

PUBLIC DISCLOSURE

June 4, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Hamler State Bank
RSSD # 887827

210 Randolph Street
Hamler, OH 43524

Federal Reserve Bank of Cleveland

P.O. Box 6387
Cleveland, OH 44101-1387

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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

The major factors and criteria contributing to this rating include:

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs;
- A majority of loans and other lending-related activities are inside the assessment area;
- The distribution of loans to borrowers reflects an excellent penetration among individuals of different income levels (including low- and moderate-income):
- The distribution of loans to businesses and farms reflects an excellent penetration among businesses and farms of different revenue sizes given the demographics of the assessment area; and,
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area; and,
- There were no CRA-related complaints filed against the Hamler since the previous CRA examination.

The previous CRA examination conducted March 31, 2014 resulted in a "Satisfactory" performance rating.

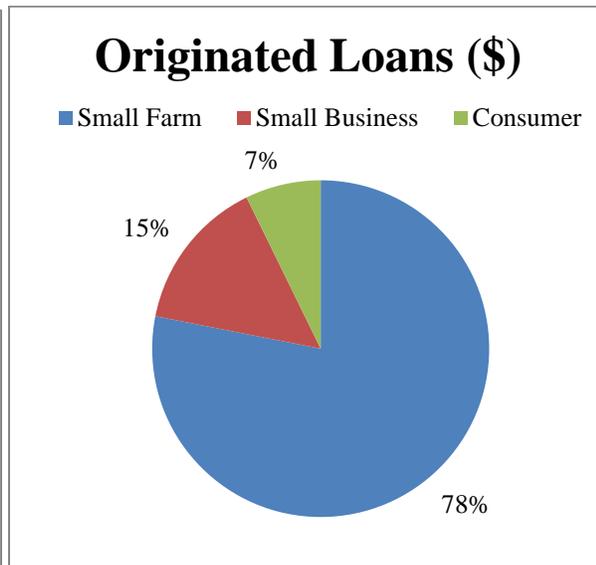
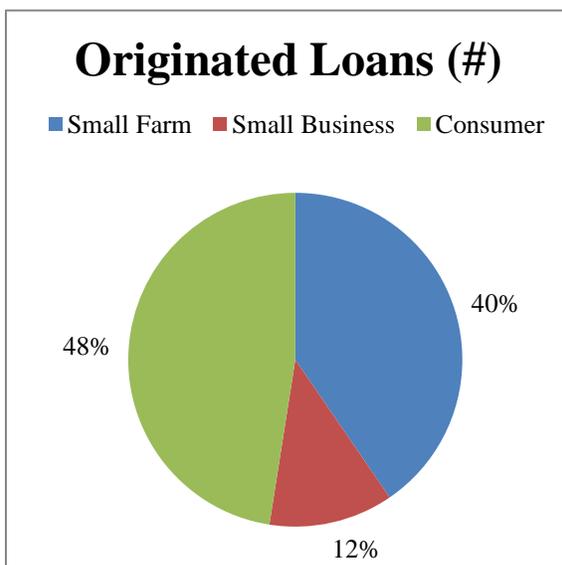
SCOPE OF EXAMINATION

The Hamler State Bank (Hamler) Community Reinvestment Act (CRA) performance was evaluated using the interagency small bank examination procedures under Regulation BB.

Hamler’s CRA performance was evaluated based on lending data for the period of April 1, 2014 to December 31, 2017. The products evaluated included consumer, commercial, and agricultural loans.

The following table and charts illustrate the volume and distribution of loans originated within Hamler’s assessment area during the evaluation period.

Loan Type	Number of Loans	Dollar Amount of Loans (000s)
Small Farm	383	30,925
Small Business	114	5,805
Consumer	450	2,871
Total	947	39,601



Based on the total loan volume by number and dollar amount and the composition of the loan portfolio, small farm lending received the most weight, followed by small business and consumer.

DESCRIPTION OF INSTITUTION

Hamler is an independently owned community bank and is located in Hamler, Ohio. As of December 31, 2017, Hamler reported \$79.7 million in total assets, which is an increase of 8.1% since the previous CRA evaluation.

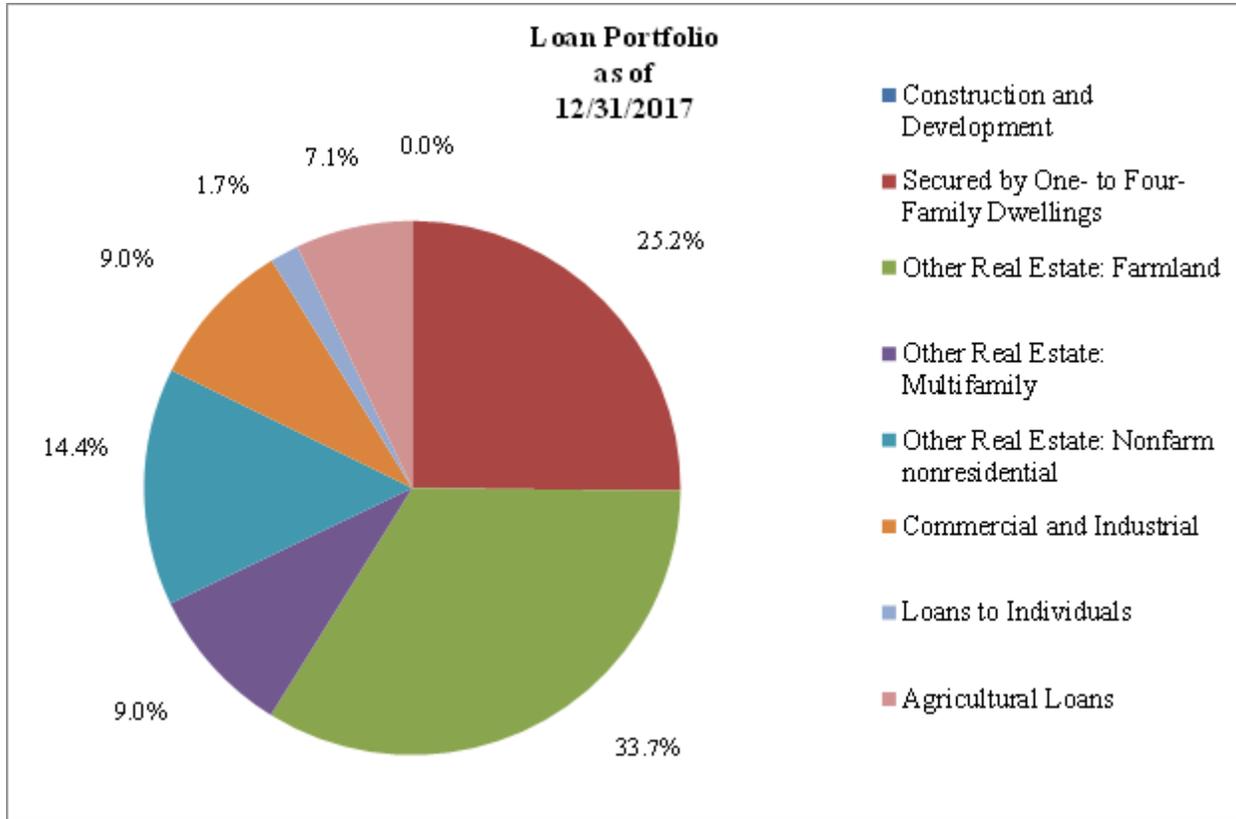
Hamler has one office in northwestern Ohio; the main office is located in Hamler, Ohio. Hamler operates one full-service ATM, which is located at a local gas station around the corner from the main office. Hamler is a full-service retail bank offering deposit accounts, residential mortgages, consumer, commercial, and agricultural loans. Since the previous evaluation, Hamler has not opened or closed any branch offices or ATMs.

As of December 31, 2017, net loans and leases represent \$50.5 million, which represents 63.1% of total assets. Net loans and leases increased by 32.9% since the previous CRA evaluation.

The following table and charts illustrate the volume and distribution of loans originated within Hamler's assessment area during the evaluation period.

COMPOSITION OF LOAN PORTFOLIO						
Loan Type	12/31/2017		12/31/2016		12/31/2015	
	\$ (000s)	Percent	\$ (000s)	Percent	\$ (000s)	Percent
Construction and Development	0	0.0%	0	0.0%	0	0.0%
Secured by One- to Four- Family Dwellin	12,815	25.2%	10,831	23.6%	10,821	24.7%
Other Real Estate: Farmland	17,151	33.7%	16,644	36.3%	17,211	39.2%
Other Real Estate: Multifamily	4,602	9.0%	3,493	7.6%	2,762	6.3%
Other Real Estate: Nonfarm nonresidenti	7,327	14.4%	5,767	12.6%	4,460	10.2%
Commercial and Industrial	4,562	9.0%	4,471	9.8%	3,843	8.8%
Loans to Individuals	880	1.7%	857	1.9%	731	1.7%
Agricultural Loans	3,591	7.1%	3,750	8.2%	4,052	9.2%
Total	\$50,928	100.00%	\$45,813	100.00%	\$43,880	100.00%

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, lease financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra assets are also not included in this table.



Hamler’s investment portfolio as of December 31, 2017 was \$26.7 million, which represents 33.5% of total assets. Investments in U.S. Treasuries and Agencies account for 73.3% of investments, while municipal securities represent 24.4%. Interest-bearing bank balances and federal funds sold comprise 2.3% of investments.

There are no legal or financial constraints preventing Hamler from meeting the credit needs of its assessment area consistent with its asset size, business strategy, resources, and local economy.

DESCRIPTION OF NON-METROPOLITAN OHIO ASSESSMENT AREA

Hamler has one assessment area in Ohio consisting of portions of Henry and Putnam counties. Both counties are located in a non-metropolitan statistical area. The assessment area consists mainly of townships and villages. Marion Township encompasses the village of Hamler and is located in the southern central section of Henry County. Hamler’s assessment area is entirely rural and includes five census tracts comprised of four middle-income and one upper-income census tracts. Hamler’s main office is located in a middle-income census tract.

Henry County is a heavily agricultural area located in upper northwestern Ohio, approximately 40 miles southwest of Toledo, Ohio. Napoleon is the largest city and county seat. The county had a population of 28,215, according to the 2010 U.S. Census. The village of Hamler is located within Henry County and encompasses approximately 36 square miles. In Henry County, Hamler included in its assessment area three middle-income census tracts of the eight total census tracts (seven middle- and one upper-income tracts).

Putnam County is located south of Henry County and is also a heavily agricultural area. Ottawa Village is the largest village and county seat. The county had a population of 34,499, according to the 2010 U.S. Census. In Putnam County, Hamler has included in its assessment area two census tracts (one middle-income and one upper-income census tract) of the seven total census tracts (two middle- and five upper-income tracts).

As of June 30, 2017, the Federal Deposit Insurance Corporation (FDIC) reported 13 insured financial institutions operating within Henry and Putnam counties. The FDIC’s market share report indicates that Hamler ranked seventh, holding 4.69% of the market share of deposits.¹¹ The following table illustrates the deposit market share for the top ten financial institutions in Henry and Putnam counties.

#	Financial Institution	Deposit Market Share
1	The Henry County Bank	16.97%
2	First Federal Bank of the Midwest	16.46%
3	The Union Bank Company	15.99%
4	The Huntington National Bank	14.30%
5	The Fort Jennings State Bank	11.22%
6	The First National Bank of Pandora	5.67%
7	The Hamler State Bank	4.69%
8	The Ottoville Bank Company	4.55%
9	The Corn City State Bank	3.71%
10	The Farmers & Merchants State Bank	3.46%

¹¹ <http://www2.fdic.gov/sod/sodMarketBank.asp>

Two community contact interviews were conducted to provide additional information regarding credit needs of the local community and context to the demographic and economic characteristics discussed. One contact represented an organization that serves families and residents in Henry and Putnam counties. The contact is very involved in community service, specifically providing services including, but not limited to, health education and natural disaster support. The community contact explained that current economic conditions are steady, but improving, as college graduates are returning to the counties to reside and work. Despite the improvement in economic conditions, there is a lack in diverse employment opportunities, with one large company being the primary employer. According to the contact, local banks seem to have a strong presence in the community and there has been an increased effort in local banks' community involvement.

The second community contact represented an organization involved in community improvement, offering services such as financial assistance and technical training programs to occupants of Henry County. The contact stated that Henry County is one of the lowest populated counties in Ohio, with an approximate population of 27,000. According to the contact, the current economic conditions of the county are stagnant. Problems such as lack of housing due to limited housing stock contribute to this issue. Further, the contact noted that limited appraisal comparables create difficulties for banks when determining how much to lend, creating a challenge for individuals to obtain loans. Despite this problem, the contact is dedicated to improving the community by partnering with local banks to finance local businesses, start-ups, and projects.

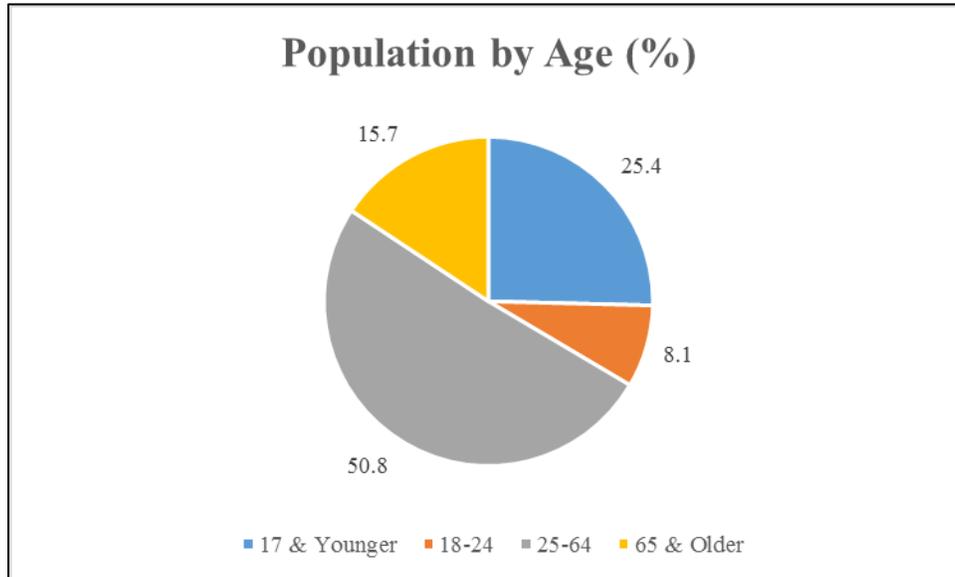
Population Characteristics

According to the 2010 U.S. Census Bureau Report,² the total population in the assessment area was 21,345. The following table depicts the 2010 and estimated 2016 populations of the two counties within Hamler's assessment area, as well as the estimated population change.

County	2010 Population	2016 Population	Population Percent Change
Henry	28,215	27,629	-2.1%
Putnam	34,499	34,056	-1.3%
Total	62,714	61,685	

Approximately 74.6% of the population is 18 years of age or older, which is the legal age to enter into a contract and more likely to have credit needs. The following chart illustrates the population by age within the assessment area.

2 American Fact Finder; <http://factfinder2.census.gov>



There are no low- or moderate-income census tracts in the assessment area, as 72.5% live in middle-income census tracts and 27.5% live in an upper income census tract.

Income Characteristics

According to data from the U.S. Department of Housing and Urban Development (HUD), the 2015 median family income for Hamler’s assessment area was \$62,845. The 2014-2017 estimated median family income levels are detailed in the following table.³

**Borrower Income Levels
Ohio State Non-Metro**

HUD Estimated Median Family Income		Low			Moderate			Middle			Upper		
		0	-	49.99%	50%	-	79.99%	80%	-	119.99%	120%	-	& above
2014	\$55,700	0	-	\$27,849	\$27,850	-	\$44,559	\$44,560	-	\$66,839	\$66,840	-	& above
2015	\$56,900	0	-	\$28,449	\$28,450	-	\$45,519	\$45,520	-	\$68,279	\$68,280	-	& above
2016	\$55,400	0	-	\$27,699	\$27,700	-	\$44,319	\$44,320	-	\$66,479	\$66,480	-	& above
2017	\$57,600	0	-	\$28,799	\$28,800	-	\$46,079	\$46,080	-	\$69,119	\$69,120	-	& above

The assessment area contains 8,081 households, of which 6,003 (74.3%) are designated as families. Low- and moderate-income families represent 14.9% and 15.4% of all families in this assessment area, respectively, with 7.9% of families below the poverty level compared to Ohio’s rate of 11.5%.

According to the data from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE), household poverty rates for Henry and Putnam counties were as follows:

³ <http://www.huduser.org/portal/datasets/il/il13/index.html>

County	2014 Poverty Rate	2015 Poverty Rate	2014 to 2015 % Change	2015 Poverty Rate	2016 Poverty Rate	2015 to 2016 % Change
Henry County	10.2%	9.4%	-7.8%	9.4%	8.3%	-11.7%
Putnam County	7.8%	7.2%	-7.7%	7.2%	8.3%	15.3%
Ohio	15.8%	14.8%	-6.3%	14.8%	14.5%	-2.0%
United States	15.5%	14.7%	-5.2%	14.7%	14.0%	-4.8%

Although the assessment area’s poverty rates are lower than those for the state and the nation, low- and moderate-income people in this area could still encounter difficulty obtaining bank loans due to insufficient financial resources.

Labor, Employment and Economic Characteristics

The following table illustrates the land use for each county in the assessment area⁴:

County	Urban	Cropland	Pasture	Forest	Open Water	Bare Mines	Wetlands	Grasslands
Henry	8.2%	85.2%	0.8%	4.0%	1.0%	0.1%	0.3%	0.6%
Putnam	8.0%	86.5%	0.5%	3.2%	0.4%	0.1%	0.4%	0.9%

Only 8.2% and 8.0% of the land in Henry and Putnam counties, respectively, is considered urban. The remaining amount of land that does not contain housing, businesses, and schools may impact Hamler’s ability to originate all types of loans in the assessment area.

According to the Ohio Office of Policy, Research and Strategic Planning, the largest industries by average employment are trade, transportation and utilities; and construction. The following table identifies the employment sectors and major employers in Hamler’s assessment area, but is not limited to the following⁴:

County	Primary Employment Sectors	Major Employers
Henry	Trade, Transportation, and Utilities; Construction; Leisure and Hospitality; Financial Services; Education and Health Services; Other Services	Alex Products; Campbell Soup Co.; Filling Memorial Home of Mercy; Henry County Hospital; Liberty Center Schools; Lutheran Home at Napoleon; Napoleon Area City Schools; Silgan Holdings, Inc.; Tenneco Inc.; Wal-Mart Stores Inc.
Putnam	Trade, Transportation, and Utilities; Construction; Professional and Business Services; Education and Health Services; Other Services; Leisure and Hospitality	Kalida Manufacturing Inc.; Midway Products/Progressive Stamping; Ottawa-Glandorf Local Schools; Mars Inc./Iams Co.; Pro-Tec Coating Co. Inc.; Putnam County Government; Schnipke Engraving Co. Inc.; Silgan Plastics Corp.; Unverferth Manufacturing Co. Inc., Wal-Mart Stores Inc.; Whirlpool Corp.

The following table shows the 2014-2017 average annual unemployment rate for Henry and Putnam counties, the state, and the nation.

Unemployment Rates
Assessment Area: Hamler State Bank

Area	Years - Annualized			
	2014	2015	2016	2017
Henry Co.	5.8	5.5	5.5	5.1 (P)
Putnam Co.	3.8	3.8	3.6	3.5 (P)
Ohio	4.9 (D)	4.7 (D)	5.0 (D)	4.5 (D)
National	5.4	4.8	4.5	3.9

Not Seasonally Adjusted
D: Reflects revised population controls and model reestimation.
P: Preliminary as of March, 2018
Data extracted on March 14, 2018

⁴ http://www.development.ohio.gov/reports/reports_countytrends_map.htm

The unemployment rate for Henry County was higher than Ohio for all four years, while Putnam County was below Ohio's rate. By 2017, both counties, the state, and the nation experienced a decline in unemployment rates.

Housing Characteristics

There were 8,843 housing units in the assessment area, based on the 2015 U.S. Census. Within the assessment area, 76.7% of the units were owner-occupied, 14.7% were rental units, 7.5% were mobile homes, and 8.6% were vacant. The owner-occupancy rate is higher in comparison to the Ohio rate, where 59.1% of the units were owner-occupied. Of the housing units in the assessment area, 86.8% were single-family, 7.5% were mobile homes, and 5.8% were multi-family homes. Of the total housing units, 74.2% are located in middle-income census tracts, while 25.8% are located in the upper-income census tract.

The median age of the housing stock in the assessment area was 59 years, with 38.8% of the stock built before 1950. In comparison, the median statewide age is 48 years. Within the assessment area, the median age of housing stock was 61 years in middle-income tracts and 47 years in the upper-income tract; therefore, it appears there could be a significant need for home improvement and rehabilitation loans in these areas, specifically the middle-income tracts.

The median housing value in the assessment area is \$105,317, with an affordability ratio of 43.0%. The higher the affordability ratio, the more affordable a home is considered. The housing affordability ratio is calculated by dividing median household income by median housing value. The housing stock in the assessment area was more affordable than in Ohio (38.1%). Furthermore, based on the 2017 median family income (\$57,600), approximately 49.4% of the homes valued up to \$105,568 in the assessment area would be considered affordable for low-income individuals and 78.6% of the homes valued up to \$168,910 would be considered affordable for moderate-income individuals. These percentages were calculated assuming a housing expense ratio equal to 28.0% of gross income for a 4.0% fixed, 30-year loan.

According to RealtyTrac,⁵ one in every 751 properties in Henry County was in foreclosure in April 2018, while one in every 2,084 properties was in foreclosure in Putnam County. This compares to Ohio's ratio of one in every 1,627 properties.

According to Sperlings Best Places,⁶ the median home cost in Henry County was \$105,100, which represents an appreciation of 0.8% since the prior year. Compared to the rest of the country, Henry County's cost of living is 10.7% lower than the U.S. average. In Putnam County, the median home cost is \$127,600 and appreciated by 3.9% since the previous year. Compared to the rest of the country, Putnam County's cost of living is 6.8% lower than the U.S. average.

The median gross rent in the assessment area was \$713, with 13.7% of the rents under \$500 a month, according to the 2015 Census. The median gross rent in the county was slightly lower than Ohio (\$730).

The following tables further illustrate the demographics of Hamler's assessment area.

⁵ www.realtytrac.com

⁶ <http://bestplaces.net>

Combined Demographics Report

Assessment Area(s): Hamler 2017

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0	0	0	0	0	897	14.9
Moderate-income	0	0	0	0	0	0	926	15.4
Middle-income	4	80	4,368	72.8	412	9.4	1,426	23.8
Upper-income	1	20	1,635	27.2	66	4	2,754	45.9
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	5	100.0	6,003	100.0	478	8.0	6,003	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	6,559	4,847	71.5	73.9	1,087	16.6	625	9.5
Upper-income	2,284	1,935	28.5	84.7	212	9.3	137	6
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	8,843	6,782	100.0	76.7	1,299	14.7	762	8.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	468	69.9	393	69.6	54	73	21	67.7
Upper-income	202	30.1	172	30.4	20	27	10	32.3
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	670	100.0	565	100.0	74	100.0	31	100.0
Percentage of Total Businesses:				84.3		11.0		4.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	139	62.9	139	63.2	0	0	0	0
Upper-income	82	37.1	81	36.8	1	100	0	0
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	221	100.0	220	100.0	1	100.0	0	.0
Percentage of Total Farms:				99.5		.5		.0

2017 FFIEC Census Data and 2016 D&B Information

Combined Demographics Report

Assessment Area(s): Hamler 2016

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0	0	0	0	0	737	12.7
Moderate-income	0	0	0	0	0	0	967	16.6
Middle-income	4	80	4,223	72.6	361	8.5	1,302	22.4
Upper-income	1	20	1,597	27.4	54	3.4	2,814	48.4
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	5	100.0	5,820	100.0	415	7.1	5,820	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	6,349	4,941	74.2	77.8	942	14.8	466	7.3
Upper-income	2,228	1,714	25.8	76.9	296	13.3	218	9.8
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	8,577	6,655	100.0	77.6	1,238	14.4	684	8.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	468	69.9	393	69.6	54	73	21	67.7
Upper-income	202	30.1	172	30.4	20	27	10	32.3
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	670	100.0	565	100.0	74	100.0	31	100.0
Percentage of Total Businesses:				84.3		11.0		4.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	139	62.9	139	63.2	0	0	0	0
Upper-income	82	37.1	81	36.8	1	100	0	0
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	221	100.0	220	100.0	1	100.0	0	.0
Percentage of Total Farms:				99.5		.5		.0

2016 FFIEC Census Data and 2016 D&B Information

Combined Demographics Report

Assessment Area(s): Hamler 2015

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	0	0	0	0	0	0	737	12.7	
Moderate-income	0	0	0	0	0	0	967	16.6	
Middle-income	4	80	4,223	72.6	361	8.5	1,302	22.4	
Upper-income	1	20	1,597	27.4	54	3.4	2,814	48.4	
Unknown-income	0	0	0	0	0	0	0	0	
Total Assessment Area	5	100.0	5,820	100.0	415	7.1	5,820	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	0	0	0	0	0	0	0	0	
Moderate-income	0	0	0	0	0	0	0	0	
Middle-income	6,349	4,941	74.2	77.8	942	14.8	466	7.3	
Upper-income	2,228	1,714	25.8	76.9	296	13.3	218	9.8	
Unknown-income	0	0	0	0	0	0	0	0	
Total Assessment Area	8,577	6,655	100.0	77.6	1,238	14.4	684	8.0	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	0	0	0	0	0	0	0	0	
Moderate-income	0	0	0	0	0	0	0	0	
Middle-income	516	70.3	446	70.1	50	73.5	20	66.7	
Upper-income	218	29.7	190	29.9	18	26.5	10	33.3	
Unknown-income	0	0	0	0	0	0	0	0	
Total Assessment Area	734	100.0	636	100.0	68	100.0	30	100.0	
Percentage of Total Businesses:				86.6		9.3		4.1	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	0	0	0	0	0	0	0	0	
Moderate-income	0	0	0	0	0	0	0	0	
Middle-income	161	62.4	160	62.5	1	50	0	0	
Upper-income	97	37.6	96	37.5	1	50	0	0	
Unknown-income	0	0	0	0	0	0	0	0	
Total Assessment Area	258	100.0	256	100.0	2	100.0	0	.0	
Percentage of Total Farms:				99.2		.8		.0	

2015 FFIEC Census Data and 2015 D&B Information

Combined Demographics Report

Assessment Area(s): Hamler 2014

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0	0	0	0	0	737	12.7
Moderate-income	0	0	0	0	0	0	967	16.6
Middle-income	4	80	4,223	72.6	361	8.5	1,302	22.4
Upper-income	1	20	1,597	27.4	54	3.4	2,814	48.4
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	5	100.0	5,820	100.0	415	7.1	5,820	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	6,349	4,941	74.2	77.8	942	14.8	466	7.3
Upper-income	2,228	1,714	25.8	76.9	296	13.3	218	9.8
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	8,577	6,655	100.0	77.6	1,238	14.4	684	8.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	505	70.7	428	70.7	43	72.9	34	68
Upper-income	209	29.3	177	29.3	16	27.1	16	32
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	714	100.0	605	100.0	59	100.0	50	100.0
Percentage of Total Businesses:				84.7		8.3		7.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	186	63.9	184	63.7	2	100	0	0
Upper-income	105	36.1	105	36.3	0	0	0	0
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	291	100.0	289	100.0	2	100.0	0	.0
Percentage of Total Farms:				99.3		.7		.0

2014 FFIEC Census Data and 2014 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Hamler’s performance under the lending test is considered “Satisfactory.” The loan-to-deposit ratio is reasonable. Hamler made a majority of its loans inside its assessment area and the borrower distribution of lending is excellent. The geographic distribution of lending is reasonable. Although both geographic and borrower distributions were evaluated in order to determine Hamler’s overall CRA performance, Hamler’s borrower distribution received greater weighting due to the largely homogeneous geographic assessment area.

Loan-to-Deposit Ratio

A financial institution’s loan-to-deposit ratio compares the institution’s aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of an institution’s lending volume relative to its capacity to lend and is derived by adding the quarterly loan-to-deposit ratios and dividing the total by the number of quarters.

The following table shows Hamler’s quarterly loan-to-deposit ratios for the sixteen quarters since the previous evaluation, along with the average loan-to-deposit for the same period.

Hamler State Bank Loan-to-Deposit Ratios				
AS OF DATE	HAMLER STATE BANK	OTTOVILLE BANKING CO	CORN CITY STATE BANK	CUSTOM PEER RATIO
December 31, 2017	78.38	72.90	62.15	67.53
September 30, 2017	75.69	71.44	61.16	66.30
June 30, 2017	73.15	72.32	59.86	66.09
March 31, 2017	68.82	70.40	59.19	64.80
December 31, 2016	71.37	69.51	62.16	65.84
September 30, 2016	70.17	70.22	61.79	66.01
June 30, 2016	68.00	69.32	55.46	62.39
March 31, 2016	69.51	68.23	53.49	60.86
December 31, 2015	71.95	65.45	58.51	61.98
September 30, 2015	68.63	63.16	56.77	59.97
June 30, 2015	68.31	60.46	54.12	57.29
March 31, 2015	64.99	58.41	52.71	55.56
December 31, 2014	65.32	57.55	54.98	56.27
September 30, 2014	62.80	60.96	57.28	59.12
June 30, 2014	60.87	58.90	53.99	56.45
March 31, 2014	56.29	55.89	54.02	54.96
Quarterly Loan-to-Deposit Ratio Average Since the Previous Evaluation	68.39	65.32	57.35	61.34

Hamler has averaged 68.39% over the past sixteen quarters of operation and is above the custom peer group average ratio of 61.34%.⁷ Hamler's LTD ratio has increased from a low of 56.29% as of March 31, 2014 to a high of 78.38% as of December 31, 2017.

Hamler's loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs.

Lending in the Assessment Area

Hamler's small farm, small business, and consumer loans were analyzed to determine the volume of lending inside and outside Hamler's assessment area. The following table shows the distribution of loans made inside and outside the assessment area.

Lending Inside and Outside the Assessment Area

Exam: Hamler 2018

Loan Type - Description	Inside				Outside				Total	
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	\$(000s)
XX - Consumer Loans (2017)	142	87.1	823	75.2	21	12.9	272	24.8	163	1,094
XX - Consumer Loans (2014 - 2016)	308	87.3	2,048	85.3	45	12.7	353	14.7	353	2,401
Total Consumer related	450	87.2	2,871	82.1	66	12.8	625	17.9	516	3,496
SB - Small Business (2017)	37	49.3	2,133	30.6	38	50.7	4,834	69.4	75	6,967
SB - Small Business (2014 - 2016)	77	50	3,673	23.5	77	50	11,957	76.5	154	15,630
Total Small Bus. related	114	49.8	5,805	25.7	115	50.2	16,791	74.3	229	22,596
SF - Small Farm (2017)	111	88.8	8,045	87	14	11.2	1,202	13	125	9,247
SF - Small Farm (2014 - 2016)	272	90.1	22,879	88.9	30	9.9	2,871	11.1	302	25,750
Total Small Farm related	383	89.7	30,925	88.4	44	10.3	4,072	11.6	427	34,997
TOTAL LOANS (2014 - 2017)	947	80.8	39,601	64.8	225	19.2	21,488	35.2	1,172	61,089

As the table indicates, a majority (80.8% by volume and 64.8% by dollar amount) of Hamler's loans were made inside its delineated assessment area.

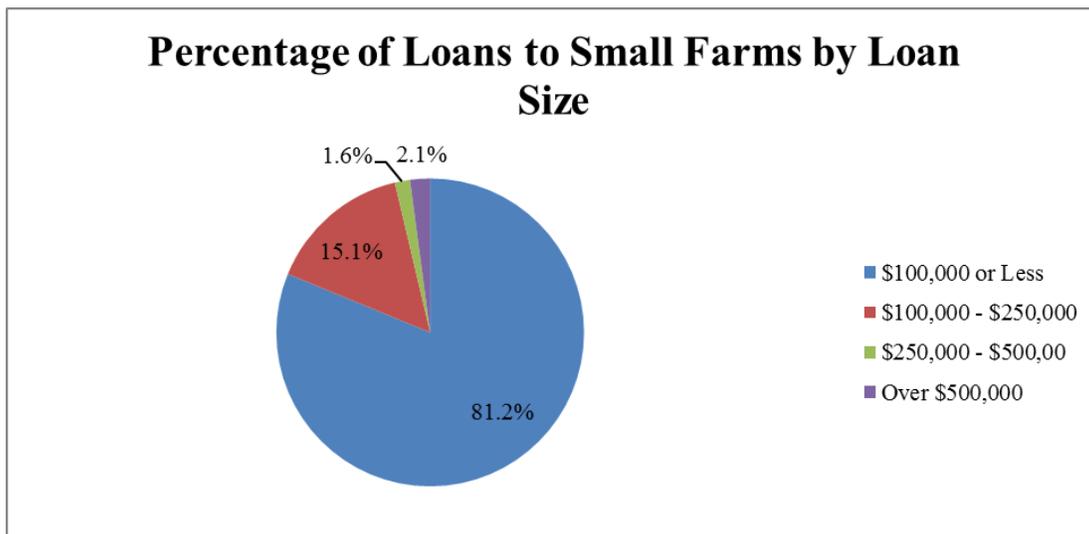
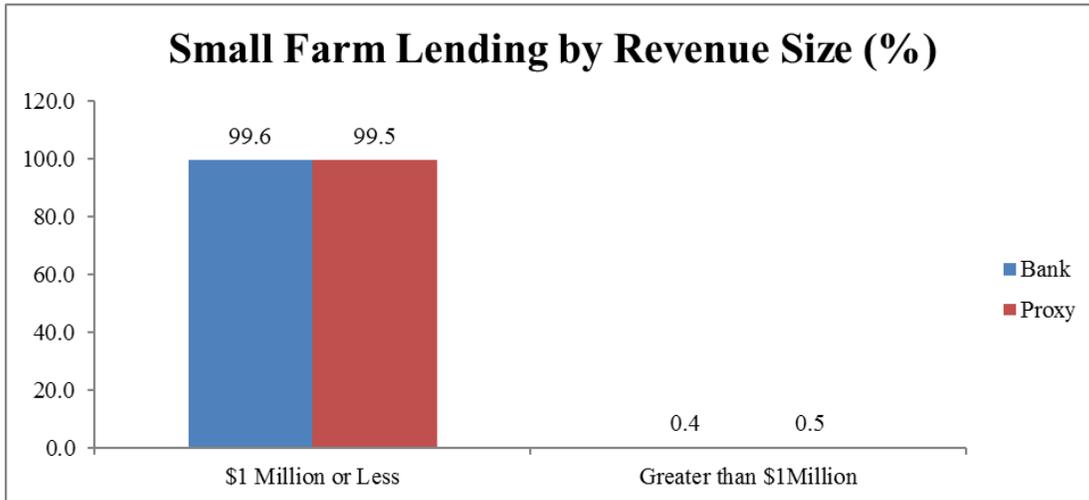
Borrower Distribution of Lending

Hamler's lending to borrowers of different income levels and lending to businesses of different revenue sizes and to small farms of different revenue sizes is considered excellent. Lending to small farms under \$1 million in revenue is excellent, as is lending to small businesses with revenues less than or equal to \$1 million. Hamler's borrower distribution of consumer lending is excellent.

⁷ National peer group consists of all insured commercial banks having assets between \$50 and \$100 million in nonmetropolitan areas with two or fewer full service offices.

Small Farm Lending

Hamler originated 383 loans to small farms totaling \$30.9 million during the evaluation period and 99.6% of the loans originated were to farms with \$1 million or less in revenue compared to proxy at 99.5%. Hamler’s performance for borrower distribution to small farms is considered excellent.

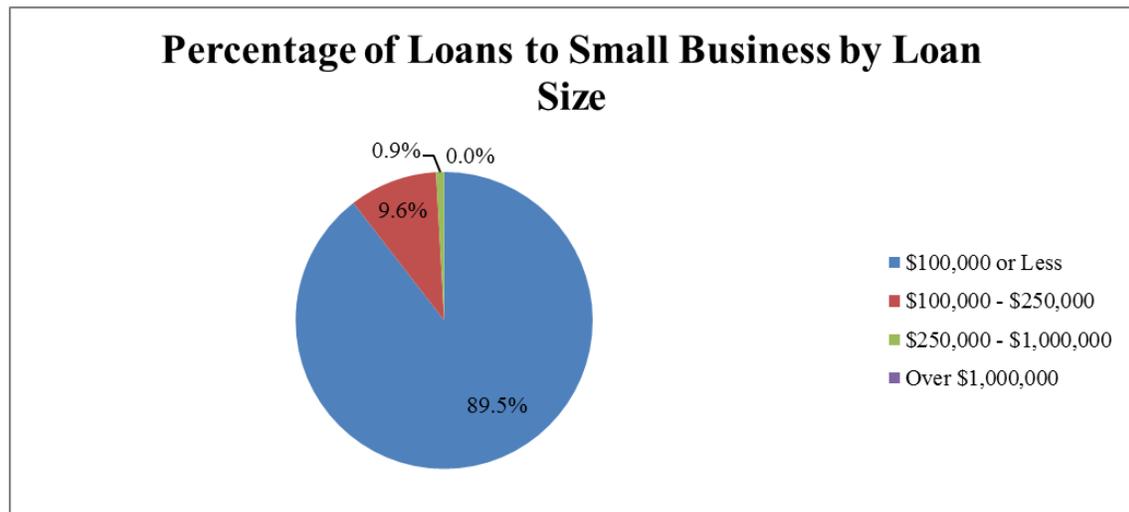
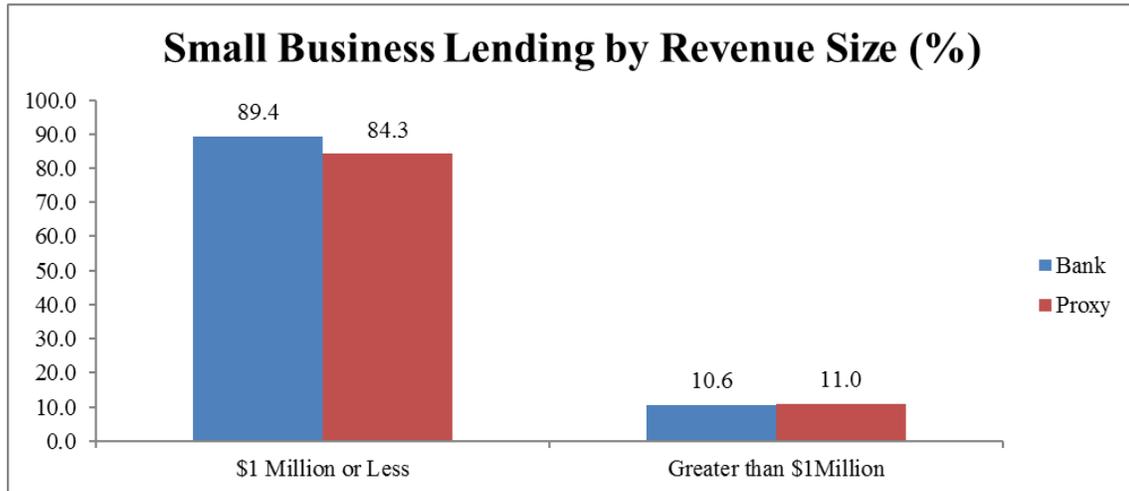


According to lending data, 81.2% of Hamler’s farm loans were extended in amounts of \$100,000 or less. Additionally, 15.1% of the farm loans extended were for amounts greater than \$100,000, but less than or equal to \$250,000 and 1.6% were for amounts greater than \$250,000, but less than or equal to \$500,000. Lastly, 2.1% of Hamler’s farm loans were for amounts greater than \$500,000.

Smaller loans are generally commensurate with the borrowing needs of smaller farms. Hamler’s small farm lending activity is considered excellent and demonstrates that Hamler is effectively meeting the credit needs of local farmers.

Small Business Lending

Small businesses are defined as those with gross revenues of less than or equal to \$1 million. Hamler originated 114 small business loans totaling \$5.8 million during the evaluation period. Additionally, 89.4% of Hamler's loans were originated to businesses with \$1 million or less in revenue compared to proxy at 84.3%.

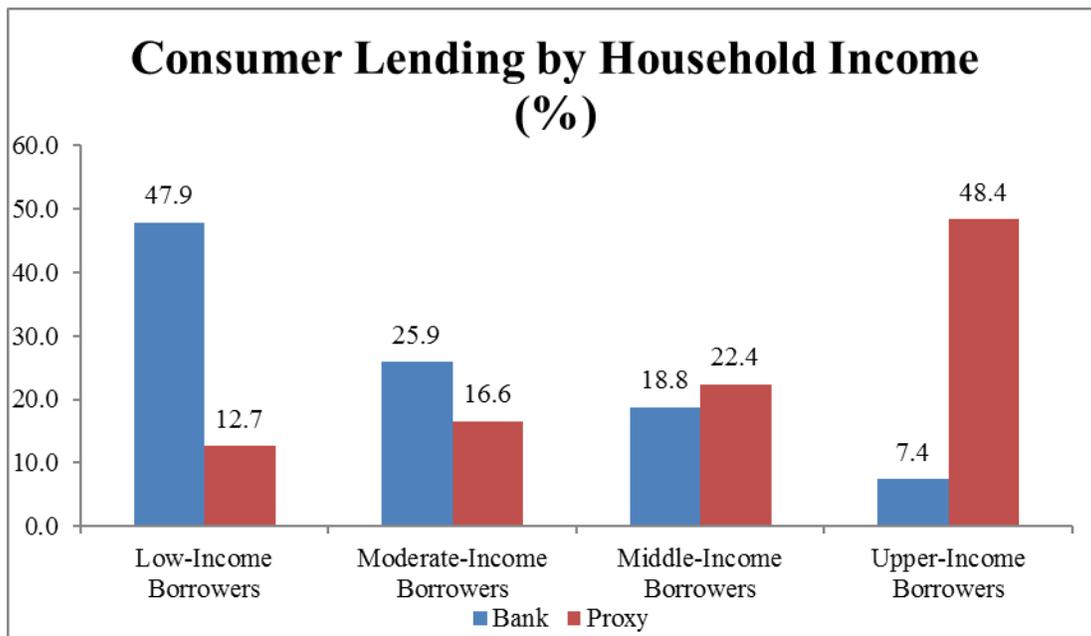


According to lending data, 89.5% of Hamler’s business loans were extended in an amount of \$100,000 or less, demonstrating that Hamler is willing to extend loans in amounts less than or equal to \$100,000 to small businesses who often have a greater need for small dollar amount loans. Additionally, 9.6% of the business loans extended were for amounts greater than \$100,000, but less than or equal to \$250,000 and 0.9% were for amounts greater than \$250,000, but less than or equal to \$1 million. None of Hamler’s business loans were for amounts greater than \$1 million.

Hamler’s small business lending activity is considered excellent and demonstrates that Hamler is effectively meeting the credit needs of its local businesses.

Consumer Lending

Hamler originated 450 consumer loans totaling \$2.9 million during the evaluation period. As depicted in the following graph, Hamler made a significant higher percentage of consumer loans (47.9%) to low-income borrowers compared to the percentage of low-income families (12.7%). Hamler also originated a substantially higher percentage of consumer loans (25.9%) to moderate-income borrowers compared to proxy (16.6%). Lending to middle-income borrowers of 18.8% was slightly below proxy at 22.4% for consumer loans. Hamler originated a substantially lower percentage of loans to upper-income borrowers for consumer loans (7.4%) compared to proxy (48.4%). Hamler’s borrower distribution of consumer lending is considered excellent.

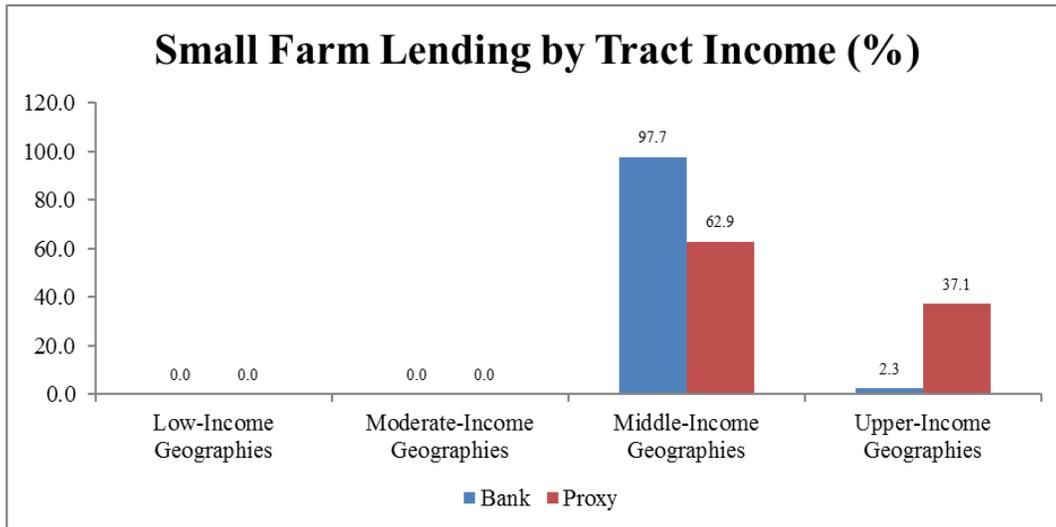


Geographic Distribution of Lending

Overall, Hamler’s distribution of lending among geographies is considered reasonable. There were no lending gaps, as Hamler made loans in all five census tracts.

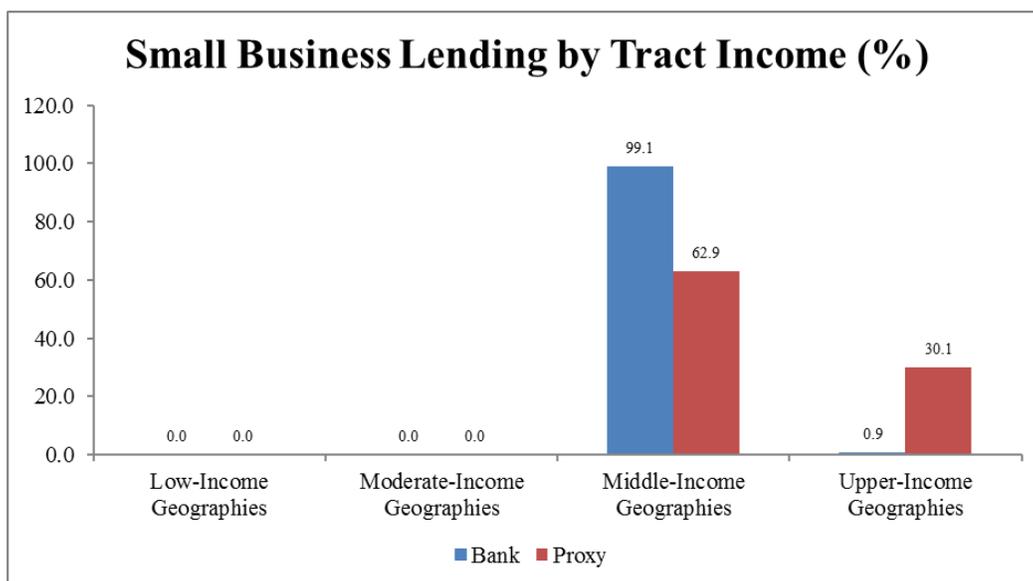
Small Farm Lending

Hamler originated 383 loans to small farms totaling \$30.9 million during the evaluation period. As shown in the graph below, Hamler has no low- or moderate-income tracts. Hamler’s small farm lending was above proxy for in middle-income tracts and significantly below proxy in upper-income tracts. Therefore, the geographic distribution of small farm lending is considered reasonable.



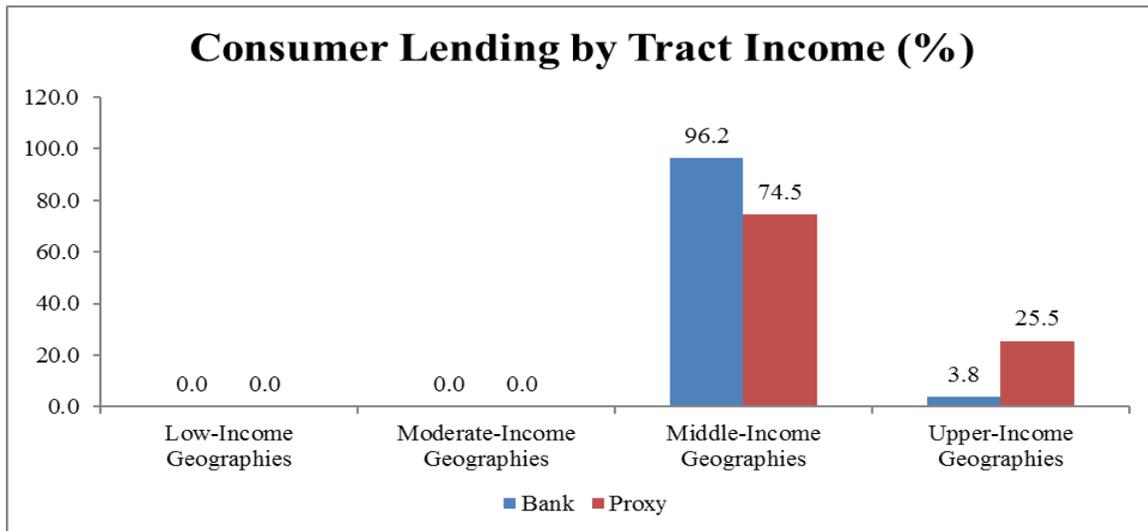
Small Business Lending

Hamler originated 114 small business loans totaling \$5.8 million during the evaluation period. As shown in the graph below, Hamler’s lending in middle-income tracts was above proxy for small business loans and significantly below proxy in upper-income tracts. Therefore, the geographic distribution of small business lending is considered reasonable.



Consumer Lending

Hamler originated 450 consumer loans totaling \$2.9 million during the evaluation period. As depicted in the following graph, Hamler's lending in middle-income tracts was above proxy for consumer loans and significantly below proxy in upper-income tracts. Therefore, geographic distribution of consumer lending is considered reasonable.



Response to Consumer Complaints

No CRA related complaints were filed against Hamler during the evaluation period.

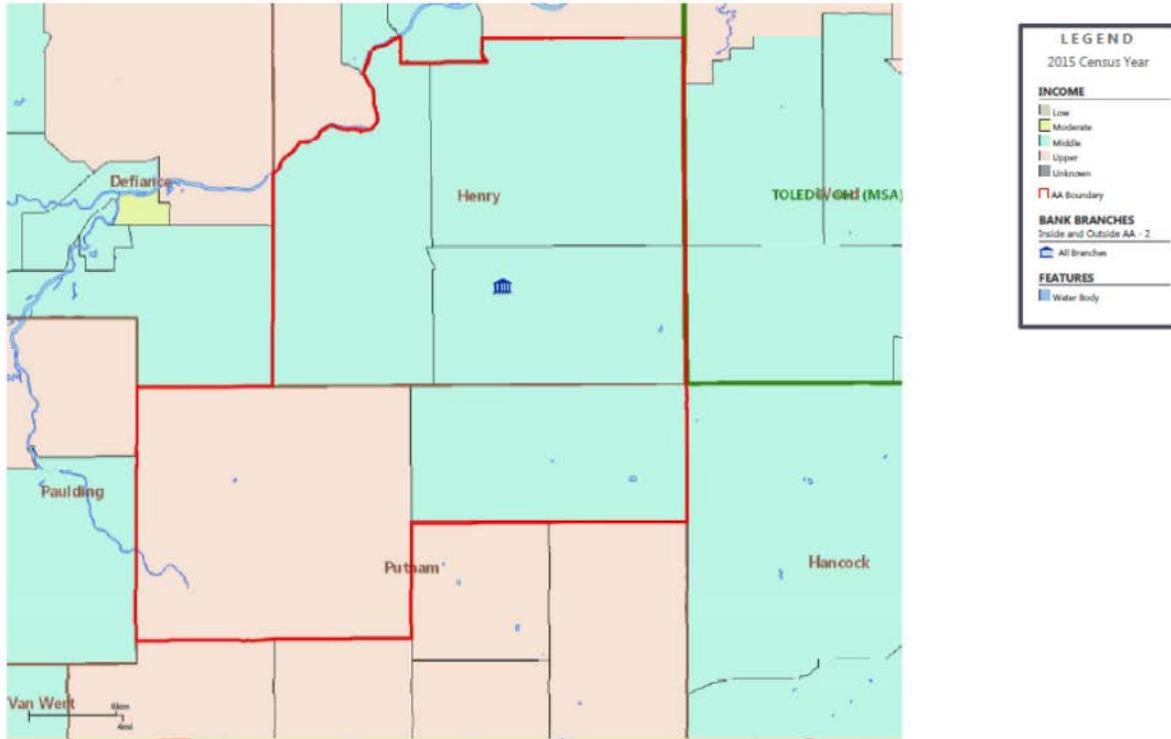
Fair Lending or Other Illegal Credit Practices Review

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified during this evaluation period.

APPENDIX A

ASSESSMENT AREA MAP

Assessment Area: Hamler 2017



APPENDIX B

LENDING TABLES

CRA Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group: Hamler 2017

Income Categories	SMALL BUSINESS				SMALL FARM				SMALL BUS. SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income											
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	36	97.3%	2,108	98.8%	107	96.4%	7,840	97.5%	0	0.0%	0	0.0%
Upper	1	2.7%	25	1.2%	4	3.6%	205	2.5%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	37	100.0%	2,133	100.0%	111	100.0%	8,045	100.0%	0	0.0%	0	0.0%
	By Revenue											
Total \$1 Million or Less	18	48.6%	883	41.4%	67	60.4%	4,942	61.4%	0	0.0%	0	0.0%
Over \$1 Million	1	2.7%	69	3.2%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Not Known	18	48.6%	1,182	55.4%	44	39.6%	3,103	38.6%	0	0.0%	0	0.0%
Total	37	100.0%	2,133	100.0%	111	100.0%	8,045	100.0%	0	0.0%	0	0.0%
	By Loan Size											
\$100,000 or less	34	91.9%	1,283	60.1%	90	81.1%	3,619	45.0%	0	0.0%	0	0.0%
\$100,001 - \$250,000	2	5.4%	400	18.8%	17	15.3%	2,896	36.0%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	1	2.7%	450	21.1%	3	2.7%	880	10.9%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	1	0.9%	650	8.1%	0	0.0%	0	0.0%
Total	37	100.0%	2,133	100.0%	111	100.0%	8,045	100.0%	0	0.0%	0	0.0%
	By Loan Size and Revenue \$1 Million or Less											
\$100,000 or less	17	94.4%	633	71.7%	54	80.6%	1,979	40.0%	0	0.0%	0	0.0%
\$100,001 - \$250,000	1	5.6%	250	28.3%	9	13.4%	1,434	29.0%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	3	4.5%	880	17.8%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	1	1.5%	650	13.2%	0	0.0%	0	0.0%
Total	18	100.0%	883	100.0%	67	100.0%	4,942	100.0%	0	0.0%	0	0.0%

*Information based on 2015 ACS data

CRA Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group: Hamler 2016

Income Categories	SMALL BUSINESS				SMALL FARM				SMALL BUS. SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income											
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	25	100.0%	1,365	100.0%	100	97.1%	7,071	96.5%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	3	2.9%	256	3.5%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	25	100.0%	1,365	100.0%	103	100.0%	7,327	100.0%	0	0.0%	0	0.0%
	By Revenue											
Total \$1 Million or Less	8	32.0%	401	29.3%	71	68.9%	4,774	65.2%	0	0.0%	0	0.0%
Over \$1 Million	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Not Known	17	68.0%	964	70.7%	32	31.1%	2,553	34.8%	0	0.0%	0	0.0%
Total	25	100.0%	1,365	100.0%	103	100.0%	7,327	100.0%	0	0.0%	0	0.0%
	By Loan Size											
\$100,000 or less	22	88.0%	810	59.3%	84	81.6%	3,369	46.0%	0	0.0%	0	0.0%
\$100,001 - \$250,000	3	12.0%	555	40.7%	18	17.5%	3,220	44.0%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	1	1.0%	738	10.1%	0	0.0%	0	0.0%
Total	25	100.0%	1,365	100.0%	103	100.0%	7,327	100.0%	0	0.0%	0	0.0%
	By Loan Size and Revenue \$1 Million or Less											
\$100,000 or less	7	87.5%	151	37.6%	59	83.1%	2,192	45.9%	0	0.0%	0	0.0%
\$100,001 - \$250,000	1	12.5%	250	62.4%	11	15.5%	1,844	38.6%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	1	1.4%	738	15.5%	0	0.0%	0	0.0%
Total	8	100.0%	401	100.0%	71	100.0%	4,774	100.0%	0	0.0%	0	0.0%

*Information based on 2010 ACS data

CRA Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group: Hamler 2015

Income Categories	SMALL BUSINESS				SMALL FARM				SMALL BUS. SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income											
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	28	100.0%	1,364	100.0%	85	98.8%	8,380	99.8%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	1	1.2%	20	0.2%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	28	100.0%	1,364	100.0%	86	100.0%	8,400	100.0%	0	0.0%	0	0.0%
	By Revenue											
Total \$1 Million or Less	19	67.9%	971	71.2%	50	58.1%	4,114	49.0%	0	0.0%	0	0.0%
Over \$1 Million	3	10.7%	190	14.0%	1	1.2%	600	7.1%	0	0.0%	0	0.0%
Not Known	6	21.4%	202	14.8%	35	40.7%	3,686	43.9%	0	0.0%	0	0.0%
Total	28	100.0%	1,364	100.0%	86	100.0%	8,400	100.0%	0	0.0%	0	0.0%
	By Loan Size											
\$100,000 or less	24	85.7%	711	52.1%	72	83.7%	3,072	36.6%	0	0.0%	0	0.0%
\$100,001 - \$250,000	4	14.3%	653	47.9%	8	9.3%	1,523	18.1%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	2	2.3%	655	7.8%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	4	4.7%	3,150	37.5%	0	0.0%	0	0.0%
Total	28	100.0%	1,364	100.0%	86	100.0%	8,400	100.0%	0	0.0%	0	0.0%
	By Loan Size and Revenue \$1 Million or Less											
\$100,000 or less	16	84.2%	438	45.1%	43	86.0%	1,800	43.8%	0	0.0%	0	0.0%
\$100,001 - \$250,000	3	15.8%	533	54.9%	5	10.0%	1,018	24.7%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	1	2.0%	355	8.6%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	1	2.0%	941	22.9%	0	0.0%	0	0.0%
Total	19	100.0%	971	100.0%	50	100.0%	4,114	100.0%	0	0.0%	0	0.0%

*Information based on 2010 ACS data

CRA Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group: Hamler 2014

Income Categories	SMALL BUSINESS				SMALL FARM				SMALL BUS. SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income											
Low	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Moderate	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Low/Moderate Total	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Middle	24	100.00%	944	100.00%	82	98.80%	7,132	99.70%	0	0.00%	0	0.00%
Upper	0	0.00%	0	0.00%	1	1.20%	20	0.30%	0	0.00%	0	0.00%
Unknown	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Tract Unknown	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	24	100.00%	944	100.00%	83	100.00%	7,152	100.00%	0	0.00%	0	0.00%
	By Revenue											
Total \$1 Million or Less	14	58.30%	379	40.10%	53	63.90%	5,056	70.70%	0	0.00%	0	0.00%
Over \$1 Million	3	12.50%	197	20.90%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Not Known	7	29.20%	368	39.00%	30	36.10%	2,097	29.30%	0	0.00%	0	0.00%
Total	24	100.00%	944	100.00%	83	100.00%	7,152	100.00%	0	0.00%	0	0.00%
	By Loan Size											
\$100,000 or less	22	91.70%	579	61.30%	65	78.30%	2,668	37.30%	0	0.00%	0	0.00%
\$100,001 - \$250,000	2	8.30%	365	38.70%	15	18.10%	2,778	38.80%	0	0.00%	0	0.00%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.00%	0	0.00%	1	1.20%	342	4.80%	0	0.00%	0	0.00%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.00%	0	0.00%	2	2.40%	1,365	19.10%	0	0.00%	0	0.00%
Total	24	100.00%	944	100.00%	83	100.00%	7,152	100.00%	0	0.00%	0	0.00%
	By Loan Size and Revenue \$1 Million or Less											
\$100,000 or less	14	100.00%	379	100.00%	42	79.20%	1,849	36.60%	0	0.00%	0	0.00%
\$100,001 - \$250,000	0	0.00%	0	0.00%	8	15.10%	1,501	29.70%	0	0.00%	0	0.00%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	0	0.00%	0	0.00%	1	1.90%	342	6.80%	0	0.00%	0	0.00%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.00%	0	0.00%	2	3.80%	1,365	27.00%	0	0.00%	0	0.00%
Total	14	100.00%	379	100.00%	53	100.00%	5,056	100.00%	0	0.00%	0	0.00%

Consumer Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group : Hamler 2017

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	45	31.7%	212	25.8%
Moderate	0	0.0%	0	0.0%	19	13.4%	151	18.3%
Low/Moderate Total	0	0.0%	0	0.0%	64	45.1%	363	44.1%
Middle	136	95.8%	780	94.7%	17	12.0%	160	19.5%
Upper	6	4.2%	43	5.3%	3	2.1%	34	4.1%
Unknown	0	0.0%	0	0.0%	58	40.8%	266	32.3%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	142	100.0%	823	100.0%	142	100.0%	823	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	45	31.7%	212	25.8%
Moderate	0	0.0%	0	0.0%	19	13.4%	151	18.3%
Low/Moderate Total	0	0.0%	0	0.0%	64	45.1%	363	44.1%
Middle	136	95.8%	780	94.7%	17	12.0%	160	19.5%
Upper	6	4.2%	43	5.3%	3	2.1%	34	4.1%
Unknown	0	0.0%	0	0.0%	58	40.8%	266	32.3%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	142	100.0%	823	100.0%	142	100.0%	823	100.0%

Consumer Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group : Hamler 2016

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	37	27.8%	138	13.9%
Moderate	0	0.0%	0	0.0%	21	15.8%	100	10.0%
Low/Moderate Total	0	0.0%	0	0.0%	58	43.6%	238	23.9%
Middle	126	94.7%	983	98.7%	13	9.8%	53	5.3%
Upper	7	5.3%	13	1.3%	6	4.5%	143	14.3%
Unknown	0	0.0%	0	0.0%	56	42.1%	562	56.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	133	100.0%	996	100.0%	133	100.0%	996	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	37	27.8%	138	13.9%
Moderate	0	0.0%	0	0.0%	21	15.8%	100	10.0%
Low/Moderate Total	0	0.0%	0	0.0%	58	43.6%	238	23.9%
Middle	126	94.7%	983	98.7%	13	9.8%	53	5.3%
Upper	7	5.3%	13	1.3%	6	4.5%	143	14.3%
Unknown	0	0.0%	0	0.0%	56	42.1%	562	56.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	133	100.0%	996	100.0%	133	100.0%	996	100.0%

Consumer Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group : Hamler 2015

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	25	27.5%	82	16.0%
Moderate	0	0.0%	0	0.0%	16	17.6%	83	16.2%
Low/Moderate Total	0	0.0%	0	0.0%	41	45.1%	165	32.2%
Middle	89	97.8%	500	98.0%	13	14.3%	100	19.6%
Upper	2	2.2%	10	2.0%	8	8.8%	95	18.7%
Unknown	0	0.0%	0	0.0%	29	31.9%	151	29.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	91	100.0%	510	100.0%	91	100.0%	510	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	25	27.5%	82	16.0%
Moderate	0	0.0%	0	0.0%	16	17.6%	83	16.2%
Low/Moderate Total	0	0.0%	0	0.0%	41	45.1%	165	32.2%
Middle	89	97.8%	500	98.0%	13	14.3%	100	19.6%
Upper	2	2.2%	10	2.0%	8	8.8%	95	18.7%
Unknown	0	0.0%	0	0.0%	29	31.9%	151	29.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	91	100.0%	510	100.0%	91	100.0%	510	100.0%

Consumer Loan Distribution Table

Exam: Hamler 2018

Assessment Area/Group : Hamler 2014

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	28	33.3%	155	28.6%
Moderate	0	0.0%	0	0.0%	17	20.2%	111	20.4%
Low/Moderate Total	0	0.0%	0	0.0%	45	53.6%	266	49.1%
Middle	82	97.6%	535	98.7%	10	11.9%	67	12.3%
Upper	2	2.4%	7	1.3%	4	4.8%	112	20.6%
Unknown	0	0.0%	0	0.0%	25	29.8%	98	18.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	84	100.0%	542	100.0%	84	100.0%	542	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	28	33.3%	155	28.6%
Moderate	0	0.0%	0	0.0%	17	20.2%	111	20.4%
Low/Moderate Total	0	0.0%	0	0.0%	45	53.6%	266	49.1%
Middle	82	97.6%	535	98.7%	10	11.9%	67	12.3%
Upper	2	2.4%	7	1.3%	4	4.8%	112	20.6%
Unknown	0	0.0%	0	0.0%	25	29.8%	98	18.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	84	100.0%	542	100.0%	84	100.0%	542	100.0%

APPENDIX C

GLOSSARY OF TERMS

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language. 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 size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or,
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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, home equity 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 (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, 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 do 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 applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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 (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is 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 metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

Rated area: A rated area is a state or multistate metropolitan 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 area, the institution will receive a rating for the multistate metropolitan 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) and the Thrift Financial Reporting (TFR) 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.