants Financial Group Inc. (MFGI) is the parent company and is widely held and wholly owns Merchants. The bank owns three subsidiaries: Hiawatha Holding Company, Merchants Community Development, and Merchants Bank Equipment Finance. Hiawatha Holding Company was established to hold the bank's other real estate owned. Merchants Community Development was established to conduct CRA activity within the bank's market area. Merchants Bank Equipment Finance is a commercial leasing subsidiary, located in Minneapolis, Minnesota. Merchants Bank Equipment Finance leases are included in the bank's CRA loan application register (LAR).

For the purposes of this examination, Merchants operated in five AAs across three rating areas. Rural areas of Minnesota were combined into one AA. AAs included La Crosse-Onalaska MMSA (La Crosse MMSA), Minneapolis Metropolitan Statistical Area (MSA), MN Non-MSA, Rochester MSA, and Eau Claire MSA. Rating areas included La Crosse MMSA, Minnesota, and Wisconsin.

There were no legal or financial factors impeding the bank's ability to help meet credit needs in its AAs during the evaluation period. Merchants' CRA performance was rated Satisfactory in the last Performance Evaluation dated January 3, 2023.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

Examiners evaluated small loans to businesses and farms, home mortgage loans, community development (CD) loans, qualified investments, and CD and retail services from January 1, 2022, through December 31, 2024 (the evaluation period). Examiners did not consider consumer loans in this evaluation as consumer lending was not a substantial product, and management did not request consideration.

### Lending Test

Examiners used home mortgage loan data collected and reported by Merchants in their 2022-2024 Home Mortgage Disclosure Act (HMDA) LAR and small loans to businesses and farms data collected and reported in the bank's 2022-2024 CRA LAR. In preparation for this evaluation, examiners completed a separate data integrity review and confirmed the data was accurate and reliable.

Home mortgages represented the largest portion of lending activity during the evaluation period. Merchants originated and purchased over five thousand home mortgages, totaling \$1.4 billion. Home mortgages represented 55.91 percent of total loans by number and 64.47 percent by dollar. Merchants originated and purchased approximately three thousand small loans to businesses, totaling \$629 million. Small loans to businesses represented 33.91 percent of total loans by number and 30.03 percent by dollar. Merchants originated and purchased approximately one thousand small loans to farms, totaling \$115 million. Small loans to farms represented 10.18 percent of total loans by number and 5.50 percent by dollar.

Home mortgage loans were given the most weight in all AAs, with business loans receiving the second most weight. Farm loans were considered in the La Crosse MMSA and the State of Minnesota and received the least weight. Farm lending was not meaningful in the State of Wisconsin due to low volume. Loan volume inside the AAs was used to determine product weighting.

Examiners gave equal weight to geographic and borrower distribution components of the Lending Test. The Lending Test also considered the number and dollar volume of CD loans, with emphasis placed on loans that were particularly complex or responsive to AA needs.

#### Investment Test

Examiners reviewed the bank's donations, grants, and investments made during the evaluation period and determined which qualified as CD.

#### Service Test

Examiners reviewed the bank's listing of service activities provided during the evaluation period and determined which qualified as CD. Examiners also considered the delivery systems, including branch hours and services, and branch distribution by geography.

### **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 CSA if applicable 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 multistate and state ratings. The rating for the state of Minnesota received the most weight in determining overall ratings. The La Crosse MMSA received the next highest weight, and the State of Wisconsin received the least weight. Rating area weight was determined based on the bank's deposit volume, branch presence, and loan volume in each rating area. Minnesota represented 78.28 percent of deposits, 78.1 percent of loans originated and purchased, and 78.26 percent of Merchants' branch network.

The MMSA and state ratings in rating areas with a single AA are based on performance in that AA. The MMSA and state ratings in rating areas with multiple AAs are based on the combination of conclusions in those AAs. Refer to the "Scope" section under each State 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 CFR 25.28(c) (March 29, 2024) in determining a national bank's or federal savings association's (collectively, bank's) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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

## Multistate Metropolitan Statistical Area Rating

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

**CRA rating for the La Crosse MMSA:** Satisfactory

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

**The Investment Test is rated:** Outstanding

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

The major factors that support this rating include:

- The distribution of loans to small businesses and farms and individuals of different income levels is good.
- The geographic distribution of loans throughout census tracts (CTs) of different income levels is adequate.
- The institution is a leader in CD lending.
- Lending levels reflect good responsiveness to credit needs in the AA.
- The bank made an excellent level of CD investments and demonstrates good responsiveness to the needs of the AA.
- The bank's service delivery systems are reasonably accessible to geographies of different income levels.
- Employees provide an adequate level of CD services to qualified organizations.

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

The La Crosse MMSA represented one rating area and one AA for the evaluation period. The La Crosse MMSA consisted of Houston and La Crosse counties. Merchants operated four full-service branches and three deposit-taking ATMs within the AA. The branches were in Caledonia, Minnesota; La Crescent, Minnesota; Spring Gove, Minnesota; and Onalaska, Wisconsin. The La Crosse MMSA was the second largest rating area for the bank accounting for 17.76 percent of deposits, 17.39 percent of branches, and 20.02 percent of all bank loans. Merchants did not open or close any branches or ATMs in the AA during the evaluation period.

Merchants' primary lending focus in the La Crosse MMSA was home mortgage loans. Home mortgage loans by number accounted for 48.80 percent of loans in the rating area. Business and farm loans followed and accounted for 32.06 percent and 19.13 percent of loans by number, respectively. The 2024 FDIC Deposit Market Share Report indicates Merchants ranked fourth among 20 deposit-taking institutions in the AA with a market share of 9.72 percent. The top three competitors by market share were U.S. Bank, Citizens State Bank of La Crosse, and Associated Bank with a combined market share of 39.34 percent.

As part of this review, examiners referenced recently completed community contacts to gain an understanding of the economic conditions, credit needs, and involvement of local financial institutions within the La Crosse MMSA. The contacts indicated a variety of needs, including financial literacy programs for small businesses and access to sustainable working capital for business growth. One contact worked for a small business development center in La Crosse that works with business owners and entrepreneurs to facilitate business growth and improvement. The contact identified higher interest

rates and business ownership transitions as primary economic concerns in the area. Despite this, the contact noted positive economic conditions including start-up and business growth opportunities, along with increases in technology in rural areas. The contact identified more access to sustainable capital to continue growing businesses as the primary credit need in the area. The contact further identified business education and financial literacy programs, specifically for small business owners, as opportunities for participation from local financial institutions. Another contact worked for a community development and housing organization in La Crosse. The contact identified housing supply shortages and challenges with housing affordability and transportation for lower income individuals. The contact noted that rental housing has not kept pace with job creation.

The following tables provide information on the demographic characteristics of the La Crosse MMSA for the 2022-2023 and 2024 analysis periods.

Assessment Area - La Crosse MMSA							
2022 - 2023							
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #	
Geographies (Census Tracts)	33	3.03	15.15	60.61	15.15	6.06	
Population by Geography	139,627	1.79	16.26	63.47	14.44	4.03	
Housing Units by Geography	59,442	1.55	15.88	64.74	13.47	4.36	
Owner-Occupied Housing by Geography	36,826	0.03	10.63	73.01	15.93	0.41	
Occupied Rental Units by Geography	19,565	4.54	25.06	49.13	9.91	11.35	
Vacant Units by Geography	3,051	0.62	20.52	65.00	6.62	7.24	
Businesses by Geography	4,449	1.66	15.96	58.53	13.51	10.34	
Farms by Geography	325	0.31	4.62	84.62	9.54	0.92	
Family Distribution by Income Level	32,710	16.66	19.93	24.25	39.16	0.00	
Household Distribution by Income Level	56,391	22.19	16.98	20.09	40.75	0.00	
Unemployment rate (%)	3.25	4.06	4.50	2.36	4.33	7.67	
Households Below Poverty Level (%)	11.00	56.56	17.41	6.68	5.12	55.71	
Median Family Income (29100 - La Crosse-Onalaska, WI-MN MSA)		\$81,684		Median Housing Value		\$178,600	
Median Family Income (29100 - La Crosse-Onalaska, WI-MN MSA) for 2023		\$93,400		Median Gross Rent		\$861	
				Families Below Poverty Level		4.22	
FFIEC File - 2020 Census							
2023 Dun & Bradstreet SBSF Demographics							
Due to rounding, totals may not equal 100.0%							
(*) The NA category consists of geographies that have not been assigned an income classification							

Assessment Area - La Crosse MMSA							
2024							
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #	
Geographies (Census Tracts)	33	3.03	12.12	54.55	24.24	6.06	
Population by Geography	139,627	1.79	12.89	53.16	28.13	4.03	
Housing Units by Geography	59,442	1.55	11.93	56.13	26.03	4.36	
Owner-Occupied Housing by Geography	36,826	0.03	7.71	61.69	30.17	0.41	
Occupied Rental Units by Geography	19,565	4.54	19.61	45.81	18.69	11.35	
Vacant Units by Geography	3,051	0.62	13.73	55.29	23.11	7.24	
Businesses by Geography	4,428	1.13	10.98	53.82	24.07	10.00	
Farms by Geography	332	0.30	3.92	76.81	17.77	1.20	
Family Distribution by Income Level	32,710	15.59	18.92	23.79	41.70	0.00	
Household Distribution by Income Level	56,391	21.67	16.63	19.87	41.83	0.00	
Unemployment rate (%)	3.25	4.06	4.48	2.34	3.74	7.67	
Households Below Poverty Level (%)	11.00	56.56	18.23	7.47	5.35	55.71	
Median Family Income (29100 - La Crosse-Onalaska, WI-MN MSA)		\$78,648		Median Housing Value		\$178,600	
Median Family Income (29100 - La Crosse-Onalaska, WI-MN MSA) for 2024		\$97,600		Median Gross Rent		\$861	
				Families Below Poverty Level		4.22	

Assessment Area - La Crosse MMSA						
					2024	
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

## Scope of Evaluation in La Crosse MMSA

The La Crosse MMSA received a full-scope review. Examiners analyzed home mortgage loans and small loans to businesses and farms to arrive at Lending Test conclusions. The La Crosse MMSA had two separate analysis periods, 2022-2023 and 2024, due to the Office of Management and Budget’s July 2023 Bulletin that revised MSA delineations effective January 1, 2024. Examiners placed more weight on the 2022-2023 analysis period as it was a longer timeframe and had the majority of the lending volume. For both analysis periods, home mortgage loans represented the largest proportion of lending both by number and dollar volume; therefore, home mortgage loans received the most weight when determining Lending Test conclusions. Home mortgage loans by number represented 49.50 percent of loans during the 2022-2023 analysis period and 47.13 percent of loans during the 2024 analysis period. For both analysis periods, business loans represented the second largest proportion of lending both by number and dollar volume. Business loans by number represented 31.83 percent of loans during the 2022-2023 analysis period and 32.63 percent of loans during the 2024 analysis period. Farm loans by number represented 18.67 percent of loans during the 2022-2023 analysis period and 20.24 percent of loans during the 2024 analysis period.

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

### LENDING TEST

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

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

### Lending Activity

Lending levels reflected good responsiveness to AA credit needs.

Table 3: Lending Activity								2022 - 2024	
<b>Number of Loans</b>									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
La Crosse MMSA	551	362	216	3	0	1,132	100.00	100.00	
<b>Total</b>	<b>551</b>	<b>362</b>	<b>216</b>	<b>3</b>	<b>0</b>	<b>1,132</b>	<b>100.00</b>	<b>100.00</b>	
<b>Dollar Volume of Loans (\$000s)</b>									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
La Crosse MMSA	111,041	66,905	25,225	11,102	0	214,273	100.00	100.00	
<b>Total</b>	<b>111,041</b>	<b>66,905</b>	<b>25,225</b>	<b>11,102</b>	<b>0</b>	<b>214,273</b>	<b>100.00</b>	<b>100.00</b>	
Source: 1/1/2024 - 12/31/2024 Bank Data.									
Due to rounding, totals may not equal 100.0%									

Merchants’ lending market share in the La Crosse MMSA is good compared to its deposit share. The 2024 FDIC Deposit Market Share report indicated Merchants ranked fourth with a market share of 9.72 percent.

Home mortgage lending activity is good. Aggregate home mortgage loan data for 2024 indicated Merchants ranked second among 199 lenders with a market share of 4.93 percent. Merchants’ home mortgage lending market share was significantly lower than its deposit share; however, positive consideration was given to the bank’s second place ranking given the high number of mortgage lenders in the AA.

Small business lending activity is adequate. Aggregate small loans to businesses data for 2023 indicated Merchants ranked sixth among 51 lenders with a market share of 7.49 percent. Merchants’ business lending market share was somewhat lower than its deposit share. 2024 aggregate data for small loans to businesses was unavailable at the time of this evaluation.

Small farm lending activity is excellent. Aggregate small loans to farms data for 2023 indicated Merchants ranked first among 13 lenders with a market share of 44.52 percent. Merchants’ small farm lending market share was significantly higher than its deposit share. 2024 aggregate data for small loans to farms was unavailable at the time of this evaluation.

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

The bank exhibits an adequate geographic distribution of loans in its AA. Examiners placed more weight on the bank’s performance in moderate-income tracts given there was more lending opportunity. During the 2022-2023 analysis period, there were five moderate-income CTs compared to one low-income CT, and during the 2024 analysis period, there were four moderate-income CTs compared to one low-income CT.

***Home Mortgage Loans***

Refer to Table 7 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 is adequate.

During the 2022-2023 analysis period, the percentage of home mortgage loans in low-income geographies exceeded the percentage of owner-occupied housing units and was near to the aggregate lending percentage. The percentage of home mortgage loans in moderate-income geographies was somewhat lower than the percentage of owner-occupied housing units and was lower than the aggregate lending percentage.

During the 2024 analysis period, the percentage of home mortgage loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units and the aggregate lending percentage. The percentage of home mortgage-loans in moderate-income geographies was significantly lower than the percentage of owner-occupied housing units and the aggregate lending percentage.

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

Refer to Table 9 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 is adequate.

During the 2022-2023 analysis period, Merchants' lending performance in low-income geographies was significantly lower than both the percentage of businesses located in low-income CTs and the aggregate lending percentage. Demographic data indicated that only 74 businesses, or 1.66 percent of all businesses in the AA, were in the AA's only low-income CT, which presented limited lending opportunities. The bank's lending performance to businesses in moderate-income CTs was somewhat lower than the percentage of businesses located in moderate-income CTs and was near to the aggregate lending percentage.

During the 2024 analysis period, Merchants' lending performance in low-income geographies was significantly lower than both the percentage of businesses located in low-income CTs and the aggregate percentage of all reporting lenders. Demographic data indicated that only 50 businesses, or 1.13 percent of all businesses in the AA, were in the AA's only low-income CT, which presented limited lending opportunities. The bank's lending performance to businesses in moderate-income CTs was lower than both the percentage of businesses located in moderate-income CTs and the aggregate lending percentage.

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

Refer to Table 11 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 is adequate.

During the 2022-2023 analysis period, the bank's lending performance in low-income geographies was lower than the percentage of farms. Merchants made no farm loans in low-income geographies and aggregate lenders also reported no loans in low-income geographies. Demographic data indicated that only one farm, or 0.31 percent of farms in the AA, were located in the low-income CT. Merchants' lending performance in moderate-income geographies was lower than both the percentage of farms and the aggregate lending percentage. Demographic data indicated there were 15 farms, or 4.62 percent of farms in the AA, were located in moderate-income CTs. This presented limited lending opportunities.

During the 2024 analysis period, Merchants' lending performance in LMI geographies was lower than the percentage of farms. Merchants made no loans in LMI geographies and aggregate lenders reported no loans in LMI geographies. Demographic data indicates that only one farm, or 0.30 percent of farms in the AA, were located in the single low-income CT and 13 farms, or 3.92 percent of farms in the AA, were located in moderate-income CTs. This presents limited lending opportunities.

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

Maps and lending activity were reviewed over the evaluation period to identify any gaps in the geographic distribution of loans. No unexplained, conspicuous gaps were identified.

### **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.

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

Refer to Table 8 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 among different income levels is good.

During the 2022-2023 analysis period, the bank's percentage of home mortgage loans originated to low-income borrowers was significantly lower than the percentage of low-income families in the AA and lower than the aggregate lending percentage. Demographic data reported 16.66 percent of families were low-income and 4.22 percent of families were below poverty level in the AA. Low-income borrowers earned less than \$46,700 annually. Housing affordability limited lending opportunities for low-income families. The bank's percentage of home mortgage loans originated to moderate-income borrowers was lower than the percentage of moderate-income families in the AA and the aggregate lending percentage.

During the 2024 analysis period, the bank's percentage of home mortgage loans originated to low-income borrowers was lower than the percentage of low-income families in the AA but exceeded the aggregate lending percentage. The bank's percentage of home mortgage loans originated to moderate-income borrowers exceeded the percentage of moderate-income families in the AA and the aggregate lending percentage.

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

Refer to Table 10 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 loans to businesses of different sizes is good.

During the 2022-2023 analysis period, the bank's lending performance to small businesses was lower than the percentage of small businesses within the AA and exceeded the aggregate lending percentage.

During the 2024 analysis period, Merchants' lending performance to small businesses was lower than the percentage of small businesses within the AA and near to the aggregate lending percentage.

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

Refer to Table 12 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 loans to farms of different sizes is excellent.

During the 2022-2023 and 2024 analysis periods, Merchants' lending performance to small farms was near to the percentage of small farms within the AA and significantly exceeded the aggregate lending percentage.

### **Community Development Lending**

The institution is a leader in making CD loans.

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

The bank made three CD loans totaling \$11.1 million, which represented 21.53 percent of allocated capital. Allocated capital is the percentage of deposits in the AA multiplied by the bank's tier one capital as of December 31, 2024. By dollar volume, 90.07 percent of the loans were for affordable housing and 9.93 percent funded community services.

The following are examples of the bank's CD loans:

- The bank made a \$10 million loan that supported affordable housing. This complex loan supported the construction of a 62-unit apartment complex that is part of a low-income housing tax credit (LIHTC) project. 52 units are income-restricted to families earning at or below 60 percent of the area median income. The loan is responsive to the affordable housing need identified by community contacts.
- The bank made a \$1 million loan that supported a non-profit organization assisting LMI individuals in need of community support services, such as temporary housing and counseling.

### **Product Innovation and Flexibility**

The institution uses innovative and/or flexible lending practices in order to serve AA credit needs. The bank originated 15 home mortgage loans, totaling \$3.3 million using various innovative and/or flexible lending programs, including Minnesota Housing Finance Agency loans, Fannie Mae HomeReady loans, Freddie Mac Home Possible loans, Federal Housing Administration loans, and Department of Veterans Affairs loans. Additionally, the Merchant's Onalaska branch 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, located in LMI geographies. The appraised value of these homes would normally not fit the loan-to-value requirements for loan approval if not part of this program.

## INVESTMENT TEST

The bank’s performance under the Investment Test in La Crosse MMSA is rated Outstanding.

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

Based on a full-scope review, the bank’s performance in the La Crosse MMSA is excellent.

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

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

### Number and Amount of Qualified Investments

Table 4: Qualified Investments									2022-2024	
Assessment Area	Prior Period		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
La Crosse MMSA	0	0	28	6,028	28	100.00	6,028	100.00	0	0

Merchants made an excellent level of qualified CD investments in the La Crosse MMSA. In total, qualified CD investments amounted to \$6.03 million and represented 11.69 percent of allocated capital. Merchants made significant contributions towards affordable housing.

The following are examples of qualified investments in the MMSA:

- An investment of \$6 million in an equity fund used for a new 62-unit apartment complex in La Crosse that included 52-units set aside for LMI individuals. This investment responded to the community identified need for affordable housing.
- The bank made two qualified donations totaling \$15 thousand to one organization that provided counseling for LMI individuals.
- The bank made four qualified donations totaling \$2.45 thousand to one organization for food drives that support local food shelves serving LMI.

## SERVICE TEST

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

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

## Retail Banking Services

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

Assessment Area	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	NA	Low	Mod	Mid	Upp	NA
La Crosse MMSA 2023	100.00	4	100.00	0.00	0.00	100.00	0.00	0.00	1.79	16.26	63.47	14.44	4.03
<b>Total</b>	<b>100.00</b>	<b>4</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.79</b>	<b>16.26</b>	<b>63.47</b>	<b>14.44</b>	<b>4.03</b>

Source: FFIEC File - 2020 Census  
1/1/2022 - 12/31/2023 Bank Data  
Due to rounding, totals may not equal 100.0%

Assessment Area	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	NA	Low	Mod	Mid	Upp	NA
La Crosse MMSA	100.00	4	100.00	0.00	0.00	100.00	0.00		1.79	12.89	53.16	28.13	4.03
<b>Total</b>	<b>100.00</b>	<b>4</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>		<b>1.79</b>	<b>12.89</b>	<b>53.16</b>	<b>28.13</b>	<b>4.03</b>

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

There are four full-service branches located in the La Crosse MMSA, all of which are in middle-income CTs. While there are no branches in LMI CTs, the La Crescent, MN and Onalaska, WI branches are located near to LMI CTs and are reasonably accessible to those areas and individuals.

The percentage of branches in low-income geographies was near to the population percentage in low-income geographies during both the 2022-2023 and 2024 analysis periods. The branch percentage in moderate-income geographies was significantly below the population percentage in moderate-income geographies during the 2022-2023 and 2024 analysis periods, respectively.

Assessment Area	Branch Openings/Closings						
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				
			Low	Mod	Mid	Upp	NA
La Crosse MMSA	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

1/1/2022- 12/31/2024 Bank Data.

The bank did not open or close any branches or deposit-taking ATMs in the La Crosse MMSA during the evaluation period.

Services and business hours, do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and individuals. Lobby and drive-up hours are similar between all branches in the AA and comparable to branches in other AAs. Each of the four branches offers similar

lobby and drive-up service hours each weekday and drive-up hours on Saturday morning. All branches, except for Spring Grove, had a deposit-taking ATM.

### **Community Development Services**

The institution provides an adequate level of CD services.

During the evaluation period, four employees provided 162 service hours to four different qualified CD organizations benefiting the AA. CD services supported affordable housing and community services for LMI individuals. For example, one bank employee served as the Chairman of the Board for a housing authority that assists in affordable housing initiatives.

## State Rating

### State of Minnesota

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

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

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

**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- The geographic distribution of loans throughout CTs of different income levels is good.
- The distribution of loans to small businesses and farms and individuals of different income levels is excellent.
- The bank made a relatively high level of CD loans.
- Lending levels reflect good responsiveness to credit needs in the AA.
- The bank made an adequate level of CD investments and demonstrates adequate responsiveness to the needs of the AAs.
- Employees provide an excellent level of CD services to qualified organizations.
- The bank's service delivery systems are accessible to geographies of different income levels.

### Description of Institution's Operations in Minnesota

The bank had three assessment areas in the state of Minnesota: MN Non-MSA, Minneapolis MSA, and the Rochester MSA. Merchants' primary lending focus in Minnesota is home mortgage loans, followed by business loans. The bank's operations in Minnesota comprised 78.28 percent of total bank deposits, 78.26 percent of total bank branches, and 78.10 percent of loan originations by number during the evaluation period.

#### MN Non-MSA

The MN Non-MSA consisted of Winona and Goodhue Counties and a portion of Rice County. As of December 31, 2024, Merchants operated eight full-service branches and eight deposit-taking ATMs within the AA. The branches were located in Cannon Falls, Minnesota; two branches in Northfield, Minnesota, Red Wing, Minnesota, St. Charles, Minnesota, and three branches in Winona, Minnesota. Merchants closed three branches in Winona during the evaluation period.

Merchants' primary lending focus in the MN Non-MSA was home mortgage loans. Home mortgage loans by number accounted for 61.57 percent of loans in the MN Non-MSA, business loans were 24.59 percent of loans by number, and farm loans were 13.84 percent of loans by number. The 2024 FDIC Deposit Market Share Report indicated Merchants ranked first among 25 deposit-taking institutions in the Goodhue, Rice, and Winona Counties, with a market share of 24.39 percent. The top three competitors by market share were Merchants, Wells Fargo Bank, and Frandsen Bank & Trust with a combined market share of 48.60 percent.

As part of this review, examiners referenced recently completed community contacts to gain an understanding of the economic conditions, credit needs, and involvement of local financial institutions within the MN Non-MSA. A contact who worked for the Goodhue County government shared that the area is focused on development and increasing workforce housing in Red Wing given the number of large employers in the area. The contact identified credit for affordable housing construction as a potential community need.

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

Assessment Area - MN Non-MSA						
2022 - 2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	32	0.00	3.13	56.25	40.63	0.00
Population by Geography	130,566	0.00	2.31	53.25	44.44	0.00
Housing Units by Geography	53,224	0.00	2.44	55.86	41.70	0.00
Owner-Occupied Housing by Geography	35,960	0.00	1.89	52.15	45.96	0.00
Occupied Rental Units by Geography	13,468	0.00	4.31	65.47	30.21	0.00
Vacant Units by Geography	3,796	0.00	1.03	56.95	42.02	0.00
Businesses by Geography	4,666	0.00	3.56	49.25	47.19	0.00
Farms by Geography	595	0.00	1.01	41.85	57.14	0.00
Family Distribution by Income Level	30,118	12.45	16.05	22.50	48.99	0.00
Household Distribution by Income Level	49,428	20.14	15.42	17.68	46.76	0.00
Unemployment rate (%)	3.90	0.00	16.97	3.66	3.60	0.00
Households Below Poverty Level (%)	10.89	0.00	13.57	13.45	7.31	0.00
Median Family Income (Non-MSAs - MN)		\$74,710		Median Housing Value		\$207,900
Median Family Income (Non-MSAs - MN) for 2024		\$90,300		Median Gross Rent		\$814
				Families Below Poverty Level		4.93
FFIEC File - 2020 Census						
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

**Minneapolis MSA**

The Minneapolis MSA consisted of portions of Dakota and Washington Counties in Minnesota. As of December 31, 2024, Merchants operated six full-service branches and five deposit-taking ATMs within the AA. The branches were located in Apple Valley, Cottage Grove, Hampton, Hastings, Lakeville, and Rosemount. Merchants closed one branch in Lakeville during the evaluation period.

Merchants’ primary lending focus in the Minneapolis MSA was home mortgage loans. Home mortgage loans by number accounted for 55.51 percent of loans in the Minneapolis MSA, business loans were 39.90 percent of loans by number, and farm loans were 4.59 percent of loans by number. The 2024 FDIC Deposit Market Share Report indicated Merchants ranked ninth among 45 deposit-taking institutions operating in Washington and Dakota Counties, with a market share of 2.35 percent. The top five competitors by market share were Wells Fargo Bank, U.S. Bank, The Huntington National Bank, Bremer Bank, and Vermillion State Bank with a combined market share of 59.17 percent.

As part of this review, examiners referenced recently completed community contacts to gain an understanding of the economic conditions, credit needs, and involvement of local financial institutions within the Minneapolis MSA. One contact worked for an organization in Saint Paul, Minnesota that supports communities and businesses by providing essential services and infrastructure such as metropolitan transit, wastewater treatment, regional parks, and affordable housing. The contact

identified a continued need for small business credit within the community and affordable housing given the high-rate environment. The contact identified opportunities for institutions to provide community development through community services and lending. The contact noted community banks in the area like to reinvest into the community. Another contact worked for a nonprofit community development organization committed to expanding wealth and resources of neighborhoods through housing and economic development initiatives in Minneapolis, Minnesota. The contact identified lending standards, regulatory limits, and credit education as challenges faced by local businesses and consumers. The contact indicated that community banks have opportunities to get involved with small business lending and identified small business loans as the primary credit need in the area. In addition, the contact noted that local lenders, especially SBA lenders, have been responsive in helping to meet the credit needs of the area.

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

Assessment Area - Minneapolis MSA						
						2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	64	0.00	7.81	64.06	28.13	0.00
Population by Geography	289,274	0.00	5.11	64.52	30.37	0.00
Housing Units by Geography	104,145	0.00	5.75	65.40	28.86	0.00
Owner-Occupied Housing by Geography	84,147	0.00	4.49	64.56	30.96	0.00
Occupied Rental Units by Geography	17,184	0.00	11.19	69.60	19.21	0.00
Vacant Units by Geography	2,814	0.00	10.16	64.85	24.98	0.00
Businesses by Geography	9,319	0.00	6.12	62.74	31.14	0.00
Farms by Geography	489	0.00	4.09	69.12	26.79	0.00
Family Distribution by Income Level	75,567	13.78	17.49	25.29	43.44	0.00
Household Distribution by Income Level	101,331	15.83	14.95	20.02	49.20	0.00
Unemployment rate (%)	2.77	0.00	2.46	3.07	2.19	0.00
Households Below Poverty Level (%)	4.21	0.00	6.39	4.46	3.20	0.00
Median Family Income (33460 - Minneapolis-St. Paul-Bloomington, MN-WI MSA)		\$103,977		<b>Median Housing Value</b>		\$284,350
Median Family Income (33460 - Minneapolis-St. Paul-Bloomington, MN-WI MSA) for 2024		\$123,700		<b>Median Gross Rent</b>		\$1,358
				<b>Families Below Poverty Level</b>		2.50
FFIEC File - 2020 Census						
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

**Rochester MSA**

The Rochester MSA consisted of Olmsted County and a portion of Fillmore County. Merchants operated four full-service branches and three deposit-taking ATMs within the AA. The branches were in Lanesboro, Spring Grove, and two branches in Rochester. Merchants did not open or close any new branches or ATMs in the AA during the evaluation period.

Merchants’ primary lending focus in the Rochester MSA was home mortgage loans. Home mortgage loans by number accounted for 53.34 percent of loans in the Rochester MSA, business loans were 25.72 percent of loans by number, and farm loans were 20.94 percent of loans by number. The 2024 FDIC Deposit Market Share Report indicates Merchants ranked sixth among 26 deposit-taking institutions in Fillmore and Olmsted Counties, with a market share of 4.78 percent. The top five competitors by market

share were Think Mutual Bank, Wells Fargo Bank, Home Federal Savings Bank, U.S. Bank, and Bremer Bank with a combined market share of 62.97 percent.

As part of this review, examiners contacted a local organization and referenced other recently completed community contacts to gain an understanding of the economic conditions, credit needs, and involvement of local financial institutions within the AA. One contact works for a Community Development Financial Institution. The contact identified entrepreneur support, startup business credit, financing for affordable housing projects, and support for childcare businesses as the greatest credit needs within the Rochester MSA. The contact shared that banks do fairly well at participating in community projects and collaborating on funding strategies. Another contact identified affordable housing and minority-owned business financing as primary needs within the AA.

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

Assessment Area - Rochester MSA						
						2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	38	5.26	18.42	44.74	31.58	0.00
Population by Geography	172,587	6.09	14.73	42.00	37.18	0.00
Housing Units by Geography	71,348	5.71	18.20	41.98	34.10	0.00
Owner-Occupied Housing by Geography	49,060	3.61	11.93	45.17	39.29	0.00
Occupied Rental Units by Geography	18,366	10.16	32.12	33.86	23.86	0.00
Vacant Units by Geography	3,922	11.24	31.46	40.08	17.21	0.00
Businesses by Geography	6,401	3.67	21.82	42.71	31.79	0.00
Farms by Geography	423	0.95	12.29	63.59	23.17	0.00
Family Distribution by Income Level	43,548	17.54	17.65	22.90	41.91	0.00
Household Distribution by Income Level	67,426	21.76	16.41	19.10	42.72	0.00
Unemployment rate (%)	3.34	5.93	5.03	3.42	2.14	0.00
Households Below Poverty Level (%)	8.17	14.22	17.43	7.19	3.82	0.00
Median Family Income (40340 - Rochester, MN MSA)		\$94,698		Median Housing Value		\$215,050
Median Family Income (40340 - Rochester, MN MSA) for 2024		\$112,700		Median Gross Rent		\$983
				Families Below Poverty Level		4.81
FFIEC File - 2020 Census						
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

## Scope of Evaluation in Minnesota

The rating for the state of Minnesota is based on the performance in the MN Non-MSA, Minneapolis MSA, and Rochester MSA. Examiners selected all three AAs for full-scope reviews. The MN Non-MSA represented the largest portion of the bank’s branches, deposits, and loan volume within the state. For those reasons, the MN Non-MSA carried the most weight in determining the state rating. The Minneapolis MSA carried the next most weight.

The MN Non-MSA consisted of 44.45 percent of the branches, 61.28 percent of deposits, and 62.32 percent of loans by number in the state. The Minneapolis MSA consisted of 33.33 percent of the branches, 22.03 percent of deposits, and 17.30 percent of loans by number in the state. The Rochester MSA consisted of 22.22 percent of the branches, 16.69 percent of deposits, and 20.38 percent of loans by number in the state.

Within each AA, examiners analyzed home mortgage loans, small loans to businesses, and small loans to farms to arrive at Lending Test conclusions. Home mortgage loans represented the largest proportion of lending both by number and dollar volume within all three AAs; therefore, home mortgage loans received the most weight when determining Lending Test conclusions for all three AAs. Small loans to businesses represented the next largest proportion of lending both by number and dollar volume, followed by small loans to farms with the smallest lending volumes in each AA.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MINNESOTA

### LENDING TEST

The bank’s performance under the Lending Test in the state of Minnesota is rated High Satisfactory.

Based on full-scope reviews, the bank’s performance is good in the MN Non-MSA and Minneapolis MSA and excellent in the Rochester MSA.

### Lending Activity

Lending levels reflect good responsiveness to credit needs in the AAs.

Table 3: Lending Activity								2022 - 2024	
<b>Number of Loans</b>									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Minneapolis MSA	423	304	35	0	0	762	17.27	16.69	
MN Non-MSA	1,690	675	380	2	0	2,747	62.26	22.03	
Rochester MSA	479	231	188	2	0	900	20.40	61.28	
Broader Statewide	0	0	0	3	0	3	0.07	0.00	
<b>Total</b>	<b>2,592</b>	<b>1,210</b>	<b>603</b>	<b>7</b>	<b>0</b>	<b>4,412</b>	<b>100.00</b>	<b>100.00</b>	
<b>Dollar Volume of Loans (\$000s)</b>									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Minneapolis MSA	112,276	48,906	7,952	0	0	169,134	19.81	16.69	
MN Non-MSA	283,854	122,404	40,580	7,926	0	454,764	53.26	22.03	
Rochester MSA	96,306	44,888	22,013	8,876	0	172,083	20.16	61.28	
Broader Statewide	0	0	0	57,835	0	57,835	6.77	0.00	
<b>Total</b>	<b>492,436</b>	<b>216,198</b>	<b>70,545</b>	<b>74,637</b>	<b>0</b>	<b>853,816</b>	<b>100.00</b>	<b>100.00</b>	
Source: 1/1/2022 - 12/31/2024 Bank Data.									
Due to rounding, totals may not equal 100.0%									

### MN Non-MSA

Merchants’ lending market share in the MN Non-MSA is good compared to its deposit share. The 2024 FDIC Deposit Market Share report indicated Merchants ranked first with a market share of 24.39 percent.

Home mortgage lending activity is excellent. Aggregate home mortgage loan data for 2024 indicated Merchants ranked first among 198 lenders, with a market share of 19.84 percent. Merchants' home mortgage lending share was lower than its deposit share. Positive consideration was given to the bank's ranking as top mortgage lender and deposit taker in the AA.

Business lending activity is adequate. Aggregate business loan data for 2023 indicated Merchants was ranked fourth among 67 lenders, with a 10.90 percent market share. Merchants' business lending market share was significantly lower than its deposit share. Positive consideration was given to the bank's performance given high competition. The top three lenders captured 49.36 percent of the small business loan market. 2024 aggregate data for small loans to businesses was unavailable at the time of this evaluation.

Farm lending activity is good. Aggregate farm loan data for 2023 indicated Merchants was ranked second among 22 lenders, with a market share of 17.40 percent. Merchants' farm lending share was lower than its deposit share. Positive consideration was given to the bank's performance given they are ranked second among farm lenders in the AA. 2024 aggregate data for small loans to farms was unavailable at the time of this evaluation.

### **Minneapolis MSA**

Merchants' lending market share in the Minneapolis MSA is adequate compared to its deposit share. The 2024 FDIC Deposit Market Share report indicated Merchants ranked ninth with a market share of 2.35 percent.

Home mortgage lending activity is adequate. Aggregate home mortgage loan data for 2024 indicated Merchants ranked 26 among 335 lenders with a market share of 1.21 percent. Merchants' home mortgage lending share was lower than its deposit share. Positive consideration is given to the bank's performance given there was a significantly high number of home mortgage lenders in the AA. The top five lenders captured 23.77 percent of the market.

Business lending activity is adequate. Aggregate business loan data for 2023 indicated Merchants ranked eighth among 108 lenders with a 1.13 percent market share. Merchants' business lending market share was lower than its deposit share. Positive consideration is given to the bank's performance given the high number of small business lenders in the AA. The top five lenders captured 76.41 percent of the small business loan market. 2024 aggregate data for small loans to businesses was unavailable at the time of this evaluation.

Farm lending activity is excellent. Aggregate farm loan data for 2023 indicated Merchants was ranked fourth among 15 lenders with a market share of 9.02 percent. Merchants' farm lending share significantly exceeded its deposit share. 2024 aggregate data for small loans to farms was unavailable at the time of this evaluation.

### **Rochester MSA**

Merchants' lending market share in the Minneapolis MSA is good compared to its deposit share. The 2024 FDIC Deposit Market Share report indicated Merchants ranked sixth with a market share of 4.78 percent.

Home mortgage lending is good. Aggregate home mortgage loan data for 2024 indicated Merchants ranked seventh among 232 lenders with a market share of 3.53 percent. Merchants' home mortgage lending share was lower than its deposit share. Positive consideration is given to the bank's performance given there was a significantly high number of home mortgage lenders in the AA. The top five lenders captured 31.24 percent of the market.

Business lending is adequate. Aggregate business loan data for 2023 indicated Merchants was ranked eighth among 58 lenders with a 2.75 percent market share. Merchants' business lending market share was lower than its deposit share. The top five lenders captured 72.76 percent of the market, and the lenders were large banks. Merchants' market share ranked third among community banks. 2024 aggregate data for small loans to businesses was unavailable at the time of this evaluation.

Farm lending is excellent. Aggregate farm loan data for 2023 indicated Merchants was ranked second among 22 lenders with a market share of 20.97 percent. Merchants' farm lending share significantly exceeded its deposit share. 2024 aggregate data small loans to farms was unavailable at the time of this evaluation.

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

The bank exhibits a good geographic distribution of loans in its AAs. There were no low-income CTs in the MN Non-MSA and Minneapolis MSA during the evaluation period.

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

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

The geographic distribution of home mortgages is good.

#### **MN Non-MSA**

The geographic distribution of home mortgage loans in the MN Non-MSA is adequate. The bank's percentage of home mortgage loans in moderate-income geographies was lower than both the percentage of owner-occupied housing units and the aggregate lending percentage. Demographic data indicated only 1.89 percent of owner-occupied housing was located in moderate-income CTs, which presented limited lending opportunities.

#### **Minneapolis MSA**

The geographic distribution of home mortgage loans in the Minneapolis MSA is excellent. The bank's percentage of home mortgage loans in moderate-income geographies exceeded both the percentage of owner-occupied housing units and the aggregate lending percentage.

#### **Rochester MSA**

The geographic distribution of home mortgage loans in the Rochester MSA is excellent. The bank's percentage of home mortgage loans in low-income geographies was lower than the percentage of owner-occupied housing units and the aggregate lending percentage. The percentage of home mortgage loans in moderate-income geographies significantly exceeded the percentage of owner-occupied housing units and the aggregate lending. The bank's performance in moderate-income geographies received more

weight because there were more moderate-income geographies in the AA, which provided greater lending opportunities.

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

Refer to Table 9 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 is good.

### **MN Non-MSA**

The geographic distribution of business loans in the MN Non-MSA is good. The bank's percentage of business loans in moderate-income geographies was near to the percentage of small businesses located in moderate-income geographies and the aggregate lending percentage.

### **Minneapolis MSA**

The geographic distribution of business loans in the Minneapolis MSA is excellent. The bank's percentage of business loans in moderate-income geographies exceeded both the percentage of small businesses located in the moderate-income geographies and the aggregate lending percentage.

### **Rochester MSA**

The geographic distribution of business loans in the Rochester MSA is excellent. Merchants' lending performance to businesses in low-income geographies was near to the percentage of businesses located in low-income CTs and the aggregate lending percentage. Merchants' lending performance to businesses in moderate-income geographies significantly exceeded both the percentage of businesses located in moderate-income CTs and the aggregate lending percentage.

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

Refer to Table 11 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 is adequate.

### **MN Non-MSA**

The geographic distribution of farm loans in the MN Non-MSA was adequate. Merchants' lending performance to farms in moderate-income geographies was lower than the percentage of farms located in those CTs and consistent with aggregate lending performance. Merchants and aggregate lenders made no farms loans in moderate-income geographies. Demographic data indicated only six farms were located in moderate-income CTs, which presented limited lending opportunities.

### **Minneapolis MSA**

The geographic distribution of farm loans in the Minneapolis MSA is adequate. Merchants' lending performance to farms in moderate-income geographies was lower than the percentage of farms located in those CTs and near to the aggregate lending percentage. Merchants made no farms loans in moderate-income geographies. Demographic data indicated twenty farms were in moderate-income CTs, which presented limited lending opportunities.

**Rochester MSA**

The geographic distribution of farm loans in the Rochester MSA is excellent. Merchants' lending performance to farms in low-income geographies was lower than the percentage of farms located in low-income CTs and consistent with the aggregate lending percentage. Merchants and aggregate lenders made no farms loans in low-income geographies. Demographic data indicated only four farms were in low-income CTs, which presented limited lending opportunities. The bank's lending performance to farms in moderate-income geographies significantly exceeded both the percentage of farms located in those CTs and the aggregate lending percentage.

***Lending Gap Analysis***

Maps and lending activity were reviewed over the evaluation period to identify any gaps in the geographic distribution of loans. No unexplained, conspicuous gaps were identified for the MN Non-MSA, Minneapolis MSA, or Rochester MSA.

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

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

***Home Mortgage Loans***

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

The distribution of home mortgage loans among different income levels is excellent.

**MN Non-MSA**

The distribution of home mortgage loans among individuals of different income levels in the MN Non-MSA is excellent. The bank's percentage of home mortgage loans was somewhat lower than the percentage of low-income families and exceeded the aggregate lending percentage. The bank's percentage of home mortgage loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families and the aggregate lending percentage.

**Minneapolis MSA**

The distribution of home mortgage loans among individuals of different income levels in the Minneapolis MSA is excellent. The bank's percentage of home mortgage loans to low-income borrowers was somewhat lower than the percentage of low-income families in the AA but significantly exceeded the aggregate lending percentage. The bank's percentage of home mortgage loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA and was somewhat lower than the percentage of aggregate lending.

**Rochester MSA**

The distribution of home mortgage loans among individuals of different income levels in the Rochester MSA is excellent. The bank's percentage of home mortgage loans to low-income borrowers significantly exceeded the percentage of low-income families in the AA and the aggregate lending percentage. The bank's percentage of home mortgage loans to moderate-income borrowers significantly

exceeded the percentage of moderate-income families in the AA and exceeded the aggregate lending percentage.

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

Refer to Table 10 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 loans to businesses of different sizes was good.

#### **MN Non-MSA**

The distribution of loans to businesses of different sizes in the MN Non-MSA is good. Merchants' lending performance was lower than the percentage of small businesses within the AA but near to the aggregate lending percentage.

#### **Minneapolis MSA**

The distribution of loans to businesses of different sizes in the Minneapolis MSA is good. Merchants' lending performance to small businesses was lower than the percentage of small businesses within the AA and near to the aggregate lending percentage.

#### **Rochester MSA**

The distribution of loans to businesses of different sizes in the Rochester MSA is adequate. Merchants' lending performance to small businesses was lower than the percentage of small businesses within the AA and somewhat lower than the aggregate lending percentage.

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

Refer to Table 12 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 loans to farms of different sizes is excellent.

#### **MN Non-MSA**

The distribution of loans to farms of different sizes in the MN Non-MSA is excellent. Merchants' lending performance was near to the percentage of small farms within the AA and significantly exceeded the aggregate lending percentage.

#### **Minneapolis MSA**

The distribution of loans to farms of different sizes in the Minneapolis MSA is excellent. Merchants' lending performance was somewhat lower than the percentage of small farms within the AA and significantly exceeded the aggregate lending percentage.

#### **Rochester MSA**

The distribution of loans to farms of different sizes in the Rochester MSA is excellent. Merchants' lending performance was somewhat lower than the percentage of small farms within the AA and significantly exceeded the aggregate lending percentage.

## **Community Development Lending**

The institution has a relatively high level of CD loans.

Refer to Table 3 in the Lending Activity section for 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.

### **MN Non-MSA**

Merchants made an adequate level of CD loans in the MN Non-MSA during the evaluation period. Merchants originated two CD loans totaling \$7.93 million, representing 5.69 percent of allocated capital. Loans financed a 106-unit multifamily property in which tax increment financing (TIF) was received in exchange for setting aside 43 units with rent restrictions at or below 60 percent of the area median income.

### **Minneapolis MSA**

Merchants did not originate any CD loans during the evaluation period.

### **Rochester MSA**

Merchants made an excellent level of CD loans in the Rochester MSA. Merchants originated two CD loans totaling \$8.88 million, representing 23.39 percent of allocated capital. Loans were to finance a low-income housing tax credit (LIHTC) project, which created a total of 66 units of affordable housing.

### **Broader State Area**

In addition to the CD loans that benefited the bank's AAs, Merchants made three loans totaling \$57.84 million that supported the broader statewide area. The loans supported construction of low-income housing projects in Oakdale, Bloomington, and Burnsville, MN.

## **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices in order to serve credit needs in the state of Minnesota. The bank originated 240 home mortgage loans totaling \$44.44 million in its MN AAs using various flexible lending programs, including Minnesota Housing Finance Agency loans, Fannie Mae HomeReady loans, Freddie Mac Home Possible loans, Federal Housing Administration loans, Department of Veterans Affairs, and U.S. Department of Agriculture Rural Development loans. Additionally, the bank partnered with the Red Wing Housing and Redevelopment Authority and the Southeastern Minnesota Multi-County Housing and Redevelopment Authority to assist with the Affordable Housing Trust Fund Homebuyer Assistance Program. The purpose of this program is to provide down payment assistance for low-income individuals to purchase a home.

## **INVESTMENT TEST**

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

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

Based on full-scope reviews, the bank's performance in the MN non-MSA is poor, performance in the Minneapolis MSA is adequate, and performance in the Rochester MSA is excellent.

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

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

Table 4: Qualified Investments									2022-2024	
Assessment Area	Prior Period		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
MN Non-MSA	0	0	58	439	58	57.43	439	9.38	0	0
Minneapolis MSA	0	0	26	1,224	26	25.74	1,224	26.16	0	0
Rochester MSA	0	0	17	3,016	17	16.83	3,016	64.46	1	990
<b>Total</b>	<b>0</b>	<b>0</b>	<b>101</b>	<b>4,679</b>	<b>101</b>	<b>100.0</b>	<b>4,679</b>	<b>100.00</b>	<b>1</b>	<b>990</b>

**MN Non-MSA**

Merchants has few qualified CD investments in the MN Non-MSA. The institution exhibits poor responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

Qualified investments amounted to \$439 thousand and represented 0.32 percent of allocated capital. Merchants made contributions towards community services for LMI individuals and affordable housing.

The following are examples of qualified investments in the MN Non-MSA:

- Merchants purchased an \$80 thousand home mortgage from Habitat for Humanity to provide affordable housing in Winona.
- Merchants made four donations totaling \$236 thousand to a local food shelf.
- Merchants made five donations totaling \$3 thousand to an organization that primarily serves LMI individuals by providing foreign language interpreters and translators as well as educational and empowerment opportunities for immigrants and refugees.

**Minneapolis MSA**

Merchants has an adequate level of qualified CD investments in the Minneapolis MSA. The institution exhibits adequate responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

Qualified investments amounted to \$1.22 million and represented 2.44 percent of allocated capital. Merchants made contributions towards community services for LMI individuals and affordable housing. The bank made 25 donations and one investment.

The following are examples of qualified investments in the Minneapolis MSA:

- Merchants purchased a \$1.2 million mortgage-backed security that supported affordable housing in Washington County.
- Merchants made six donations totaling \$11 thousand to an organization that supports a local food shelf.
- Merchants made six donations totaling \$1 thousand to an organization that provides LMI individuals with financial assistance for rent, utilities, car repairs, safe shelter, and domestic violence prevention and intervention.

**Rochester MSA**

Merchants has an excellent level of qualified CD investments in the Rochester MSA. 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 amounted to \$3.02 million and represented 7.95 percent of allocated capital. Merchants made contributions towards community services for LMI individuals and affordable housing. Merchants also has an unfunded commitment totaling \$990 thousand, which represents an additional 2.61 percent of allocated capital.

The following are examples of qualified investments in the Rochester MSA:

- Merchants purchased a \$3 million mortgage-backed security to support affordable housing in the Rochester.
- Merchants committed a \$1 million investment in a LIHTC (\$990 thousand unfunded) to support affordable housing in Rochester.
- Merchants made three donations totaling \$3 thousand to an organization that supports and provides services for LMI individuals with disabilities.

**SERVICE TEST**

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

Based on full-scope reviews, the bank’s performance in the MN Non-MSA, Minneapolis, and Rochester MSAs is excellent.

**Retail Banking Services**

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

The table illustrates the bank’s branch distribution by geography.

Assessment Area	Deposits % of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Branches Location of Branches by Income of Geographies (%)					Population % of Population within Each Geography				
				Low	Mod	Mid	Upp	NA	Low	Mod	Mid	Upp	NA
				MN Non-MSA	61.30	8	44.44	0.00	0.00	62.50	37.50	0.00	0.00
Rochester MSA	16.70	4	22.22	0.00	25.00	50.00	25.00	0.00	6.09	14.73	42.00	37.18	0.00
Minneapolis MSA	22.00	6	33.33	0.00	0.00	83.33	16.67	0.00	0.00	5.11	64.52	30.37	0.00
<b>Total</b>	<b>100.00</b>	<b>18</b>	<b>100.00</b>	<b>0.00</b>	<b>5.60</b>	<b>66.67</b>	<b>27.80</b>	<b>0.00</b>	<b>1.77</b>	<b>7.30</b>	<b>55.47</b>	<b>35.45</b>	<b>0.00</b>

Source: FFIEC File - 2020, 2024 Census  
 1/1/2022 - 12/31/2024 Bank Data  
 Due to rounding, totals may not equal 100.0%

Branch Openings/Closings								
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches					
			(+ or -)					
			Low	Mod	Mid	Upp	NA	
MN Non-MSA	0	3	0	0	-3	0	0	
Rochester MSA	0	0	0	0	0	0	0	
Minneapolis MSA	0	1	0	0	0	-1	0	
<b>Total</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>-3</b>	<b>-1</b>	<b>0</b>	

*1/1/2022 - 12/31/2024 Bank Data.*

### **MN Non-MSA**

Branch locations are reasonably accessible to geographies and individuals of different income levels. There were eight full-service branches located in the AA with five branches located in middle-income CTs and three branches located in upper income CTs. There were no low-income CTs in the AA. The bank had no branches located in a moderate-income geography. Therefore, the percentage of branches was below the population percentage in moderate-income geographies. While there are no branches in moderate-income CTs, the Red Wing branch is located near a moderate-income CT and is reasonably accessible.

To the extent changes have been made, the institution's closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. In May 2023, Merchants closed three branches in Winona: Callista Court, Sugar Loaf Senior Living, and Watkins Manor. All three branches were in separate assisted living facilities with limited hours. The bank still operates three other branches in Winona, which are in close proximity to the closed branches. The bank did not open any branches and did not open or close any deposit-taking ATMs in the AA during the evaluation period.

Services and business hours do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and individuals. Lobby and drive-up hours were similar between all branches in the AA and comparable to branches in other AAs. Each of the eight branches offered similar lobby service hours each weekday. Six of the eight branches offered similar drive-up service hours on Saturday morning. The Goodview branch drive-up was closed on Saturday mornings and the Northfield branch did not have a drive-up. All branches had deposit-taking ATMs.

### **Minneapolis MSA**

Branch locations are reasonably accessible to geographies and individuals of different income levels. There were six full-service branches located in the Minneapolis MSA, with five branches located in middle-income CTs and one branch located in an upper income CT. There were no low-income CTs in the AA. The bank had no branches in a moderate-income CT. Therefore, the percentage of branches was below the population percentage in moderate-income geographies. While there were no branches in moderate-income CTs, the Apple Valley, Hastings, and Rosemount branches were located near moderate-income CTs and are reasonably accessible to those areas and LMI individuals.

To the extent changes have been made, the institution's closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. In January 2024, Merchants closed the Highland Hills branch in Lakeville. The branch was located in an assisted living facility with limited hours. The bank did not open any branches and did not open or close any deposit-taking ATMs in the AA during the evaluation period.

Services and business hours do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and individuals. Lobby and drive-up hours varied slightly between branches in the AA and were comparable to branches in other AAs. Five of the six branches offered similar lobby service hours each weekday and offered similar drive-up service hours on Saturday morning. The Hampton branch hours varied slightly and were from 10am to 2pm Monday through Friday with the drive-up closed on Saturday mornings. All branches except the Hampton branch had a deposit-taking ATM.

### **Rochester MSA**

Branch locations are readily accessible to geographies and individuals of different income levels. There were four full-service branches located in the Rochester MSA. The bank had no branches located in a low-income CT, however, both Rochester branches were located near low-income CTs and are reasonably accessible to those areas and LMI individuals. The bank had one branch located in a moderate-income CT. The bank's percentage of branches in a moderate-income CT exceeded the population percentage in moderate-income geographies.

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

Services and business hours do not vary in a way that inconveniences the various portions of its AA, particularly LMI geographies and individuals. Lobby and drive-up hours were similar between branches in the AA and comparable to branches in other AAs. Each of the four branches offered similar lobby service hours each weekday and three of the branches offered drive-up hours during normal weekday business hours and on Saturday morning. The Rochester Green Meadows branch did not have a drive-up. All branches except the Rushford branch had a deposit-taking ATM.

### **Community Development Services**

The institution is a leader in providing CD services.

### **MN Non-MSA**

Bank employees provided an excellent level of CD services in the MN Non-MSA. Ten employees provided 1,413 qualified service hours to seven qualified CD organizations benefiting the AA. CD services primarily supported affordable housing but also supported community services for LMI individuals and economic development.

The following are examples of CD services provided to the MN Non-MSA:

- Four employees served as Board or committee members for an organization that provides affordable housing to LMI families in Winona and Goodhue Counties.
- Two employees served as Board or committee members for a qualified organization that provides grants to nonprofits in the Winona area that primarily serve LMI individuals through community services and affordable housing assistance.
- One employee served on the Board of an organization that supports economic development, including a revolving loan fund to provide gap financing for small businesses in Winona County.

### **Minneapolis MSA**

Bank employees provided an excellent level of CD services in the Minneapolis MSA. Four employees provided 781 qualified service hours to six different organizations. CD services supported community services for LMI individuals and economic development.

The following are examples of CD services provided to the Minneapolis MSA:

- One employee served as Board president for an organization that provides clothing, food, household items, and school supplies to LMI individuals in Hastings.
- One employee served as a Board member for an organization that provides youth and family services to LMI individuals in Cottage Grove, Stillwater, and Woodbury.
- One employee served as a Commissioner for an organization that supports job creation and technical assistance for small businesses in Hastings

### **Rochester MSA**

Bank employees provided an adequate level of CD services in the Rochester MSA. One employee provided 72 qualified service hours to two organizations. For example, the employee served as a committee member for an organization that provides community-based services to LMI individuals in Rochester.

## State Rating

### State of Wisconsin

**CRA rating for the State of Wisconsin:** Satisfactory

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

**The Investment Test is rated:** Outstanding

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

The major factors that support this rating include:

- The geographic distribution of loans throughout CTs of different income levels is excellent.
- The distribution of loans to small businesses and individuals of different income levels is poor.
- The institution is a leader in CD lending.
- The bank made an extensive level of CD investments and demonstrates good responsiveness to the needs of the AAs.
- Lending levels reflect adequate responsiveness to credit needs in the AA.
- The bank's service delivery systems are readily accessible to geographies of different income levels.

### Description of Institution's Operations in Wisconsin

The bank had one AA in the state of Wisconsin. The Eau Claire MSA was comprised of a portion of Eau Claire and Chippewa Counties and included one branch in Eau Claire. There were no ATMs in the Eau Claire MSA. Wisconsin was the smallest rating area for the bank, accounting for 3.96 percent of deposits, 4.35 percent of branches, and 1.88 percent of all bank loans. Merchants did not open or close any new branches or ATMs in the AA during the evaluation period.

Merchants' primary lending focus in the state of Wisconsin was home mortgage loans. Home mortgage lending accounted for 79.25 percent of loans by number, followed by business loans at 19.81 percent, and farm loans at 0.94 percent. The 2024 FDIC Deposit Market Share Report indicated Merchants ranked 13<sup>th</sup> among 22 deposit-taking institutions in the AA, with a market share of 2.44 percent. The top five competitors by market share are Northwestern Bank, Citizens Community Federal, Nicolet National Bank, Associated Bank, and U.S. Bank, with a combined market share of 58.52 percent.

As part of this review, examiners referenced recently completed community contacts with local organizations to gain an understanding of the economic conditions, credit needs, and involvement of local financial institutions within the AA. The contacts identified quality affordable housing as the primary credit need within the MSA. One contact worked for a nonprofit foundation that promotes a better housing industry in the Chippewa Valley by providing opportunities for members to promote their businesses, build connections in the housing industry, and obtain education and legal support. The contact indicated that the economy is fairly strong but experienced some slowdowns and increases in unemployment rates following the closure of a hospital in early 2024 and manufacturing layoffs in 2023. The contact indicated a shortage of laborers and low inventory of single-family homes as economic concerns; however, the contact did not identify any unmet credit needs. Another contact worked for an economic development corporation located in Chippewa Falls and noted that the residential real estate market was experiencing difficulty due to market and interest rate uncertainty. The contact indicated that

most banks in the area are investors of the organization. According to the representative, most financial institutions in the area support a competitive environment that is beneficial to individuals, businesses, and farms. The contact indicated financial institutions are involved in many programs that provide training, financial assistance, and resources to the community.

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

Assessment Area - Eau Claire MSA						
						2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	27	0.00	18.52	55.56	25.93	0.00
Population by Geography	135,819	0.00	17.78	55.67	26.54	0.00
Housing Units by Geography	57,175	0.00	19.02	56.38	24.60	0.00
Owner-Occupied Housing by Geography	34,927	0.00	15.31	61.76	22.92	0.00
Occupied Rental Units by Geography	19,261	0.00	26.04	47.86	26.10	0.00
Vacant Units by Geography	2,987	0.00	17.17	48.38	34.45	0.00
Businesses by Geography	4,767	0.00	23.05	56.30	20.64	0.00
Farms by Geography	241	0.00	8.30	56.43	35.27	0.00
Family Distribution by Income Level	32,140	18.02	17.46	24.33	40.18	0.00
Household Distribution by Income Level	54,188	22.29	16.34	19.13	42.24	0.00
Unemployment rate (%)	3.60	0.00	6.60	2.87	3.18	0.00
Households Below Poverty Level (%)	11.46	0.00	11.91	8.88	17.21	0.00
Median Family Income (20740 - Eau Claire, WI MSA)		\$79,795		Median Housing Value		\$182,700
Median Family Income (20740 - Eau Claire, WI MSA) for 2024		\$99,400		Median Gross Rent		\$842
				Families Below Poverty Level		5.45
FFIEC File - 2020 Census						
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

## Scope of Evaluation in Wisconsin

The bank had one AA in the state of Wisconsin. The Eau Claire MSA received a full-scope review. Examiners analyzed home mortgage and small loans to businesses to arrive at Lending Test conclusions. Home mortgage loans represented the largest proportion of lending by number and dollar volume; therefore, home mortgage loans received the most weight when determining Lending Test conclusions. Examiners did not analyze farm loans, given the volume of farm lending during the evaluation period was insufficient to conduct a meaningful analysis.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WISCONSIN

### LENDING TEST

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

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

## Lending Activity

Lending levels reflect adequate responsiveness to AA credit needs.

Table 3: Lending Activity							2022 - 2024	
<b>Number of Loans</b>								
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits
Eau Claire MSA	84	21	1	1	0	107	98.17	100.00
Broader Statewide	0	0	0	2	2	2	1.83	0.00
<b>Total</b>	<b>84</b>	<b>21</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>109</b>	<b>100.00</b>	<b>100.00</b>
<b>Dollar Volume of Loans (\$000s)</b>								
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits
Eau Claire MSA	53,210	2,873	150	11,500	0	67,733	96.86	100.00
Broader Statewide	0	0	0	2,196	0	2,196	3.14	0.00
<b>Total</b>	<b>53,210</b>	<b>2,873</b>	<b>150</b>	<b>13,696</b>	<b>0</b>	<b>69,929</b>	<b>100.00</b>	<b>100.00</b>
<i>Source: 1/1/2022 - 12/31/2024 Bank Data.</i>								
<i>Due to rounding, totals may not equal 100.0%</i>								

Merchants' lending market share in the Eau Claire MSA was adequate compared to its deposit share. The 2024 FDIC Deposit Market Share report indicated Merchants ranked 13<sup>th</sup> with a market share of 2.44 percent.

Home mortgage lending activity was adequate. Aggregate home mortgage loan data for 2024 indicated Merchants ranked 34<sup>th</sup> among 198 lenders with a market share of 0.53 percent. Merchants' home mortgage lending market share was significantly lower than its deposit share; however, positive consideration was given to the bank's performance given high competition in the AA.

Business lending activity was poor. Aggregate business loan data for 2023 indicated Merchants was ranked 28<sup>th</sup> among 61 lenders with a 0.24 percent market share. Merchants' business lending market share is significantly lower than its deposit share. The top five lenders had a combined market share of 74.63 percent, and a majority of the lenders were large banks. 2024 aggregate data small loans to businesses was unavailable at the time of this evaluation.

Aggregate farm loan data for 2023 did not show Merchants as a lender because the bank made no farm loans that year. There were 14 lenders, and the top five lenders had a combined market share of 78.28 percent. 2024 aggregate data for small loans to farms was unavailable at the time of this evaluation.

## Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent distribution of loans in its AA. There were no low-income CTs during the evaluation period.

***Home Mortgage Loans***

Refer to Table 7 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 is excellent. The bank's percentage of home mortgage loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies and was near to the aggregate lending percentage in moderate-income geographies.

***Small Loans to Businesses***

Refer to Table 9 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 is adequate. The bank's lending performance to businesses in moderate-income geographies is lower than the percentage of businesses located in moderate-income geographies and the aggregate lending percentage.

***Lending Gap Analysis***

Maps and lending activity were reviewed over the evaluation period to identify any gaps in the geographic distribution of loans. No unexplained, conspicuous gaps were identified for the Eau Claire MSA.

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

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

***Home Mortgage Loans***

Refer to Table 8 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 bank's distribution of home mortgage loans among individuals of different income levels in the Eau Claire MSA is poor. The bank's percentage of home mortgage loans to low-income borrowers was significantly lower than the percentage of low-income families and lower than the aggregate lending percentage. The bank's percentage of home mortgage loans to moderate-income borrowers was significantly lower than the percentage of moderate-income families in the AA and the aggregate lending percentage.

***Small Loans to Businesses***

Refer to Table 10 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 bank’s distribution of loans to businesses of different sizes in the Eau Claire MSA is very poor. Merchants’ lending performance to small businesses was significantly lower than the percentage of small businesses within the AA and the aggregate lending percentage to small businesses.

**Community Development Lending**

The institution is a leader in making CD loans.

Refer to Table 3 in the Lending Activity section for 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.

**Eau Claire MSA**

Merchants made an excellent level of CD loans in the Eau Claire MSA. The bank made one CD loan totaling \$11.5 million, which represented 100.08 percent of allocated tier one capital. The loan was for an affordable housing apartment project where 85 percent of the apartments were designated for LMI individuals.

**Broader State Area**

Merchants made two CD loans totaling \$2.2 million for affordable housing developments that benefited a broader statewide area, outside the bank’s AA.

**Product Innovation and Flexibility**

The institution made little use of innovative and/or flexible lending practices in order to serve AA credit needs. The bank made one Fannie Mae HomeReady loan.

**INVESTMENT TEST**

The bank’s performance under the Investment Test in Wisconsin is rated Outstanding.

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

Based on a full-scope review, the bank’s performance in the Eau Claire MSA is excellent.

The bank has an excellent level of qualified investments, including grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

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

Table 4: Qualified Investments									2022-2024	
Assessment Area	Prior Period		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Eau Claire	0	0	7	7,838	7	100.00	7,838	100.00	0	0.00

In total, qualified investments amounted to \$7.84 million and represented 68.21 percent of allocated capital. Merchants made contributions towards community services for LMI individuals, economic development, and affordable housing.

The following are examples of qualified investments and donations in the AA:

- \$7.84 million investment in an affordable housing apartment project in Eau Claire, in which 85 percent of the units are for LMI individuals.
- \$1 thousand grant to a economic development corporation to help enhance small business and job growth in Eau Claire.
- Two donations totaling \$800 to a local homeless shelter.

## 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 is adequate.

### Retail Banking Services

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

Assessment Area	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	NA	Low	Mod	Mid	Upp	NA	
Eau Claire MSA	100.00	1	100.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	17.78	55.67	26.54	0.00
<b>Total</b>	<b>100.00</b>	<b>1</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>17.78</b>	<b>55.67</b>	<b>26.54</b>	<b>0.00</b>

Source: FFIEC File - 2020, 2024 Census  
 1/1/2022 - 12/31/2024 Bank Data  
 Due to rounding, totals may not equal 100.0%

The branch location is readily accessible to geographies and individuals of different income levels, particularly moderate-income geographies and individuals. There was one branch located in the Eau Claire MSA, which was in a moderate-income CT. There were no low-income CTs in the AA. The bank’s percentage of branches in a moderate-income CT significantly exceeds the population percentage in moderate-income geographies.

Assessment Area	Branch Openings/Closings		Net change in Location of Branches (+ or -)				
	# of Branch Openings	# of Branch Closings	Low	Mod	Mid	Upp	NA
Eau Claire	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

1/1/2022- 12/31/2024 Bank Data.

The bank did not open or close branches in the Eau Claire MSA during the evaluation period.

Services and business hours do not vary in a way that inconveniences the various portions of the MSA, particularly LMI geographies and/or individuals. Lobby and drive-up hours are comparable to branches in other AAs. The branch did not have a deposit-taking ATM.

### **Community Development Services**

The institution provided no CD services in the Eau Claire MSA during the evaluation period.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope.”

<b>Time Period Reviewed:</b>	01/01/2022 to 12/31/2024	
<b>Bank Products Reviewed:</b>	Home mortgage, small business, small farm, community development loans, qualified investments, community development services	
<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</b>		
La Crosse-Onalaska, WI-MN MMSA	Full-Scope	Houston (MN) and La Crosse (WI) Counties
<b>Minnesota</b>		
Minnesota Non-MSA	Full-Scope	Goodhue County, Winona County, and a portion of Rice County
Rochester MSA	Full-Scope	Olmsted County and a portion of Fillmore County
Minneapolis MSA	Full-Scope	Portions of Dakota and Washington Counties
<b>Wisconsin</b>		
Eau Claire MSA	Full-Scope	Portions of Eau Claire and Chippewa Counties

## Appendix B: Summary of MMSA and State Ratings

RATINGS				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Merchants Bank, NA	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
MMSA or State:				
La Crosse-Onalaska, WI-MN	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Minnesota	High Satisfactory	Low Satisfactory	Outstanding	Satisfactory
Wisconsin	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory

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

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

**Community Development (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the 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 low- and moderate-income 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):** 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 of this title, and that is not an excluded transaction under 12 CFR 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 CD loans and qualified investments, branch distribution, and CD services).

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

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

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

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

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

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

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

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

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased 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 7. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table 8. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.
- Table 9. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** – Compares 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 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 10. 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.

- Table 11. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - Compares 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 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 12. Assessment Area 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 \$500,000) 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 13. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table 14. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

**La Crosse MMSA**

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022 - 2023		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate		
La Crosse MMSA	395	85,009	100.00	7,165	0.03	0.51	0.60	10.63	8.10	13.51	73.01	73.16	68.60	15.93	14.68	15.87	0.41	3.54	1.42		
<b>Total</b>	<b>395</b>	<b>85,009</b>	<b>100.00</b>	<b>7,165</b>	<b>0.03</b>	<b>0.51</b>	<b>0.60</b>	<b>10.63</b>	<b>8.10</b>	<b>13.51</b>	<b>73.01</b>	<b>73.16</b>	<b>68.60</b>	<b>15.93</b>	<b>14.68</b>	<b>15.87</b>	<b>0.41</b>	<b>3.54</b>	<b>1.42</b>		

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2024		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate		
La Crosse MMSA	156	26,032	100.00	3,163	0.03	1.92	0.51	7.71	3.21	8.88	61.69	77.56	56.50	30.17	15.38	32.37	0.41	1.92	1.74		
<b>Total</b>	<b>156</b>	<b>26,032</b>	<b>100.00</b>	<b>3,163</b>	<b>0.03</b>	<b>1.92</b>	<b>0.51</b>	<b>7.71</b>	<b>3.21</b>	<b>8.88</b>	<b>61.69</b>	<b>77.56</b>	<b>56.50</b>	<b>30.17</b>	<b>15.38</b>	<b>32.37</b>	<b>0.41</b>	<b>1.92</b>	<b>1.74</b>		

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

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022 - 2023		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate		
La Crosse MMSA	395	85,009	100.00	7,165	16.66	5.82	10.45	19.93	16.20	20.74	24.25	22.78	24.54	39.16	41.01	33.57	0.00	14.18	10.70		
<b>Total</b>	<b>395</b>	<b>85,009</b>	<b>100.00</b>	<b>7,165</b>	<b>16.66</b>	<b>5.82</b>	<b>10.45</b>	<b>19.93</b>	<b>16.20</b>	<b>20.74</b>	<b>24.25</b>	<b>22.78</b>	<b>24.54</b>	<b>39.16</b>	<b>41.01</b>	<b>33.57</b>	<b>0.00</b>	<b>14.18</b>	<b>10.70</b>		

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2024		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate		
La Crosse MMSA	156	26,032	100.00	3,163	15.59	10.26	8.44	18.92	21.15	19.57	23.79	21.15	23.87	41.70	41.03	36.01	0.00	6.41	12.11		
<b>Total</b>	<b>156</b>	<b>26,032</b>	<b>100.00</b>	<b>3,163</b>	<b>15.59</b>	<b>10.26</b>	<b>8.44</b>	<b>18.92</b>	<b>21.15</b>	<b>19.57</b>	<b>23.79</b>	<b>21.15</b>	<b>23.87</b>	<b>41.70</b>	<b>41.03</b>	<b>36.01</b>	<b>0.00</b>	<b>6.41</b>	<b>12.11</b>		

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

Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2022 - 2023		
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 Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate		
La Crosse MMSA	254	45,837	100.00	3,165	1.66	0.00	0.57	15.96	12.20	14.25	58.53	70.08	60.32	13.51	11.81	15.89	10.34	5.91	8.97		
<b>Total</b>	<b>254</b>	<b>45,837</b>	<b>100.00</b>	<b>3,165</b>	<b>1.66</b>	<b>0.00</b>	<b>0.57</b>	<b>15.96</b>	<b>12.20</b>	<b>14.25</b>	<b>58.53</b>	<b>70.08</b>	<b>60.32</b>	<b>13.51</b>	<b>11.81</b>	<b>15.89</b>	<b>10.34</b>	<b>5.91</b>	<b>8.97</b>		

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2024		
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 Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate		
La Crosse MMSA	108	21,068	100.00	1,722	1.13	0.00	0.81	10.98	6.48	10.80	53.82	62.96	49.65	24.07	26.85	31.59	10.00	3.70	7.14		
<b>Total</b>	<b>108</b>	<b>21,068</b>	<b>100.00</b>	<b>1,722</b>	<b>1.13</b>	<b>0.00</b>	<b>0.81</b>	<b>10.98</b>	<b>6.48</b>	<b>10.80</b>	<b>53.82</b>	<b>62.96</b>	<b>49.65</b>	<b>24.07</b>	<b>26.85</b>	<b>31.59</b>	<b>10.00</b>	<b>3.70</b>	<b>7.14</b>		

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2022 - 2023	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available		
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
La Crosse MMSA	254	45,837	100.00	3,165	80.69	50.79	49.98	6.20	39.76	13.10	9.45		
<b>Total</b>	<b>254</b>	<b>45,837</b>	<b>100.00</b>	<b>3,165</b>	<b>80.69</b>	<b>50.79</b>	<b>49.98</b>	<b>6.20</b>	<b>39.76</b>	<b>13.10</b>	<b>9.45</b>		

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2024	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available		
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
La Crosse MMSA	108	21,068	100.00	1,722	80.28	43.52	47.33	6.01	50.00	13.71	6.48		
<b>Total</b>	<b>108</b>	<b>21,068</b>	<b>100.00</b>	<b>1,722</b>	<b>80.28</b>	<b>43.52</b>	<b>47.33</b>	<b>6.01</b>	<b>50.00</b>	<b>13.71</b>	<b>6.48</b>		

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 11: Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2022 - 2023		
Assessment Area:	Total Loans to Farm				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate		
La Crosse MMSA	149	17,647	100.00	345	0.31	0.00	0.00	4.62	0.00	1.45	84.62	100.00	95.94	9.54	0.00	2.03	0.92	0.00	0.58		
<b>Total</b>	<b>149</b>	<b>17,647</b>	<b>100.00</b>	<b>345</b>	<b>0.31</b>	<b>0.00</b>	<b>0.00</b>	<b>4.62</b>	<b>0.00</b>	<b>1.45</b>	<b>84.62</b>	<b>100.00</b>	<b>95.94</b>	<b>9.54</b>	<b>0.00</b>	<b>2.03</b>	<b>0.92</b>	<b>0.00</b>	<b>0.58</b>		

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 11: Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2024		
Assessment Area:	Total Loans to Farm				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate		
La Crosse MMSA	67	7,578	100.00	140	0.30	0.00	0.00	3.92	0.00	0.00	76.81	100.00	95.00	17.77	0.00	5.00	1.20	0.00	0.00		
<b>Total</b>	<b>67</b>	<b>7,578</b>	<b>100.00</b>	<b>140</b>	<b>0.30</b>	<b>0.00</b>	<b>0.00</b>	<b>3.92</b>	<b>0.00</b>	<b>0.00</b>	<b>76.81</b>	<b>100.00</b>	<b>95.00</b>	<b>17.77</b>	<b>0.00</b>	<b>5.00</b>	<b>1.20</b>	<b>0.00</b>	<b>0.00</b>		

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 12: Assessment Area Distribution of Loans to Farms by Gross Annual Revenue											2022 - 2023
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
La Crosse MMSA	149	17,647	100.00	345	96.92	83.22	61.45	1.23	14.77	1.85	2.01
<b>Total</b>	<b>149</b>	<b>17,647</b>	<b>100.00</b>	<b>345</b>	<b>96.92</b>	<b>83.22</b>	<b>61.45</b>	<b>1.23</b>	<b>14.77</b>	<b>1.85</b>	<b>2.01</b>

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

Table 12: Assessment Area Distribution of Loans to Farms by Gross Annual Revenue											2024
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
La Crosse MMSA	67	7,578	100.00	140	96.99	85.07	57.14	1.20	11.94	1.81	2.99
<b>Total</b>	<b>67</b>	<b>7,578</b>	<b>100.00</b>	<b>140</b>	<b>96.99</b>	<b>85.07</b>	<b>57.14</b>	<b>1.20</b>	<b>11.94</b>	<b>1.81</b>	<b>2.99</b>

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2024 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

**Minnesota**

**Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** 2022 - 2024

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate
Minneapolis MSA	423	112,276	16.32	28,535	0.00	0.00	0.00	4.49	6.86	4.59	64.56	68.79	62.65	30.96	24.35	32.77	0.00	0.00	0.00
MN Non-MSA	1,690	283,854	65.20	8,527	0.00	0.00	0.00	1.89	0.77	2.05	52.15	63.55	54.19	45.96	35.68	43.76	0.00	0.00	0.00
Rochester MSA	479	96,306	18.48	12,810	3.61	2.09	4.70	11.93	19.21	12.79	45.17	55.74	43.39	39.29	22.96	39.12	0.00	0.00	0.00
<b>Total</b>	<b>2,592</b>	<b>492,435</b>	<b>100.00</b>	<b>49,872</b>	<b>1.05</b>	<b>0.39</b>	<b>1.21</b>	<b>6.09</b>	<b>5.17</b>	<b>6.26</b>	<b>56.30</b>	<b>62.96</b>	<b>56.25</b>	<b>36.56</b>	<b>31.48</b>	<b>36.28</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** 2022 - 2024

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Minneapolis MSA	423	112,276	16.32	28,535	13.78	10.40	7.92	17.49	19.62	24.08	25.29	27.42	26.14	43.44	36.17	27.69	0.00	6.38	14.17
MN Non-MSA	1,690	283,854	65.20	8,527	12.45	8.99	7.48	16.05	23.43	20.89	22.50	26.69	25.26	48.99	35.56	34.23	0.00	5.33	12.14
Rochester MSA	479	96,306	18.48	12,810	17.54	21.50	11.79	17.65	26.72	25.41	22.90	20.67	21.01	41.91	27.14	29.14	0.00	3.97	12.65
<b>Total</b>	<b>2,592</b>	<b>492,435</b>	<b>100.00</b>	<b>49,872</b>	<b>14.61</b>	<b>11.54</b>	<b>8.84</b>	<b>17.25</b>	<b>23.42</b>	<b>23.88</b>	<b>24.03</b>	<b>25.69</b>	<b>24.67</b>	<b>44.11</b>	<b>34.10</b>	<b>29.18</b>	<b>0.00</b>	<b>5.25</b>	<b>13.43</b>

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2022 - 2024		
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 Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate		
Minneapolis MSA	304	48,906	25.12	14,749	0.00	0.00	0.00	6.12	7.24	4.73	62.74	67.76	59.75	31.14	25.00	35.51	0.00	0.00	0.00		
MN Non-MSA	675	122,404	55.79	5,453	0.00	0.00	0.00	3.56	3.11	4.62	49.25	49.93	44.29	47.19	46.96	51.09	0.00	0.00	0.00		
Rochester MSA	231	44,888	19.09	8,178	3.67	3.46	3.61	21.82	26.41	16.08	42.71	45.89	39.37	31.79	24.24	40.94	0.00	0.00	0.00		
<b>Total</b>	<b>1,210</b>	<b>216,198</b>	<b>100.00</b>	<b>28,380</b>	<b>1.15</b>	<b>0.66</b>	<b>1.04</b>	<b>10.46</b>	<b>8.60</b>	<b>7.98</b>	<b>53.37</b>	<b>53.64</b>	<b>50.91</b>	<b>35.02</b>	<b>37.11</b>	<b>40.07</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2022 - 2024	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Minneapolis MSA	304	48,906	25.12	14,749	90.20	53.62	55.18	2.63	26.97	7.17	19.41		
MN Non-MSA	675	122,404	55.79	5,453	84.93	50.07	51.86	4.44	35.70	10.63	14.22		
Rochester MSA	231	44,888	19.09	8,178	85.03	45.45	52.57	4.08	42.42	10.89	12.12		
<b>Total</b>	<b>1,210</b>	<b>216,198</b>	<b>100.00</b>	<b>28,380</b>	<b>87.37</b>	<b>50.08</b>	<b>53.79</b>	<b>3.50</b>	<b>34.79</b>	<b>9.13</b>	<b>15.12</b>		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 11: Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2022 - 2024		
Assessment Area:	Total Loans to Farm				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate		
Minneapolis MSA	35	7,952	5.80	271	0.00	0.00	0.00	4.09	0.00	0.74	69.12	77.14	74.54	26.79	22.86	24.72	0.00	0.00	0.00		
MN Non-MSA	380	40,580	63.02	1,789	0.00	0.00	0.00	1.01	0.00	0.00	41.85	26.05	41.92	57.14	73.95	58.08	0.00	0.00	0.00		
Rochester MSA	188	22,013	31.18	886	0.95	0.00	0.00	12.29	32.98	12.08	63.59	67.02	70.43	23.17	--	17.49	0.00	0.00	0.00		
<b>Total</b>	<b>603</b>	<b>70,545</b>	<b>100.00</b>	<b>2,946</b>	<b>0.27</b>	<b>0.00</b>	<b>0.00</b>	<b>5.18</b>	<b>10.28</b>	<b>3.70</b>	<b>56.80</b>	<b>41.79</b>	<b>53.50</b>	<b>37.76</b>	<b>47.93</b>	<b>42.80</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 12: Assessment Area Distribution of Loans to Farms by Gross Annual Revenue												2022 - 2024	
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available			
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans		
Minneapolis MSA	35	7,952	5.80	271	98.16	74.29	56.83	1.02	20.00	0.82	5.71		
MN Non-MSA	380	40,580	63.02	1,789	98.99	92.11	68.70	0.84	5.26	0.17	2.63		
Rochester MSA	188	22,013	31.18	886	98.58	78.19	62.64	0.95	18.09	0.47	3.72		
<b>Total</b>	<b>603</b>	<b>70,545</b>	<b>100.00</b>	<b>2,946</b>	<b>98.61</b>	<b>86.73</b>	<b>65.78</b>	<b>0.93</b>	<b>10.12</b>	<b>0.46</b>	<b>3.15</b>		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Wisconsin**

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022 - 2024		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate		
Eau Claire MSA	84	53,210	100.00	10,040	0.00	0.00	0.00	15.31	16.67	17.27	61.76	52.38	61.02	22.92	30.95	21.71	0.00	0.00	0.00		
<b>Total</b>	<b>84</b>	<b>53,210</b>	<b>100.00</b>	<b>10,040</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15.31</b>	<b>16.67</b>	<b>17.27</b>	<b>61.76</b>	<b>52.38</b>	<b>61.02</b>	<b>22.92</b>	<b>30.95</b>	<b>21.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022 - 2024		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate		
Eau Claire MSA	84	53,210	100.00	10,040	18.02	4.76	8.74	17.46	8.33	22.20	24.33	17.86	24.64	40.18	39.29	32.28	0.00	29.76	12.14		
<b>Total</b>	<b>84</b>	<b>53,210</b>	<b>100.00</b>	<b>10,040</b>	<b>18.02</b>	<b>4.76</b>	<b>8.74</b>	<b>17.46</b>	<b>8.33</b>	<b>22.20</b>	<b>24.33</b>	<b>17.86</b>	<b>24.64</b>	<b>40.18</b>	<b>39.29</b>	<b>32.28</b>	<b>0.00</b>	<b>29.76</b>	<b>12.14</b>		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** 2022 - 2024

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 Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate
Eau Claire MSA	21	2,873	100.00	6,385	0.00	0.00	0.00	23.05	14.29	21.02	56.30	47.62	55.44	20.64	38.10	23.54	0.00	0.00	0.00
<b>Total</b>	<b>21</b>	<b>2,873</b>	<b>100.00</b>	<b>6,385</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23.05</b>	<b>14.29</b>	<b>21.02</b>	<b>56.30</b>	<b>47.62</b>	<b>55.44</b>	<b>20.64</b>	<b>38.10</b>	<b>23.54</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** 2022 - 2024

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Eau Claire MSA	21	2,873	100.00	6,385	81.39	23.81	49.76	4.97	57.14	13.64	19.05	
<b>Total</b>	<b>21</b>	<b>2,873</b>	<b>100.00</b>	<b>6,385</b>	<b>81.39</b>	<b>23.81</b>	<b>49.76</b>	<b>4.97</b>	<b>57.14</b>	<b>13.64</b>	<b>19.05</b>	

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 11: Assessment Area Distribution of Loans to Farms by Income Category of the Geography** 2022 - 2024

Assessment Area:	Total Loans to Farm				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Aggregate
Eau Claire MSA	1	150	100.00	232	0.00	0.00	0.00	8.30	0.00	3.88	56.43	100.00	63.36	35.27	0.00	32.76	0.00	0.00	0.00
<b>Total</b>	<b>1</b>	<b>150</b>	<b>100.00</b>	<b>232</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8.30</b>	<b>0.00</b>	<b>3.88</b>	<b>56.43</b>	<b>100.00</b>	<b>63.36</b>	<b>35.27</b>	<b>0.00</b>	<b>32.76</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 12: Assessment Area Distribution of Loans to Farms by Gross Annual Revenue** 2022 - 2024

Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Farms	% Bank Loans	% Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Eau Claire MSA	1	150	100.00	232	97.51	100.00	41.81	2.07	0.00	0.41	0.00
<b>Total</b>	<b>1</b>	<b>150</b>	<b>100.00</b>	<b>232</b>	<b>97.51</b>	<b>100.00</b>	<b>41.81</b>	<b>2.07</b>	<b>0.00</b>	<b>0.41</b>	<b>0.00</b>

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%