



## PUBLIC DISCLOSURE

August 2, 2021

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Liberty National Bank  
Charter Number: 24378

4425 Singing Hills Boulevard  
Sioux City, Iowa 51106

Office of the Comptroller of the Currency

Sioux Falls Field Office  
4900 South Minnesota Avenue, Suite 300  
Sioux Falls, South Dakota 57108

**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.

## Table of Contents

Overall CRA Rating.....	2
Description of Institution.....	3
Scope of the Evaluation.....	4
Discriminatory or Other Illegal Credit Practices Review.....	6
Multistate Metropolitan Statistical Area (MMSA) Rating.....	7
Sioux City, IA-NE-SD MMSA.....	7
State Rating.....	14
State of South Dakota.....	14
State of Iowa.....	19
Appendix A: Scope of Examination.....	A-1
Appendix B: Summary of MMSA and State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

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

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The Lending Test rating is based collectively on performance in the State of Iowa, State of South Dakota, and the Sioux City IA-NE-SD Multistate Metropolitan Statistical Area (MMSA). Weightings were determined through an analysis of deposit share, loan origination volume, and lending opportunities to low-and moderate-income (LMI) census tracts (CTs) in the assessment areas (AAs). The Sioux City MMSA received most weight at 60 percent as the bank has a significant deposit concentration, ability to lend to LMI CTs, and branch presence in that rating area. The State of South Dakota received the next most weight at 25 percent due to a material deposit share, loan origination volume, and branch presence. The State of Iowa received the least weight at 15 percent as it has the smallest deposit and loan base with only two branches.
- The Community Development (CD) Test rating is based on responsiveness to AA needs and opportunities in the State of Iowa, State of South Dakota, and Sioux City MMSA. Performance is weighted the same as the Lending Test described above.

In addition to the activities considered at the AA level, we considered the following activities bank-wide:

- The loan-to-deposit (LTD) ratio is more than reasonable given the bank's size, financial condition, and credit needs of the AAs.
- Management originated a majority of loans, 71 percent by number and 56 percent by dollar volume, inside the bank's AAs during the evaluation period.
- Liberty National Bank (LNB) offers traditional, non-complex products and services to meet the needs of the communities they serve. LNB offers personal, business, and agriculture products tailored to meet the needs of each market served. Personal deposit products include checking, savings, certificate of deposit, and individual retirement accounts. LNB offers online banking, mobile banking, bill pay, and electronic statements to provide convenient services to its clientele. Personal lending products include consumer and home loans. Business deposit products include checking accounts and cash management services. Business lending products include term loans, agriculture and commercial lines of credit, real estate loans, agriculture loans, construction loans, letters of credit, and Small Business Administration (SBA) loans. LNB provides wealth management and private banking products and services to meet the needs of this niche market. Product and service offerings are offered to all market areas. LNB actively participated in the Paycheck Protection Program (PPP) through the SBA to meet the needs of small businesses, small farms, and individuals impacted by the COVID-19 pandemic. LNB also provided loan modifications to borrowers impacted by the pandemic.

## Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is more than reasonable.

LNB's average LTD ratio for the 13 quarters from December 31, 2017 to December 31, 2020, is 91 percent. The ratio ranged from an average quarterly low of 79 percent in December 2020 to an average quarterly high of 101 percent in June 2020. Agriculture cyclicalality coupled with COVID-19 impacts in 2020 led to the variations experienced by LNB and similarly situated financial institutions.

We compared LNB's LTD ratio to eight similarly situated banks operating in the same AAs. Comparison banks were selected based on asset size, loan mix, and proximity to LNB branches. Comparator banks ranged in asset size from \$159 million to \$1.4 billion. Loan concentrations were centered in agriculture and commercial lending with averages of 34 percent and 45 percent, respectively, across comparator banks. LNB's LTD ratio exceeds the comparator banks' average of 84 percent. The comparator banks' average LTD ratio ranged from an average quarterly low of 59 percent to an average quarterly high of 103 percent.

## Lending in AA

A majority of the bank's loans are inside its AAs.

Management originated and purchased 71 percent of total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Lending Inside and Outside of the AA										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	63	79	17	21	80	12,296	60	8,337	40	20,633
Small Farm	50	63	30	37	80	18,811	53	16,438	47	35,249
Total	113	71	47	29	160	31,107	56	24,775	44	55,882

## Description of Institution

LNB is a multistate national bank headquartered in Sioux City, Iowa. As of December 31, 2020, LNB had total assets of \$494 million. LNB is wholly owned by Liberty Financial Services, Inc., a one-bank holding company headquartered in Sioux City, Iowa. LNB operates nine branches and ten automated teller machines (ATMs) in two states. Nine of the ATMs are located at LNB branches with one additional ATM located offsite. LNB does not operate any deposit-taking ATMs.

Management has designated four AAs across three states: Iowa, South Dakota, and Nebraska. LNB has three rating areas: Sioux City MMSA, State of Iowa, and State of South Dakota. AAs meet regulatory requirements and do not arbitrarily exclude LMI CTs. The Jefferson, South Dakota branch was closed on March 2, 2018. Jefferson, South Dakota customers can be served out of nearby Elk Point, South

Dakota, North Sioux City, South Dakota, or Sioux City, Iowa locations. There were no mergers or acquisitions during the evaluation period.

LNB offers traditional loan and deposit products and services to meet the needs of its customers. Product and service offerings are based on the market conditions surrounding the bank's locations. The bank's lending strategy focuses on commercial real estate, agriculture, and commercial loans. Loan growth continues to be a strategic objective. Lending activity in the Sioux City MMSA is primarily agriculture and commercial. Lending activity in the Northwest Iowa Non-MSA AA is primarily agriculture. Lending in the Des Moines MSA AA and Sioux Falls MSA AA is primarily commercial. As of December 31, 2020, the loan portfolio totaled \$383 million and represented 77 percent of total assets. Tier one capital totaled \$45 million. LNB's loan portfolio consisted of 71 percent real estate (43 percent commercial, 27 percent agriculture, 22 percent residential, and 7 percent construction), 11 percent agriculture, 18 percent commercial, and 1 percent consumer loans.

LNB originated 398 PPP loans totaling \$44 million in 2020. LNB had 184 PPP loans totaling \$27 million outstanding as of December 31, 2020. LNB made 18 COVID-19 related loan modifications to 14 borrowers with outstanding loan balances of \$19 million in 2020. COVID-19 loan modifications were a combination of three months interest only and three months no payment.

There are no known legal, financial, or other factors impeding the bank's ability to meet the credit needs of its AAs. LNB received a Satisfactory rating during the previous CRA examination dated November 27, 2017. The Lending Test was rated Satisfactory and CD Test rated Outstanding during the previous CRA examination.

## **Scope of the Evaluation**

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

LNB was evaluated using the Intermediate Small Bank CRA examination procedures, which includes a Lending Test and a CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AAs through lending activities. The CD Test evaluates the bank's record of responding to the CD needs and opportunities of its AAs through CD lending and providing qualified investments, donations, and service hours within the communities served.

The Lending Test evaluation period is January 1, 2018 to December 31, 2020. We analyzed the number and dollar volume of loans originated and purchased (collectively, originated or originations) during the evaluation period to determine the bank's primary loan products for each AA based on branch locations. Agriculture and commercial loans were determined to be primary loan products in LNB's AAs, which is reflective of the bank's loan concentrations and lending strategy. Refer to Appendix A, Scope of Examination, for a list of primary products identified in each AA.

MSA's are delineated by the U.S. Office of Management and Budget (OMB) as a result of published standards to Census Bureau data. There were OMB changes to the Sioux City MMSA and Iowa Non-MSA during the evaluation period that impacted LNB's AAs. Plymouth County, Iowa CTs were removed from the Sioux City MMSA in 2018 and transferred to the Iowa Non-MSA in 2019 and remained in the Iowa Non-MSA for 2020. Therefore, the Plymouth County, Iowa CTs moved from LNB's designated Sioux City MMSA AA in 2018 to the Northwest Iowa Non-MSA AA for 2019 and

2020. Loans originated to borrowers in Plymouth County, Iowa were analyzed by origination date and included in the applicable AA for analysis.

To evaluate lending performance, we selected a random sample of 20 loans originated during the evaluation period for each primary loan product type in each AA. We reviewed 20 loans originated with proceeds distributed within the AA for each primary product for both 2018 and 2019-2020 analyses for the AAs impacted by the OMB changes. To analyze borrower and geographic distribution within the AAs, we sampled additional loans, as needed, to reach 20 loans originated to borrowers located within the designated AA for each primary product. We based lending performance conclusions on a larger random sample of 60 loans originated in the AA for the Des Moines MSA AA commercial geographic distribution test and 59 loans originated in the Sioux Falls MSA AA commercial borrower and geographic distribution tests. We did not obtain enough loans originated in the Sioux City MMSA AA to conclude on the 2019-2020 agriculture borrower or geographic distribution tests.

The CD Test evaluation period is November 28, 2017 to December 31, 2020. We reviewed all CD loans, investments, donations, and service hours submitted by management for consideration.

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

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same MSA, MMSA, or combined statistical area 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 for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full and limited-scope AAs.

### **Ratings**

The bank’s overall rating is a blend of the state ratings, and where applicable, multistate ratings.

We determined the weight for each state through an analysis of three primary factors: deposit share, lending volume, and LMI tract population share. The Sioux City MMSA received most weight at 60 percent as the bank has a significant deposit concentration, ability to lend to LMI CTs, and branch presence. The State of South Dakota received the next most weight at 25 percent due to material deposit share, loan origination volume and branch presence. The State of Iowa received the least weight at 15 percent as it has the smallest deposit and loan base with only two branches.

The MMSA rating and state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

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

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

### Sioux City IA-NE-SD MMSA

**CRA rating for the Sioux City MMSA<sup>1</sup>: Satisfactory.**

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

**The CD Test is rated: Outstanding.**

The major factors that support this rating include:

- The distribution of agriculture and commercial loans to borrowers in geographies of different income levels reflects reasonable distribution of AA demographics.
- The distribution of agriculture and commercial loans to businesses and farms of different income levels reflects reasonable distribution of AA demographics.
- CD activities demonstrate excellent responsiveness to AA needs and opportunities.

### Description of Institution's Operations in Sioux City MMSA

The Sioux City MMSA AA changed during the evaluation period. The Sioux City MMSA AA included 36 CTs from January 1, 2018 to December 31, 2018. Two of the CTs were low-income, 10 were moderate-income, 15 were middle-income, and nine were upper-income. The Sioux City MMSA AA included 30 CTs from January 1, 2019 to December 31, 2020. Two of the CTs were low-income, eight were moderate-income, 11 were middle-income, and nine were upper-income. The AA covers Woodbury County, Iowa, Dakota County, Nebraska, and Union County, South Dakota. The 2018 AA also included Plymouth County, Iowa.

LNB operates four branches and five ATMs in the Sioux City MMSA AA. The bank's headquarters are located in Sioux City, Iowa with additional branches located in North Sioux City, South Dakota, Dakota Dunes, South Dakota, and Elk Point, South Dakota. ATMs are located at the branches with an additional ATM located in Jefferson, South Dakota. The Sioux City MMSA AA accounted for 67 percent of the bank's deposits as of June 30, 2020, and 50 percent of the bank's loans originated during the evaluation period. The primary lending products in the Sioux City MMSA AA are commercial and agriculture loans.

<b>LNB Loan Originations in the Sioux City MMSAAA (1/1/2018 – 12/31/2020)</b>				
Loan Type	Number	Percentage by Number	Dollar Volume (\$000s)	Percentage by Dollar Volume
Agriculture	367	24	179,512	41
Commercial	648	43	190,823	43
Mortgage	333	22	66,080	15
Consumer	165	11	3,850	1
<b>Total</b>	<b>1,513</b>	<b>100</b>	<b>440,265</b>	<b>100</b>

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



One hundred fifty-six thousand people, or 63 thousand households, lived in the 2018 AA. Ten percent of the households in the 2018 AA lived below the poverty line. The weighted-average of median family income was \$59 thousand in 2018. One hundred thirty thousand people, or 53 thousand households, lived in the AA in the 2019-2020 AA. Of the households, five percent were low-income, 22 percent were moderate-income, 37 percent were middle-income, and 37 percent were upper-income for the 2019-2020 AA. Eleven percent of the households in the 2019-2020 AA lived below the poverty level. The weighted-average of median family income in 2020 was \$59 thousand.

The 2018 Sioux City MMSA AA includes 12 thousand businesses. Ninety-one percent of the businesses are non-farm businesses and 68 percent employ fewer than five people. The 2019-2020 Sioux City MMSA AA includes 11 thousand businesses. Ninety-four percent of the businesses are non-farm businesses and 62 percent employ fewer than five people.

The economy in the Sioux City MMSA remained relatively stable during the evaluation period. According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Sioux City MMSA AA increased from 3.6 percent in January 2018 to 3.8 percent in December 2020. The highest unemployment rate during the evaluation period was 9.5 percent in April 2020. Major areas of employment for this AA include the service and agriculture industries.

Competition in the Sioux City MMSA AA is high and includes several large national, regional, and local community banks. As of June 30, 2018, there were 33 institutions with 85 banking offices located in the AA. LNB reported \$199 million in deposits in the Sioux City MMSA AA as of June 30, 2018, which ranked seventh in deposit market share with a market share of 5 percent. As of June 30, 2020, there were 33 institutions with 70 banking offices located in the AA. LNB reported \$278 million in deposits in the AA as of June 30, 2020, which ranked fourth in deposit market share with a market share of 7 percent.

We referenced one community contact in the Sioux City MMSA AA. The contact was a city administrator for a local municipality in South Dakota. The contact stated the AA benefited from economic growth and a stable economy with low unemployment rates. The contact stated that matured townships in the area were experiencing new growth as a result of increased urban sprawl and labor force commutation. The contact identified low housing inventories and availability of childcare services as the main needs within the AA as populations increase. The contact noted healthy market competition for banks in the area and did not identify unmet credit needs. The contact was not aware of any negative perceptions of banking in the MMSA.

**Table A – Demographic Information of the AA****AA: 2018 Sioux City MMSA**

<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (CTs)	36	5.6	25.0	38.9	30.6	0.0
Population by Geography	155,617	3.3	22.0	37.3	37.4	0.0
Housing Units by Geography	63,156	3.7	20.9	37.1	38.2	0.0
Owner-Occupied Units by Geography	40,859	1.0	16.3	37.6	45.1	0.0
Occupied Rental Units by Geography	18,066	9.5	31.0	36.5	23.1	0.0
Vacant Units by Geography	4,231	5.7	23.2	35.2	35.9	0.0
Businesses by Geography	12,294	12.9	15.8	28.8	42.5	0.0
Farms by Geography	1,098	1.3	5.4	51.1	42.3	0.0
Family Distribution by Income Level	39,683	20.1	17.6	22.5	39.7	0.0
Household Distribution by Income Level	58,925	23.6	16.8	18.6	41.0	0.0
Median Family Income MMSA - 43580 Sioux City, IA-NE-SD MMSA		\$59,402	Median Housing Value			\$116,148
Median Family Income Non-MSAs - IA		\$61,681	Median Gross Rent			\$665
			Families Below Poverty Level			10.3%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.

(\*) The NA category consists of geographies that have not been assigned an income classification.

**Table A – Demographic Information of the AA****AA: 2019-2020 Sioux City MMSA**

<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (CTs)	30	6.7	26.7	36.7	30.0	0.0
Population by Geography	130,764	3.9	23.5	37.2	35.5	0.0
Housing Units by Geography	52,532	4.5	22.0	37.0	36.5	0.0
Owner-Occupied Units by Geography	32,946	1.2	16.9	37.9	43.9	0.0
Occupied Rental Units by Geography	15,984	10.7	31.8	36.2	21.3	0.0
Vacant Units by Geography	3,602	6.7	24.4	33.4	35.5	0.0
Businesses by Geography	10,081	15.7	13.6	27.1	43.6	0.0
Farms by Geography	596	2.3	5.7	35.6	56.4	0.0
Family Distribution by Income Level	32,729	21.6	17.7	22.8	37.8	0.0
Household Distribution by Income Level	48,930	24.7	17.0	18.5	39.8	0.0
Median Family Income MMSA - 43580 Sioux City, IA-NE-SD MMSA		\$59,402	Median Housing Value			\$111,890
			Median Gross Rent			\$673
			Families Below Poverty Level			11.2%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.

(\*) The NA category consists of geographies that have not been assigned an income classification.

## **Scope of Evaluation in Sioux City MMSA**

LNB operates in one AA in the Sioux City MMSA. The rating for the MMSA is solely based on a full-scope review of the AA. Refer to Appendix A for more information.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SIOUX CITY MMSA**

### **LENDING TEST**

The bank's performance under the Lending Test in the Sioux City MMSA is rated Satisfactory.

Based on a full-scope review, the bank's performance in the Sioux City MMSA is reasonable.

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

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

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

Refer to Table Q in the "Sioux City 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 commercial loans to small businesses in the Sioux City MMSA AA is poor. The geographic distribution of commercial loans to small businesses in the Sioux City MMSA AA was determined through an analysis of 2018 and 2019-2020 data. In 2018, LNB originated 5 percent of loans by number to small businesses located in moderate-income CTs and no commercial loans to low-income CTs. 2018 aggregate data indicates 13 percent of commercial loans were made to businesses in low-income CTs and 18 percent of commercial loans were made to businesses in moderate-income CTs. There are 12 LMI CTs in the 2018 Sioux City MMSA AA, primarily located around downtown Sioux City, Iowa, with opportunities for service by three nearby LNB locations.

In 2019-2020, LNB originated 17 percent of loans by number to small businesses located in low-income CTs and 6 percent of loans by number to small businesses located in moderate-income CTs. The 2019-2020 geographic distribution of commercial loans to small businesses in the Sioux City MMSA AA was based on 18 loans originated in the bank's AA in the applicable period. 2019-2020 aggregate data indicates 16 percent of commercial loans were made to businesses in low-income CTs and 15 percent of commercial loans were made to businesses in moderate-income CTs. There are 10 LMI CTs in the 2019-2020 Sioux City MMSA AA located around downtown Sioux City, Iowa. One moderate-income CT was removed from 2019-2020 MMSA data due to OMB changes in Plymouth County, Iowa. One moderate-income CT in North Sioux City, South Dakota was changed to a middle-income CT. LNB was not materially impacted by the two changes in CTs, as these CTs were not areas of significant loan penetration.

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

Refer to Table S in the “Sioux City 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 loans to small farms in the Sioux City MMSA AA is reasonable. The geographic distribution of farm loans to farms in the Sioux City MMSA AA was determined through an analysis of 2018 data. 2019-2020 data did not provide a meaningful analysis as only nine loans in the Sioux City MMSA AA were reviewed. LNB did not originate any loans to farms located in LMI CTs in the Sioux City MMSA AA in 2018. Aggregate data indicates 0.2 percent of farm loans were made to farms in low-income CTs and 3 percent of farm loans were made to farms in moderate-income CTs in 2018. The opportunity to lend to small farms in LMI CTs in the AA is limited. LMI CTs in the Sioux City MMSA AA are located centrally in Sioux City, Iowa while farm loan proceeds are distributed to rural CTs, which are all middle-and -upper income CTs. The community contact for the Sioux City MMSA AA did not identify any unmet credit needs or unequal access to financial products and services. This represents satisfactory performance.

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

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

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

Refer to Table R in the “Sioux City MMSA” 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 commercial loans to businesses of different income levels in the Sioux City MMSA AA is reasonable. The borrower distribution of commercial loans to small businesses in the Sioux City MMSA AA was determined through an analysis of 2018 and 2019-2020 data. LNB originated 65 percent of loans to small businesses with gross annual revenue (GAR) of \$1 million or less in 2018. Aggregate data indicates 48 percent of commercial loans were made to small businesses in 2018. American Community Survey (ACS) data indicates 78 percent of businesses had GAR of \$1 million or less in 2018.

In 2019 and 2020, LNB originated 50 percent of loans to small businesses with GAR of \$1 million or less. The 2019-2020 borrower distribution of commercial loans to small businesses with GAR of \$1 million or less in the Sioux City MMSA AA was conducted based on 18 loans originated in the bank’s AA in the applicable period. Aggregate data indicates 48 percent of commercial loans were made to small businesses in 2019-2020.

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

Refer to Table T in the “Sioux City MMSA” 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 farms.

The distribution of farm loans to farms of different income levels in the Sioux City MMSA AA is reasonable. The borrower distribution of farm loans to farms in the Sioux City MMSA AA was

determined through an analysis of 2018 data. 2019-2020 data did not provide a meaningful analysis as only nine farm loans in the Sioux City MMSA AA were reviewed. LNB originated 60 percent of loans to farms with GAR of \$1 million or less in 2018. Two larger borrowers account for five of the seven loans originated to borrowers with GAR over \$1 million. Larger borrowers with numerous credit requests skew random sampling and increase probability of selecting multiple loans within each sample. Aggregate data indicates 62 percent of farm loans were made to small farms in 2018.

### Responses to Complaints

Management did not receive any complaints regarding LNB's CRA performance in the Sioux City MMSA during the evaluation period.

## COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD Test in the Sioux City MMSA is rated Outstanding.

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

### Number and Amount of CD Loans

Refer to the CD Loan table below for the facts and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans, that also qualify as CD loans.

CD Loans – Sioux City MMSA				
AA	Total			
	#	% of Total #	\$(000's)	% of Total \$
Sioux City MMSA	120	100	7,538	100

Management originated 120 qualified CD loans totaling \$7.5 million in the Sioux City MMSA AA during the evaluation period. All CD loans were originated as part of the PPP by providing economic development or stabilization to small businesses in LMI CTs or receiving consideration by being originated on or after October 1, 2020.

### Number and Amount of Qualified Investments

Qualified Investments – Sioux City MMSA										
AA	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Sioux City MMSA	1	489	9	16	10	100	505	100	0	0

\* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

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

LNB had one qualifying CD investment in the Sioux City MMSA totaling \$489 thousand. The bond is a prior period investment that provides community support to a school district that includes a majority of LMI students. Management provided nine qualified CD donations totaling \$16 thousand during the evaluation period. CD donations supported community service targeted towards LMI individuals and families.

### **Extent to Which the Bank Provides CD Services**

Employees within the Sioux City MMSA AA provided a total of 798 qualified service hours during the evaluation period, accounting for 90 percent of qualified service hours across all AAs. There are 36 employees across LNB's four branches in the Sioux City MMSA AA, accounting for 51 percent of all LNB employees.

One employee provided 252 qualified service hours to a local organization supporting affordable housing for LMI individuals in need of safe housing solutions. One employee provided 144 qualified service hours to a local agency providing community service for LMI individuals and families based on poverty standards. One employee provided 60 qualified service hours to a local agency providing community service for LMI individuals targeting individuals with disabilities to provide quality of life and sense of purpose.

# State Rating

## State of South Dakota

**CRA rating for the State of South Dakota<sup>2</sup>: Satisfactory.**

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

**The CD Test is rated: Outstanding.**

The major factors that support this rating include:

- The distribution of commercial loans to borrowers in geographies of different income levels reflects reasonable distribution of AA demographics.
- The distribution of commercial loans to businesses of different income levels reflects reasonable distribution of AA demographics.
- CD activities demonstrate excellent responsiveness to AA needs and opportunities.

## Description of Institution’s Operations in South Dakota

The Sioux Falls MSA AA includes Lincoln and Minnehaha Counties in South Dakota. LNB operates three branches and three ATMs in the AA. The branches are located in Sioux Falls, geographically on the westside, eastside, and downtown. The ATMs are located at each Sioux Falls branch.

The Sioux Falls MSA AA accounted for 22 percent of the bank’s deposits as of June 30, 2020, and 29 percent of the bank’s loans originated during the evaluation period. The primary lending product in the Sioux Falls MSA AA is commercial loans.

<b>LNB Loan Originations in the Sioux Falls MSA AA (1/1/2018 – 12/31/2020)</b>				
Loan Type	Number	Percentage by Number	Dollar Volume (\$000s)	Percentage by Dollar Volume
Agriculture	77	9	35,487	14
Commercial	567	62	185,255	73
Mortgage	86	9	23,398	9
Consumer	181	20	10,510	4
<b>Total</b>	<b>911</b>	<b>100</b>	<b>254,650</b>	<b>100</b>

The Sioux Falls MSA AA includes 48 CTs. Seventeen CTs are moderate-income, 19 are middle-income, and 12 are upper-income. There are no low-income CTs. Two hundred eleven thousand people, or 86 thousand households, lived in the AA in 2015. Of the households, 35 percent were moderate-income, 41 percent were middle-income, and 24 percent were upper-income. Seven percent of the households in the AA lived below the poverty level. The weighted-average median family income in 2020 was \$73 thousand.

---

<sup>2</sup> This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

The economy in the Sioux Falls MSA AA remained favorable during the evaluation period. According to the BLS, the unemployment rate for the Sioux Falls MSA slightly increased from 3 percent in January 2018 to 3.1 percent in December 2020. The highest unemployment rate during the evaluation period was 9 percent in April 2020. Major areas of employment for this AA include the service, finance, insurance, and real estate industries.

Competition in the Sioux Falls MSA AA is high and includes several large national, regional, and local community banks. As of June 30, 2020, there were 33 institutions with 130 banking offices located in the AA. LNB reported \$90 million in deposits in the Sioux Falls MSA AA as of June 30, 2020, which ranked nineteenth in deposit market share with a market share of less than 1 percent.

We referenced one community contact in the Sioux Falls MSA. The contact was a vice president of an organization that focuses on connecting donors with important causes to build a thriving area where possibility and opportunity are available for all. The contact did not identify any specific unmet credit needs in the AA. The contact stated that local banks are providing financing for current development projects in the community and will continue to have opportunities to provide funding and participate in CD as the city continues to grow. The contact identified affordable housing, transportation, and financial literacy as prominent community needs.



## South Dakota MSA AA

Table A – Demographic Information of the AA						
AA: Sioux Falls MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	48	0.0	35.4	39.6	25.0	0.0
Population by Geography	210,693	0.0	32.0	43.2	24.8	0.0
Housing Units by Geography	86,418	0.0	35.4	40.9	23.7	0.0
Owner-Occupied Units by Geography	53,450	0.0	23.6	47.0	29.3	0.0
Occupied Rental Units by Geography	28,098	0.0	55.7	30.7	13.6	0.0
Vacant Units by Geography	4,870	0.0	48.1	32.4	19.5	0.0
Businesses by Geography	22,106	0.0	39.2	31.3	29.5	0.0
Farms by Geography	751	0.0	13.8	44.5	41.7	0.0
Family Distribution by Income Level	52,900	19.3	17.8	24.1	38.7	0.0
Household Distribution by Income Level	81,548	22.3	18.2	18.5	41.0	0.0
Median Family Income MSA - 43620 Sioux Falls, SD MSA		\$72,948	Median Housing Value			\$161,645
			Median Gross Rent			\$731
			Families Below Poverty Level			7.4%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

## Scope of Evaluation in South Dakota

We completed a full-scope review of the Sioux Falls MSA AA, which is the bank's only AA in the State of South Dakota. The State of South Dakota rating is based on results of this review. Refer to Appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SOUTH DAKOTA

### LENDING TEST

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

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

Based on a full-scope review, the bank's lending performance in the state of South Dakota is reasonable.

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

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

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

Refer to Table Q in the state of South Dakota 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 commercial loans to small businesses in the South Dakota MSA AA is reasonable. The geographic distribution analysis for commercial loans to small businesses in the South Dakota MSA AA is based on 59 loans with proceeds distributed within the AA. There are no low-income CTs and seventeen moderate-income CTs in the AA. LNB originated 34 percent of commercial loans by number to small businesses located in moderate-income CTs during the evaluation period. Aggregate data indicates 40 percent of commercial loans were made to businesses in moderate-income CTs during the evaluation period. Moderate-income CTs are centered in Minnehaha County where competition is high. Two of LNB's three branches in the Sioux Falls MSA AA are located in moderate-income CTs.

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

The bank exhibits a reasonable distribution of loans to businesses different sizes, given the product lines offered by the bank.

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

Refer to Table R in the state of South Dakota 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 commercial loans to businesses of different income levels in the Sioux Falls MSA AA is reasonable. The borrower distribution analysis for commercial loans to small businesses in the South Dakota MSA AA is based on 59 loans with proceeds distributed within the AA. Management originated 51 percent of loans to businesses with GAR of \$1 million or less. Included in the sample were 10 borrowers with unknown revenues, a majority of which were PPP loans that did not require revenue information at origination. Aggregate data indicates 50 percent of commercial loans were made to small businesses during the evaluation period.

## **Responses to Complaints**

Management did not receive any complaints regarding LNB's CRA performance in the Sioux Falls MSA during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the CD Test in the State of South Dakota is rated Outstanding.

## Conclusions for Area Receiving a Full-Scope Review

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

### Number and Amount of CD Loans

The CD Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

CD Loans – State of South Dakota				
AA	Total			
	#	% of Total #	\$(000's)	% of Total \$
Sioux Falls MSA	60	100	4,326	100

Management originated 60 qualified CD loans totaling \$4.3 million in the Sioux Falls MSA AA during the evaluation period. One loan totaling \$35 thousand qualified for CD credit by providing economic development and stabilization of a small business promoting job creation for and retention of LMI individuals. The remaining 59 qualified CD loans were originated as part of the PPP by providing economic development or stabilization to small businesses in LMI CTs or receiving consideration by being originated on or after October 1, 2020.

### Number and Amount of Qualified Investments

Qualified Investments – State of South Dakota										
AA	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Sioux Falls MSA	0	0	4	2	4	100	2	100	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

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

Management provided four qualified donations totaling \$2 thousand during the evaluation period. All donations supported community service targeted towards LMI individuals.

### Extent to Which the Bank Provides CD Services

Employees within the Sioux Falls MSA AA did not provide any qualified service hours during the evaluation period. There are 22 employees across LNB's three branches in the Sioux Falls MSA AA, accounting for 31 percent of all LNB employees. Opportunities exist in the Sioux Falls MSA AA to provide CD services.

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

## State Rating

### State of Iowa

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

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

**The CD Test is rated: Outstanding.**

The major factors that support this rating include:

- The distribution of commercial and agricultural loans to borrowers in geographies of different income levels reflects reasonable distribution of AA demographics.
- The distribution of commercial and agricultural loans to businesses and farms of different income levels reflects reasonable distribution of AA demographics.
- CD activities demonstrate excellent responsiveness to AA needs and opportunities.

### Description of Institution's Operations in Iowa

LNB operates in two AAs in Iowa: Northwest Iowa Non-MSA AA and Des Moines MSA AA. Product and service offerings are consistent across the AAs.

#### Northwest Iowa Non-MSA AA

The Northwest Iowa Non-MSA AA includes Clay, Dickinson, and Plymouth Counties in Iowa. Plymouth County, Iowa was added to the Iowa Non-MSA in 2019 and will be considered as part of the bank's Northwest Iowa Non-MSA AA for 2019 and 2020. LNB operates one branch and one ATM in the AA, both in Okoboji, Iowa.

The Northwest Iowa Non-MSA AA accounted for 7 percent of the bank's deposits as of June 30, 2020, and 11 percent of the bank's loans originated during the evaluation period. The primary lending product in the Northwest Iowa Non-MSA AA is agriculture loans.

<b>LNB Loan Originations in the Northwest Iowa Non-MSAAA (1/1/2018 – 12/31/2020)</b>				
Loan Type	Number	Percentage by Number	Dollar Volume (\$000s)	Percentage by Dollar Volume
Agriculture	259	64	68,563	69
Commercial	108	27	27,946	28
Mortgage	10	2	1,418	2
Consumer	29	7	1,015	1
<b>Total</b>	<b>406</b>	<b>100</b>	<b>98,942</b>	<b>100</b>

<sup>3</sup> This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

The Northwest Iowa Non-MSAAA changed during the evaluation period. The Northwest Iowa Non-MSAAA from January 1, 2018 to December 31, 2018, included nine CTs. Five of the CTs were middle-income and four were upper-income. The Northwest Iowa Non-MSAAA from January 1, 2019 to December 31, 2020, included 15 CTs. One of the CTs was moderate-income, eight were middle-income, and six were upper-income. The 2018 AA did not include Plymouth County. Thirty-four thousand people, or 21 thousand households, lived in the 2018 AA. Of the households, 62 percent were middle-income and 38 percent were upper-income. Six percent of the households in the 2018 AA lived below the poverty line. The weighted-average median family income was \$62 thousand in the 2018 AA. Fifty-eight thousand people, or 32 thousand households, lived in the 2019-2020 AA. Of the households, five percent were moderate-income, 54 percent were middle-income, and 41 percent were upper-income. Six percent of the households in the 2019-2020 AA lived below the poverty level. The weighted-average median family income was \$62 thousand in the 2019-2020 AA.

The 2018 Northwest Iowa Non-MSAAA included 4 thousand businesses. Eighty-nine percent of the businesses are non-farm businesses and 65 percent employ fewer than five people. The 2019-2020 Northwest Iowa Non-MSAAA included 6 thousand businesses. Eighty-six percent of the businesses are non-farm businesses and 67 percent employ fewer than five people.

The economy in the Northwest Iowa Non-MSAAA was stable during the evaluation period. According to the BLS, the unemployment rate in Clay County increased from 4.6 percent in January 2018 to 10.6 percent in December 2020. The unemployment rate in Dickinson County decreased from 5.4 percent in January 2018 to 4.1 percent in December 2020. The unemployment rate in Plymouth County increased from 2.7 percent in January 2019 to 2.9 percent in December 2020. The highest unemployment rate during the evaluation period was 13.1 percent in April 2020 in Dickinson County. Major areas of employment for this AA include the service and agriculture industries.

Competition in the Northwest Iowa Non-MSAAA is moderate and includes national, regional, and local community banks. As of June 30, 2018, there were 13 institutions with 26 banking offices located in the 2018 Northwest Iowa Non-MSAAA. LNB reported \$27 million in deposits in the 2018 Northwest Iowa Non-MSAAA as of June 30, 2018, which ranked last in deposit market share with a market share of 2 percent. As of June 30, 2020, there were 21 institutions with 41 banking offices located in the 2019-2020 Northwest Iowa Non-MSAAA. LNB reported \$28 million in deposits in the 2019-2020 Northwest Iowa Non-MSAAA as of June 30, 2020, which ranked last in deposit market share with a market share of less than 1 percent.

We completed one community contact in the Northwest Iowa Non-MSAAA in conjunction with this examination. The contact was the Chief Financial Officer of a prominent business leader in the Le Mars, Iowa area providing approximately 3,000 jobs in the area. The contact did not identify any financial disparities or unmet credit needs in the AA. The contact stated there are abundant banks in the Le Mars and Sioux City, Iowa areas to serve the needs of the local communities. The contact identified language barriers as a challenge in the financial services industry.

#### Des Moines MSA AA

The Des Moines MSA AA includes Polk, Warren, and Dallas Counties in Iowa. LNB operates one branch and one ATM in the AA, both in Johnston, Iowa.

The Des Moines MSA AA accounted for 5 percent of the bank's deposits as of June 30, 2020 and 10 percent of the bank's loans originated during the evaluation period. The primary lending product in the Des Moines MSA AA is commercial loans.

<b>LNB Loan Originations in the Des Moines MSAAA (1/1/2018 – 12/31/2020)</b>				
Loan Type	Number	Percentage by Number	Dollar Volume (\$000s)	Percentage by Dollar Volume
Agriculture	2	1	735	1
Commercial	318	85	78,670	89
Mortgage	25	6	6,366	7
Consumer	30	8	2,949	3
<b>Total</b>	<b>375</b>	<b>100</b>	<b>88,720</b>	<b>100</b>

The Des Moines MSA AA includes 111 CTs. Nine of the CTs are low-income, 27 are moderate-income, 44 are middle-income, 30 are upper-income, and 1 is unknown. Five hundred twenty-four thousand people, or 217 thousand households, lived in the AA in 2015. Of the households, five percent were low-income, 20 percent were moderate-income, 41 percent were middle-income, and 33 percent were upper-income. Eight percent of the households in the AA lived below the poverty level. The weighted-average median family income in 2020 was \$76 thousand.

The economy in the Des Moines MSAAA was stable during the evaluation period. According to the BLS, the unemployment rate in the Des Moines MSAAA increased from 3.4 percent in January 2018 to 4.1 percent in December 2020. The highest unemployment rate during the evaluation period was 12.1 percent in April 2020. Major areas of employment for this AA include the service, finance, insurance, and real estate industries.

Competition in the Des Moines MSA AA is high and includes several large national, regional, and local community banks. As of June 30, 2020, there were 43 institutions with 193 banking offices located in the AA. LNB reported \$21 million in deposits in the Des Moines MSAAA as of June 30, 2020, which ranked thirty-fifth in deposit market share with a market share of less than 1 percent.

We completed one community contact in the Des Moines MSA AA in conjunction with this examination. The contact was the Economic Development Administrator of a government office that focuses on economic development initiatives for the city of Des Moines. The contact did not identify any specific unmet credit needs in the AA. The contact stated that local banks are providing financing for current economic development projects in the city and will continue to have opportunities to provide funding and participate in CD as the community continues to grow. The contact identified affordable housing and downtown development as prominent community needs.

## Northwest Iowa Non-MSA AA

Table A – Demographic Information of the AA						
AA: 2018 Northwest Iowa Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	9	0.0	0.0	55.6	44.4	0.0
Population by Geography	33,504	0.0	0.0	62.4	37.6	0.0
Housing Units by Geography	21,156	0.0	0.0	62.4	37.6	0.0
Owner-Occupied Units by Geography	11,214	0.0	0.0	60.3	39.7	0.0
Occupied Rental Units by Geography	3,736	0.0	0.0	67.6	32.4	0.0
Vacant Units by Geography	6,206	0.0	0.0	63.2	36.8	0.0
Businesses by Geography	3,809	0.0	0.0	62.0	38.0	0.0
Farms by Geography	468	0.0	0.0	50.6	49.4	0.0
Family Distribution by Income Level	9,706	14.9	16.0	24.2	44.9	0.0
Household Distribution by Income Level	14,950	21.5	14.8	18.5	45.2	0.0
Median Family Income Non-MSAs - IA		\$61,681	Median Housing Value			\$167,629
			Median Gross Rent			\$622
			Families Below Poverty Level			5.7%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

Table A – Demographic Information of the AA						
AA: 2019-2020 Northwest Iowa Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	15	0.0	6.7	53.3	40.0	0.0
Population by Geography	58,357	0.0	6.2	52.1	41.7	0.0
Housing Units by Geography	31,780	0.0	5.3	54.1	40.7	0.0
Owner-Occupied Units by Geography	19,127	0.0	5.6	50.4	44.0	0.0
Occupied Rental Units by Geography	5,818	0.0	8.7	57.4	33.9	0.0
Vacant Units by Geography	6,835	0.0	1.5	61.6	37.0	0.0
Businesses by Geography	6,022	0.0	9.5	52.7	37.8	0.0
Farms by Geography	970	0.0	2.6	60.4	37.0	0.0
Family Distribution by Income Level	16,660	14.2	16.4	22.9	46.5	0.0
Household Distribution by Income Level	24,945	20.1	15.0	18.9	46.0	0.0
Median Family Income Non-MSAs - IA		\$61,681	Median Housing Value			\$157,457
			Median Gross Rent			\$615
			Families Below Poverty Level			5.9%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

## Des Moines MSA AA

Table A – Demographic Information of the AA						
AA: Des Moines MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	111	8.1	24.3	39.6	27.0	0.9
Population by Geography	524,099	5.8	20.1	39.8	34.3	0.0
Housing Units by Geography	216,983	5.1	20.4	41.7	32.8	0.0
Owner-Occupied Units by Geography	140,264	2.8	17.6	41.4	38.3	0.0
Occupied Rental Units by Geography	63,297	9.2	25.3	42.0	23.5	0.0
Vacant Units by Geography	13,422	10.0	26.2	43.8	19.9	0.0
Businesses by Geography	54,493	3.7	12.6	46.7	37.0	0.1
Farms by Geography	1,756	1.3	9.1	46.5	43.1	0.0
Family Distribution by Income Level	133,914	20.4	17.1	21.5	41.0	0.0
Household Distribution by Income Level	203,561	22.9	16.1	19.4	41.6	0.0
Median Family Income MSA - 19780 Des Moines-West Des Moines, IA MSA		\$75,653	Median Housing Value			\$166,758
			Median Gross Rent			\$829
			Families Below Poverty Level			8.3%

Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

## Scope of Evaluation in Iowa

LNB operates in two AAs in Iowa. We completed full-scope reviews of the Northwest Iowa Non-MSA AA and Des Moines MSA AA. The State of Iowa rating is based on results of these reviews. Refer to Appendix A for more information.

The Northwest Iowa Non-MSA AA and Des Moines MSA AA received equal weight in arriving at overall State of Iowa conclusions. The Northwest Iowa Non-MSA AA accounts for 50 percent of LNB's Iowa branch locations, 57 percent of Iowa's deposits, and 53 percent of loans originated in Iowa during the evaluation period, excluding the Sioux City MMSA. The Des Moines MSA AA accounts for 50 percent of LNB's Iowa branch locations, 43 percent of Iowa's deposits, and 47 percent of loans originated in Iowa during the evaluation period, excluding the Sioux City MMSA.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN IOWA

### LENDING TEST

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



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

Based on full scope reviews, the bank's lending performance in the state of Iowa is reasonable.

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

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

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

Refer to Table Q in the state of Iowa 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 commercial loans to small businesses in the Des Moines MSA AA is reasonable. The geographic distribution analysis for commercial loans to small businesses in the Des Moines MSA AA is based on 60 loans with proceeds distributed within the AA. Management did not originate any loans to low-income CTs during the evaluation period. Management originated 8 percent of loans to businesses in moderate-income CTs during the evaluation period. Aggregate data indicates 3 percent of commercial loans were made to businesses located in low-income CTs and 12 percent of commercial loans were made to businesses located in moderate-income CTs during the evaluation period. Competition is high in the Des Moines, Iowa area where the LMI CTs are located. The Johnston, Iowa branch is not in close proximity to LMI CTs and is located in an upper-income tract with nearby CTs all middle-and -upper income. LNB's Des Moines MSA AA is a small percentage of the overall market share considering deposit and loan volumes in comparison to competitors in the AA.

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

Refer to Table S in the state of Iowa 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 loans to small farms in the Northwest Iowa Non-MSA AA is reasonable. The geographic distribution of farm loans to farms in the Northwest Iowa Non-MSA AA was determined through an analysis of 2019-2020 data, as there were no LMI CTs in 2018. LNB did not originate any loans to farms located in LMI CTs in the Northwest Iowa Non-MSA AA in 2019 or 2020. Aggregate data indicates 2 percent of farm loans were made to farms in moderate-income CTs in 2019- 2020. The opportunity to lend to small farms in moderate-income CTs in the AA is limited. There is one moderate-income CT located in Le Mars, Iowa, which is in Plymouth County. LNB does not have a branch in Le Mars, Iowa; the nearest branches are in Sioux City, Iowa, which is included in the Sioux City MMSA for 2019 and 2020. There are several financial institutions in the Le Mars, Iowa community to serve the needs of the local community. The community contact for the Northwest Iowa Non-MSA AA did not identify any unmet credit needs or unequal access to financial products and services. This represents satisfactory performance.

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

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

***Small Loans to Businesses***

Refer to Table R in the state of Iowa 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 commercial loans to businesses of different income levels in the Des Moines MSA AA is reasonable. Management originated 60 percent of loans to businesses with GAR of \$1 million or less. Aggregate data indicates 48 percent of commercial loans were made to small businesses during the evaluation period. ACS data indicates 86 percent of businesses had GAR of \$1 million or less during the evaluation period.

***Small Loans to Farms***

Refer to Table T in the state of Iowa 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 farms.

The distribution of loans to farms of different income levels in the Northwest Iowa Non-MSA AA is reasonable. The borrower distribution of farm loans to small farms in the Northwest Iowa Non-MSA AA was determined through an analysis of 2018 and 2019-2020 data. LNB originated 85 percent of loans to small farms with GAR of \$1 million or less. Aggregate data indicates 50 percent of farm loans were made to small farms in 2018. ACS data indicates 97 percent of farms had GAR of \$1 million or less in 2018.

In 2019 and 2020, LNB originated 55 percent of loans to small farms with GAR of \$1 million or less. Aggregate data indicates 59 percent of farm loans were made to small farms in 2019 and 2020. ACS data indicates 98 percent of farms had GAR of \$1 million or less in 2019-2020.

**Responses to Complaints**

Management did not receive any complaints regarding LNB's CRA performance in the Northwest Iowa Non-MSA AA or Des Moines MSA AA during the evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank's performance under the CD Test in the state of Iowa is rated Outstanding.

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

Based on full-scope reviews, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AAs.

## Number and Amount of CD Loans

The CD Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

CD Loans- State of Iowa				
AA	Total			
	#	% of Total #	\$(000's)	% of Total \$
Northwest Iowa Non-MSA	75	61	3,062	26
Des Moines MSA	47	39	8,817	74

Management originated 75 qualified CD loans totaling \$3 million in the Northwest Iowa Non-MSA AA during the evaluation period. Two loans totaling \$1.8 million were originated as SBA 504 loans and meet the underwriting size requirements to qualify as a small business and economic development purpose. Seventy-three loans totaling \$1.2 million were originated as part of the PPP by providing economic development or stabilization to small businesses in LMI CTs or receiving consideration by being originated on or after October 1, 2020.

Management originated 47 qualified CD loans totaling \$8.8 million in the Des Moines MSA AA during the evaluation period. Three loans totaling \$2.5 million qualified for CD credit as revitalization or stabilization of LMI geographies. One loan totaling \$929 thousand qualified for CD credit as economic development providing financing or support for businesses. One loan totaling \$1.3 million qualified for CD credit as an SBA 504 loan. Forty-two loans totaling \$4 million were originated as part of the PPP by providing economic development or stabilization to small businesses in LMI CTs or receiving consideration by being originated on or after October 1, 2020.

## Number and Amount of Qualified Investments

Management did not have any qualified CD investments or donations in the Northwest Iowa Non-MSA AA or Des Moines MSA AA during the evaluation period. Opportunities exist in the Northwest Iowa Non-MSA AA and Des Moines MSA AA to provide CD investments and/or donations.

## Extent to Which the Bank Provides CD Services

Employees within the Northwest Iowa Non-MSA AA did not provide any qualified service hours during the evaluation period. There are six employees in the Okoboji, Iowa branch accounting for 8 percent of all LNB employees.

Employees within the Des Moines AA provided a total of 92 qualified service hours during the evaluation period, accounting for 10 percent of qualified service hours across all AAs. There are seven employees in the Johnston, Iowa branch accounting for 10 percent of all LNB employees.

One employee provided 92 qualified service hours to a local community-based non-profit organization providing services to individual with intellectual disabilities and their families. The organization supports affordable housing for LMI individuals.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	1/1/2018 to 12/31/2020	
<b>Bank Products Reviewed:</b>	Small business and small farm loans. CD loans, qualified investments, CD services.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not Applicable	Not Applicable	Not Applicable
<b>List of AAs and Type of Examination</b>		
<b>Rating and AAs</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		
Sioux City MMSA AA	Full-Scope	Includes Woodbury County, Iowa, Dakota County, Nebraska, and Union County, South Dakota. Plymouth County, Iowa is included for 2018 but was removed for 2019 and 2020.  Includes the main office in Sioux City, Iowa and branches in North Sioux City, South Dakota, Dakota Dunes, South Dakota, and Elk Point, South Dakota. The Jefferson, South Dakota branch closed March 2, 2018.  Primary products are commercial and agriculture loans.
<b>State of South Dakota</b>		
Sioux Falls MSA AA	Full-Scope	Includes Lincoln and Minnehaha Counties in South Dakota. Includes three branches in Sioux Falls, South Dakota. Primary product is commercial loans.
<b>State of Iowa</b>		
Northwest Iowa Non-MSA AA	Full-Scope	Includes Clay and Dickinson Counties in Iowa. Plymouth County, Iowa was added to the AA for 2019 and 2020. Includes the Okoboji, Iowa branch. Primary product is agriculture loans.
Des Moines MSA AA	Full-Scope	Includes Polk, Warren, and Dallas Counties in Iowa. Includes the Johnston, Iowa branch. Primary product is commercial loans.

## Appendix B: Summary of MMSA and State Ratings

---

<b>Ratings: Liberty National Bank</b>			
<b>Overall Bank:</b>	<b>Lending Test Rating*</b>	<b>CD Test Rating</b>	<b>Overall Bank/State/Multistate Rating</b>
Liberty National Bank	Satisfactory	Outstanding	Satisfactory
<b>MMSA or State:</b>			
Sioux City MMSA	Satisfactory	Outstanding	Satisfactory
South Dakota	Satisfactory	Outstanding	Satisfactory
Iowa	Satisfactory	Outstanding	Satisfactory

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

## Appendix C: Definitions and Common Abbreviations

---

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

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

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

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with

the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

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

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

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

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

**Low Income Geography:** A CT with a MFI that is less than 50 percent.

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

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

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

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

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

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

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

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

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

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

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

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

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



# Appendix D: Tables of Performance Data

---

## Content of Standardized Tables

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

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

- Table Q. AA Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.
  
- Table R. AA Distribution of Loans to Small Businesses by GAR** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
  
- Table S. AA Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s AA.

**Table T. AA Distribution of Loans to Farms by GAR** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

**Sioux City MMSA**

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2018</b>	
AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
2018 Sioux City MMSA	20	1,678	100.0	1,799	13.7	0.0	13.1	17.7	5.0	17.7	32.8	50.0	31.8	35.8	45.0	37.4	0.0	0.0	0.0	
<b>Total</b>	<b>20</b>	<b>1,678</b>	<b>100.0</b>	<b>1,799</b>	<b>13.7</b>	<b>0.0</b>	<b>13.1</b>	<b>17.7</b>	<b>5.0</b>	<b>17.7</b>	<b>32.8</b>	<b>50.0</b>	<b>31.8</b>	<b>35.8</b>	<b>45.0</b>	<b>37.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

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

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2019-20</b>	
AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
2019-2020 Sioux City MMSA	18	8,520	100.0	1,626	15.7	17.0	15.9	13.6	6.0	14.5	27.1	17.0	27.8	43.6	61.0	41.8	0.0	0.0	0.0	
<b>Total</b>	<b>18</b>	<b>8,520</b>	<b>100.0</b>	<b>1,626</b>	<b>15.7</b>	<b>17.0</b>	<b>15.9</b>	<b>13.6</b>	<b>6.0</b>	<b>14.5</b>	<b>27.1</b>	<b>17.0</b>	<b>27.8</b>	<b>43.6</b>	<b>61.0</b>	<b>41.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

*Source: 2020 D&B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%.*

**Table R: AA Distribution of Loans to Small Businesses by GAR 2018**

AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2018 Sioux City MMSA	20	1,678	100.0	1,799	78.0	65.0	47.7	7.3	10.0	14.7	25.0
<b>Total</b>	<b>20</b>	<b>1,678</b>	<b>100.0</b>	<b>1,799</b>	<b>78.0</b>	<b>65.0</b>	<b>47.7</b>	<b>7.3</b>	<b>10.0</b>	<b>14.7</b>	<b>25.0</b>

Source: 2018 D&B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.

**Table R: AA Distribution of Loans to Small Businesses by GAR 2019-20**

AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2019-2020 Sioux City MMSA	18	8,521	100.0	1,626	81.1	50.0	48.2	6.0	28.0	12.9	4.0
<b>Total</b>	<b>18</b>	<b>8,521</b>	<b>100.0</b>	<b>1,626</b>	<b>81.1</b>	<b>50.0</b>	<b>48.2</b>	<b>6.0</b>	<b>28.0</b>	<b>12.9</b>	<b>4.0</b>

Source: 2020 D&B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.

**Table S: AA Distribution of Loans to Farms by Income Category of the Geography 2018**

AA:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2018 Sioux City MMSA	20	8,002	100.0	555	1.2	0.0	0.2	5.1	0.0	2.9	60.0	60.0	63.8	33.8	40.0	33.2	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>8,002</b>	<b>100.0</b>	<b>555</b>	<b>1.2</b>	<b>0.0</b>	<b>0.2</b>	<b>5.1</b>	<b>0.0</b>	<b>2.9</b>	<b>60.0</b>	<b>60.0</b>	<b>63.8</b>	<b>33.8</b>	<b>40.0</b>	<b>33.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**Table S: AA Distribution of Loans to Farms by Income Category of the Geography 2019-20**

AA:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2019-2020 Sioux City MMSA	9	3,774	100.0	264	2.3	0.0	0.0	5.7	0.0	0.4	35.6	22.0	24.6	56.4	78.0	75.0	0.0	0.0	0.0
<b>Total</b>	<b>9</b>	<b>3,774</b>	<b>100.0</b>	<b>264</b>	<b>2.3</b>	<b>0.0</b>	<b>0.0</b>	<b>5.7</b>	<b>0.0</b>	<b>0.4</b>	<b>35.6</b>	<b>22.0</b>	<b>24.6</b>	<b>56.4</b>	<b>78.0</b>	<b>75.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2020 D&B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%.

**Note:** 2019-2020 analysis was not considered due to the low volume of loans originated within the AA during those years.

<b>Table T: AA Distribution of Loans to Farms by GAR</b>											<b>2018</b>	
AA:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans	
2018 Sioux City MMSA	20	8,002	100.0	555	97.4	60.0	62.2	1.4	35.0	1.3	5.0	
<b>Total</b>	<b>20</b>	<b>8,002</b>	<b>100.0</b>	<b>555</b>	<b>97.4</b>	<b>60.0</b>	<b>62.2</b>	<b>1.4</b>	<b>35.0</b>	<b>1.3</b>	<b>5.0</b>	

*Source: 2018 D&B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.*

<b>Table T: AA Distribution of Loans to Farms by GAR</b>											<b>2019-20</b>	
AA:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans	
2019-2020 Sioux City MMSA	9	3,774	100.0	264	97.3	33.0	54.9	1.3	67.0	1.3	0.0	
<b>Total</b>	<b>9</b>	<b>3,774</b>	<b>100.0</b>	<b>264</b>	<b>97.3</b>	<b>33.0</b>	<b>54.9</b>	<b>1.3</b>	<b>67.0</b>	<b>1.3</b>	<b>0.0</b>	

*Source: 2020 D&B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%.*

**Note:** 2019-2020 analysis was not considered due to the low volume of loans originated within the AA during those years.

**State of South Dakota**

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2018-20</b>		
AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Sioux Falls MSA	59	12,632	100.0	5,281	0.0	0.0	0.0	39.2	34.0	39.6	31.3	42.0	30.0	29.5	24.0	30.4	0.0	0.0	0.0		
<b>Total</b>	<b>59</b>	<b>12,632</b>	<b>100.0</b>	<b>5,281</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>39.2</b>	<b>34.0</b>	<b>39.6</b>	<b>31.3</b>	<b>42.0</b>	<b>30.0</b>	<b>29.5</b>	<b>24.0</b>	<b>30.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.*

<b>Table R: AA Distribution of Loans to Small Businesses by GAR</b>												<b>2018-20</b>		
AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans			
Sioux Falls MSA	59	12,632	100.0	5,281	85.6	51.0	49.6	5.0	32.0	9.4	17.0			
<b>Total</b>	<b>59</b>	<b>12,632</b>	<b>100.0</b>	<b>5,281</b>	<b>85.6</b>	<b>51.0</b>	<b>49.6</b>	<b>5.0</b>	<b>32.0</b>	<b>9.4</b>	<b>17.0</b>			

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.*

State of Iowa

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2018-20</b>	
AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Des Moines MSA	60	14,075	100.0	10,296	3.7	0.0	2.5	12.6	8.3	11.5	46.7	36.7	45.7	37.0	55.0	40.2	0.1	0.0	0.0	
<b>Total</b>	<b>60</b>	<b>14,075</b>	<b>100.0</b>	<b>10,296</b>	<b>3.7</b>	<b>0.0</b>	<b>2.5</b>	<b>12.6</b>	<b>8.3</b>	<b>11.5</b>	<b>46.7</b>	<b>36.7</b>	<b>45.7</b>	<b>37.0</b>	<b>55.0</b>	<b>40.2</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.*

<b>Table R: AA Distribution of Loans to Small Businesses by GAR</b>												<b>2018-20</b>	
AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Des Moines MSA	20	5,000	100.0	10,296	86.2	60.0	48.0	4.5	40.0	9.3	0.0		
<b>Total</b>	<b>20</b>	<b>5,000</b>	<b>100.0</b>	<b>10,296</b>	<b>86.2</b>	<b>60.0</b>	<b>48.0</b>	<b>4.5</b>	<b>40.0</b>	<b>9.3</b>	<b>0.0</b>		

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.*



**Table S: AA Distribution of Loans to Farms by Income Category of the Geography 2018**

AA:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2018 Northwest IA Non-MSA	20	6,428	100.0	153	0.0	0.0	0.0	0.0	0.0	0.0	50.3	30.0	38.6	49.7	70.0	61.4	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>6,428</b>	<b>100.0</b>	153	<b>0.0</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>50.3</b>	<b>30.0</b>	<b>38.6</b>	<b>49.7</b>	<b>70.0</b>	<b>61.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2018 D&B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.

**Note:** 2018 analysis was not completed because there were no LMI CTs in the AA.

**Table S: AA Distribution of Loans to Farms by Income Category of the Geography 2019-20**

AA:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
2019-2020 Northwest IA Non-MSA	20	6,876	100.0	509	0.0	0.0	0.0	2.6	0.0	1.6	60.4	15.0	61.1	37.0	85.0	37.3	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>6,876</b>	<b>100.0</b>	509	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.6</b>	<b>0.0</b>	<b>1.6</b>	<b>60.4</b>	<b>15.0</b>	<b>61.1</b>	<b>37.0</b>	<b>85.0</b>	<b>37.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2020 D&B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.

**Table T: AA Distribution of Loans to Farms by GAR 2018**

AA:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2018 Northwest IA Non-MSA	20	6,428	100.0	153	96.9	85.0	49.7	1.8	15.0	1.3	0.0
<b>Total</b>	<b>20</b>	<b>6,428</b>	<b>100.0</b>	<b>153</b>	<b>96.9</b>	<b>85.0</b>	<b>49.7</b>	<b>1.8</b>	<b>15.0</b>	<b>1.3</b>	<b>0.0</b>

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

**Table T: AA Distribution of Loans to Farms by GAR 2019-20**

AA:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
2019-2020 Northwest IA Non-MSA	20	6,876	100.0	509	97.7	55.0	59.1	1.3	45.0	0.9	0.0
<b>Total</b>	<b>20</b>	<b>6,876</b>	<b>100.0</b>	<b>509</b>	<b>97.7</b>	<b>55.0</b>	<b>59.1</b>	<b>1.3</b>	<b>45.0</b>	<b>0.9</b>	<b>0.0</b>

Source: 2020 D&B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data. Due to rounding, totals may not equal 100.0% .