

COMMUNITY REINVESTMENT ACT STATEMENT

Hometown Community Bank with its main office at,
100 East Main Street, Cyrus, Minnesota 56323

Hometown Community Bank adopts this Community Reinvestment Act Statement in compliance with the Community Reinvestment Act of 1977 and is implemented by Regulation BB (12 CFR 228). HCB will comply to ensure that the bank meets the needs of our surrounding communities, including low- and moderate-income neighborhoods.

Additional Branch Locations:

10635 Tobys Ave SE, Alexandria, Minnesota 56308
116 Morton Avenue in Page, North Dakota 58064 and
410 3rd Street, Fingal, North Dakota 58031

| <u>Lobby & Drive-Up Hours</u> | |
|--|-------------------------------|
| <i>Cyrus, Minnesota</i> | <i>8:00AM – 4:00PM</i> |
| <i>Forada, Minnesota</i> | <i>8:00AM – 4:00PM</i> |
| <i>Page, North Dakota</i> | <i>8:00AM – 4:00PM</i> |
| <i>Fingal, North Dakota</i> | <i>9:00AM – 2:00PM</i> |

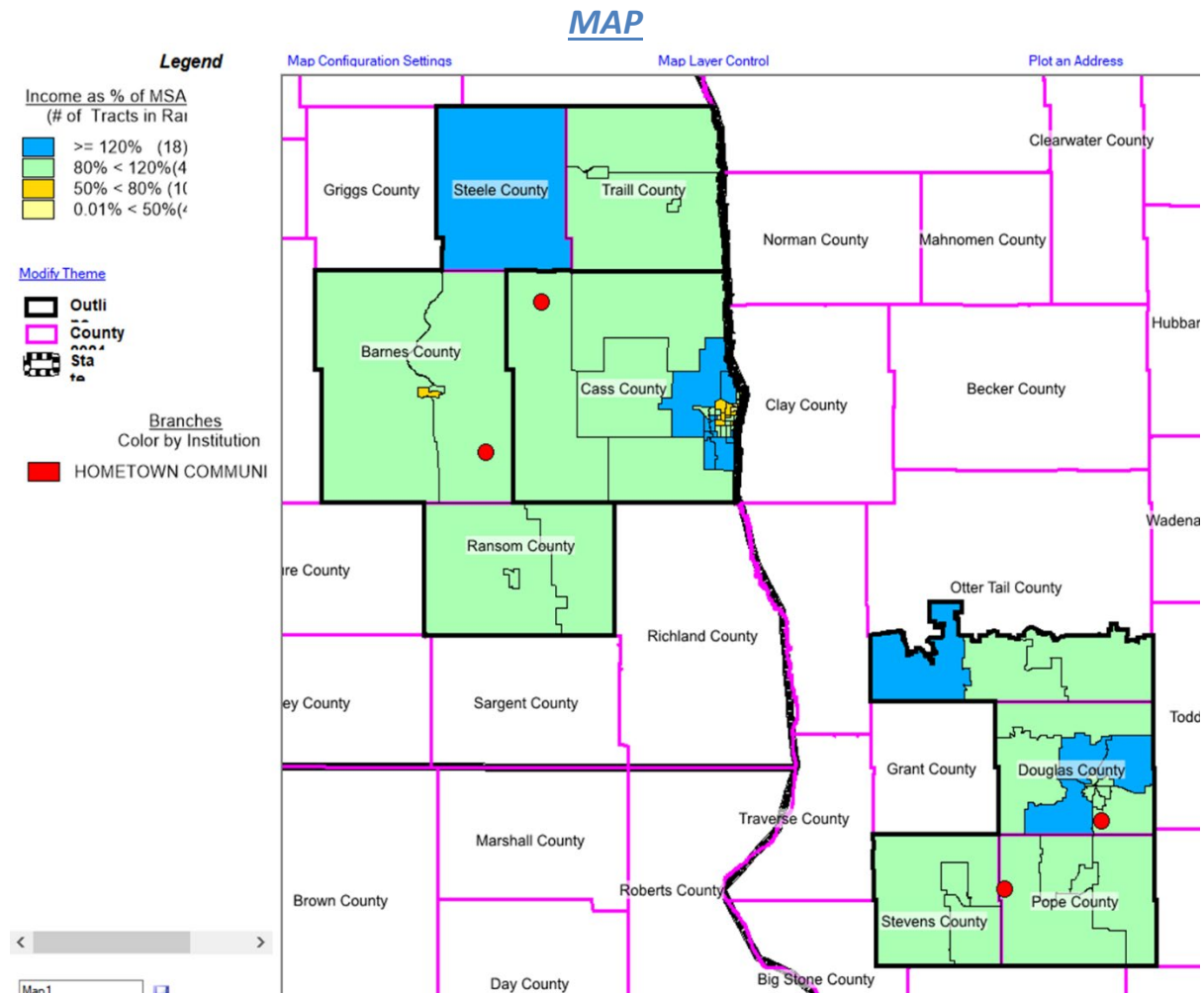
LOCAL COMMUNITY

Hometown Community Bank seeks to meet the credit needs of individuals, firms and our farming entities residing or doing business within our bank market area.

The primary trade areas of the bank are a twenty-mile radius from our four branches in Cyrus and Forada, Minnesota, to include the counties of:

1. Our main service areas in **Minnesota** include **Pope County**, CTs 9701, 9702, 9703, and 9704. **Steven County**, CTs 4801 through 4803. **Douglas County**, CTs 4501, 4502, 4505, 4506, 4507.01, 4507.02, 4508, 4509 and 4510. With the addition of CLO-SVP Hintermeister we are adding **Ottertail County**, CTs 9617, 9616 and 9615. We also serve customers outside of this area, mostly in the State of Minnesota.
2. Our main service areas in **North Dakota** include **Cass County**, **Barnes County**, **Ransom County**, **Traill County** and **Steele County**
3. Our list of available loans:
 - a. Residential one to four family dwelling units
 - b. Residential five or more dwelling units
 - c. Construction
 - d. Home Improvements
 - e. Mobile Hometown Community Bank Farm Loans
 - f. Small Business-Commercial Loans
 - g. Community development loans
 - h. Personal loans such as auto and recreation. With all customer loans a complete copy of the loan and disclosure will be provided.
4. A copy of the Community Reinvestment Act Notice is enclosed and on display at all bank branches.
5. Hometown Community Bank is and always has been a supporter of our local communities. We will continue supporting programs that keep our local communities in mind. Memberships in organizations such as community development programs, fire departments, Lions Club, Community Club, etc. in all communities in our service areas is encouraged by all team members of this bank.
6. The public CRA file will be completed as by FDIC requirements and updated on a timely basis.
7. We will report our progress on the Community Reinvestment Act with the Board of Directors for annual approval.

An aggressive lending attitude, combined with capable lending officers and a fair but firm collection policy, will contribute immensely to the growth and stability of our bank.



CREDIT

The bank seeks to meet the credit needs of individuals, farms and farming entities by making the following types of loans available to qualified borrowers.

- Agricultural loans - Operating Lines of Credit, Real Estate, Machinery and Equipment
- Commercial loans - Operating Lines of Credit, Real Estate, Inventory, Accounts Receivable, Equipment and Machinery
- Small Business loans - SBA or Rural Development loans
- Home improvement loans
- Consumer loans - autos, boats, recreational vehicles, trucks, vans, trailers, etc.
- Community development loans

LOAN PRODUCTS

We offer a variety of loan products at Hometown Community Bank

- **Consumer – Personal Loans**
 - Automobile
 - Recreational Vehicles
 - Boats and Motorcycles
 - Other
- **Real Estate Loans**
 - Purchase/Land
 - Refinance
 - Home Equity Loans
 - Secondary Market Options
 - Home Improvement
 - Construction
- **HELOC – (Home Equity Line of Credit)**
- **Agricultural/Commercial Business Loans**
 - Real Estate/Land Loans
 - Motor Vehicles
 - Operating Lines of Credit
 - Machinery & Equipment
 - Livestock
 - Buildings
 - Other

LOAN FEE Schedule

| | | |
|--|----------------------|------------------------------------|
| Credit Bureau | | Single - \$14.10, Joint \$28.20 |
| Flood Report | | \$17.00 |
| CONSUMER LOANS | | |
| ▪ Bank Loan Fee | | \$25.00 for loan less than \$1,000 |
| ▪ Loans up to \$5,000 | | \$60.00 |
| ▪ Loans \$5,001 - \$10,000 | | \$85.00 |
| ▪ Loans \$10,001 - \$20,000 | | \$125.00 |
| ▪ Loans over \$20,000 | | \$175.00 |
| REAL ESTATE LOANS | | |
| Origination Fee | < \$50,000 | \$250.00 |
| | \$50,001 – \$100,000 | \$500.00 |
| | > \$100,000 | \$1,000.00 |
| Payment Modification or Extension before maturity | | \$150.00 |
| Renewal of Balloon Loan | | \$100.00 |
| In-House Appraisal Fee | | \$100.00 |
| COMMERCIAL LOANS – based on new funds if combined with an existing loan | | |
| ▪ Loans up to \$5,000 | | \$60.00 |
| ▪ Loans \$5,001 to \$10,000 | | \$85.00 |
| ▪ Loans \$10,001 to \$20,000 | | \$125.00 |
| ▪ Loans \$20,001 to \$50,000 | | \$175.00 |
| ▪ Loans \$50,001 to \$100,000 | | \$200.00 |
| ▪ Loans \$100,001 to \$200,000 | | \$225.00 |
| ▪ For loans \$200,001 to \$300,000 | | \$250.00 |

| | |
|------------------------------------|----------|
| ▪ For loans \$300,001 to \$500,000 | \$275.00 |
| ▪ For loans over \$500,000 | \$300.00 |

DEPOSIT PRODUCTS

We offer a variety of deposit products at Hometown Community Bank

Personal Checking

| HOMETOWN CHECKING | |
|---|--|
| ▪ Minimum amount to open account | \$100.00 |
| ○ No service charges | |
| ○ Includes Imaged or non-imaged Statements | |
| ○ E-statements available with an Online Banking account | |
| Fees | |
| Returned Charge-Back NSF Fee | \$10.00 |
| Stop Payment Charge | \$25.00 |
| *Continued Overdraft Charge | \$30.00/applied every 4 th business day the account remains overdrawn |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

| HOMETOWN CHECKING – <i>Non-Interest bearing account</i> | |
|--|--|
| ▪ Minimum amount to open account | \$100.00 |
| ○ Minimum Balance required to maintain | \$0.00 |
| ○ Includes Imaged or non-imaged Statements | |
| ○ E-statements available with an Online Banking account | |
| Fees | |
| Account has no activity/inactive for 36 months | \$5.00/per month, until the customer chooses to either credit or debit the account |
| Returned Charge-Back NSF Fee | \$10.00 |
| Stop Payment Charge | \$25.00 |
| *Continued Overdraft Charge | \$30.00/applied every 4 th business day the account remains overdrawn |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

| NOW CHECKING – <i>Interest bearing account</i> | |
|--|--|
| ▪ Minimum amount to open account | \$750.00 |
| ○ Required Minimum Balance | \$750.00 |
| ○ Includes Imaged or non-imaged Statements | |
| ○ E-statements available with an Online Banking account | |
| Fees | |
| \$10.00 service charge/month, plus, \$.15/per item if balance falls below \$750.00 | |
| Account has no activity/inactive for 36 months | \$5.00/per month, until the customer chooses to either credit or debit the account |
| Returned Charge-Back NSF Fee | \$10.00 |

| | |
|-----------------------------|--|
| Stop Payment Charge | \$25.00 |
| *Continued Overdraft Charge | \$30.00/applied every 4 th business day the account remains overdrawn |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

| | |
|--|--|
| SUPER NOW CHECKING – Interest bearing account | |
| ▪ Minimum amount to open account | \$2,500.00 |
| ○ Required Minimum Balance | \$2,500.00 |
| ○ Includes Imaged or non-imaged Statements | |
| ○ E-statements available with an Online Banking account | |
| <i>Fees</i> | |
| \$10.00 service charge/month, plus, \$.15/per item if balance falls below \$2,500.00 | |
| Account has no activity/inactive for 36 months | \$5.00/per month, until the customer chooses to either credit or debit the account |
| Returned Charge-Back NSF Fee | \$10.00 |
| Stop Payment Charge | \$25.00 |
| *Continued Overdraft Charge | \$30.00/applied every 4 th business day the account remains overdrawn |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

| | |
|--|--|
| HEALTH SAVINGS ACCOUNT (HSA) – Interest bearing account | |
| ▪ Minimum amount to open account | \$0.00 |
| ○ Required Minimum Balance | \$0.00 |
| ○ Includes Imaged or non-imaged Statements | |
| ○ E-statements available with an Online Banking account | |
| <i>Fees</i> | |
| Account has no activity/inactive for 36 months | \$5.00/per month, until the customer chooses to either credit or debit the account |
| Returned Charge-Back NSF Fee | \$10.00 |
| Stop Payment Charge | \$25.00 |
| *Continued Overdraft Charge | \$30.00/applied every 4 th business day the account remains overdrawn |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

Hometown Community Bank are custodians for all IRA accounts, which includes HSA accounts. However, we are not certified in giving tax advice, determining the eligibility of insurance, or advising customers on how to pay out their HAS dollars. If you have any questions regarding the eligibility of and expense or current year HSA maximum contributions, please reach out to your health insurance provider.

Savings

| MONEY MARKET ACCOUNTS (MM) – Interest bearing account | |
|--|--|
| ▪ Minimum amount to open account | \$5,000.00 |
| ○ Higher Balance | |
| ○ Tiered Savings Account | |
| ○ Includes Imaged or non-imaged Statements | |
| ○ E-statements available with an Online Banking account | |
| <i>Fees</i> | |
| If balance falls below \$2,500.00 | \$10.00/per quarter |
| Account has no activity/inactive for 36 months | \$5.00/per month, until the customer chooses to either credit or debit the account |
| Returned Charge-Back NSF Fee | \$10.00 |
| Stop Payment Charge | \$25.00 |
| *Continued Overdraft Charge | \$30.00/applied every 4 th business day the account remains overdrawn |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

**The categories of transactions for which an overdraft charge may be imposed are those by any of the following means: check, in-person withdrawal, or other electronic means*

| PASSBOOK SAVINGS ACCOUNT – Interest bearing account | |
|---|--|
| ▪ Minimum amount to open account | \$50.00 |
| | \$5.00/per quarter |
| ○ Quarterly statements (default), unless combined with a checking account, then statements will be sent out monthly | |
| ○ E-statements available with an Online Banking account | |
| <i>Fees</i> | |
| Service charge if balance falls below \$50 | \$5.00/per quarter |
| Account has no activity/inactive for 36 months | \$5.00/per month, until the customer chooses to either credit or debit the account |
| *Overdraft Paid Item Charge | \$30.00/per item (not to exceed \$120.00/per day) |
| *NSF Returned item Charge | \$40.00/per item (not to exceed \$120.00/per day) |

Certificates of Deposit

| CERTIFICATES OF DEPOSIT – CD's – Fixed Interest-bearing account | |
|--|---|
| ▪ Minimum amount to open account | \$1,000.00 |
| ○ 6 Month – 48 Month | |
| ○ Notices of renewals sent out one month prior to renewal | |
| <i>Fees</i> | |
| Penalty for early withdrawal | 3 – 6 month's interest, depending on the term of the CD |

| IRA's (Certificates of Deposit) – CD's – Fixed Interest-bearing account | |
|--|------------|
| ▪ Minimum amount to open account | \$1,000.00 |
| ○ 6 Month – 48 Month | |

| | |
|---|---|
| ✓ Traditional | |
| ✓ Roth | |
| ○ Notices of renewals sent out one month prior to renewal | |
| Fees | |
| Penalty for early withdrawal | 3 – 6 month's interest, depending on the term of the CD |

SERVICES & FEES

Hometown Community Bank offers a wide variety of products and services to support our customers in financial management. Some of the services require a fee, but many are Free to our customers!

| | |
|---|---|
| ACH & wire Transfer – Outgoing | \$25 |
| Account Research | \$25 / hours |
| Account History | Free – In Person; \$1.00 to mail |
| Automatic OD / Sweep to Accounts | \$1 |
| Bill Pay | Free, with an Online Banking account |
| Cahiers Checks | Free to customers |
| Personal / Business Checks (ordered through Main Street Checks) | Cost according to Check Catalog |
| Coin Counting | \$5 or Free to customers |
| Copies | Free for customers only (Lg. number of copies, to be determined) |
| Debit Card Replacement | \$20 |
| FAX – Customers | Free |
| FAX – non-customers | \$3 |
| Gift / Travel / Convenient Access Cards | \$4.95 / New or Re-Load at the Bank |
| ID Theft Smart | \$1.99 / Per customer, per month |
| International Wire Transfers – Outgoing | \$70 |
| Mastercard® Debit Card | Free at account opening and auto renewal |
| Mobile Banking | Free (upon approval) |
| Mobile Deposit | Free (upon approval) |
| Notary Service | Free |
| Online Banking | \$15 Annual Fee |
| Ready Reserve (Upon Approval) | Upon Approval |
| Safe Deposit Box – Cyrus | Small – \$15; Large – \$20 |
| Safe Deposit Box - Forada | Small – \$15; Medium – \$20 & \$25; Large – \$40 |
| Safe Deposit Box – Page or Fingal | Small – \$15; Large – \$20 |
| VISA® Platinum Credit Card | Free (upon approval) |
| ATM (Cash Only – No Deposits) | No surcharge for customers with Debit Cards at Hometown Community Bank. |
| ATM Locations | |
| ▪ Hometown Community Bank, 116 Morton Ave, Page, ND | |
| ▪ R & J's Front-Page Lounge, 117 Morton Ave, Page, ND | |
| ▪ Page Public School, 630 May Ave, Page, ND | |
| ▪ Hometown Community Bank, 10635 Tobys Ave SE, Alexandria, MN | |
| ▪ Maple Valley Public School, 207 Broadway, Tower City, ND | |
| ▪ McGuire's Pub & Grub, 120 1 st Ave., Pillsbury, ND | |
| ▪ Nome Schoolhouse, 200 1 st Ave., Nome, ND | |

1. A copy of the Community Reinvestment Act Notice is enclosed and on display at all the bank locations.
2. Hometown Community Bank is and always has been a supporter of our local communities. We will continue supporting programs that keep our local communities in mind. Memberships in organizations such as community

development programs, fire departments, Lions Club, etc. in all communities in our service area will be encouraged by all team members of this bank.

3. The public CRA file will be completed as by FDIC requirements and updated on a timely basis.
4. We will report our progress on the Community Reinvestment Act with the Board of Directors for annual approval.

COMMUNITY CREDIT NEEDS

The bank currently participates in and will continue to participate in a broad range of community programs designed to meet the respond to the credit needs of its local communities through credit services, direct personal involvement of its employees and cooperation with community officials and agencies.

Below is a list of schools, clubs, non-profit organizations and civil service establishments, Hometown Community Bank has donated monetarily:

| In Minnesota – | In North Dakota – |
|---|---|
| ✓ Hancock Public School | ✓ Hope-Page Public School |
| ✓ Morris Public School | ✓ Maple Valley Public School |
| ✓ Minnewaska Public School | ✓ Page Community Club |
| ✓ Pope County Pheasants | ✓ Page Theatre |
| ✓ Forada Lions Club | ✓ Page Veteran’s Memorial Park |
| ✓ Forada VFW Auxiliary | ✓ Veterans Honor Flight |
| ✓ Cyrus Community Club | ✓ Fingal Community Club |
| ✓ Pope County Fair | ✓ BIO Girls |
| ✓ Forada Fire Department | ✓ Page Park Board |
| ✓ Redline Booster Club - Hockey | ✓ Cass County Community of Care |
| ✓ Douglas County Sheriff’s department | ✓ Hope Golf Course |
| ✓ Pope County Salvation Army | ✓ Many Individual Benefits, <i>as they befall</i> |
| ✓ Many Individual Benefits, <i>as they befall</i> | |

Hometown Community Bank employees strive to be active in their communities by staying engaged, involved, and committed with memberships and volunteering, all for the betterment of their communities and the people we serve.

| In Minnesota – | In North Dakota – |
|---|---|
| ✓ Fron Lutheran Church, Starbuck | ✓ Our Savior Lutheran Church, Page |
| ✓ Minnewaska Lutheran Home Auxiliary | ✓ Colgate Presbyterian Church, Page |
| ✓ Starbuck Fire Department | ✓ Redeemer Lutheran Church, Hope |
| ✓ Dalton Lions Club | ✓ Page City Council |
| ✓ Lake Region Pioneer Threshermans Assoc. | ✓ Page Theatre |
| ✓ Dalton Community Club | ✓ Page Veteran’s Memorial Park |
| ✓ Brandon-Evansville School Athletic Programs | ✓ Fingal City Council |
| ✓ Grace Lutheran Church, Brandon | ✓ Valley City Sons of Norway Hjemdahl Lodge |
| ✓ Alexandria Lakes Area Chamber of Commerce | ✓ Messiah Lutheran Church, Fingal |
| ✓ West Moe Lutheran Church, Garfield | ✓ Grace Free Lutheran Church, Valley city |
| ✓ Starbuck Area Chamber of Commerce | ✓ Page Community Club |
| ✓ Sacred Heart Catholic Church, Glenwood | ✓ Page Development Corporation |
| ✓ Starbuck VFW Auxiliary | ✓ |
| ✓ West Central Area School Athletic Programs | ✓ |
| ✓ Forada Lions Club | ✓ |
| ✓ Parkers Prairie Lions Club | ✓ |
| ✓ Prairie Snow Drifters Club, Parkers Prairie | ✓ |
| ✓ Parkers Prairie Dollars for Scholars | ✓ |

Additions to the CRA:

| Loan-to-Deposit Ratio | | | | | | | |
|-----------------------|--------|--------------------|--------|--------------------|--------|--------------------|---------|
| <u>2024</u> | | <u>2023</u> | | <u>2022</u> | | <u>2021</u> | |
| March | 92.47% | March | 82.25% | March | 77.63% | March | 66.94% |
| June | 99.64% | June | 93.59% | June | 80.27% | June | 76.60% |
| September | 97.14% | September | 99.26% | September | 87.57% | September | 80.47% |
| December | 98.90% | December | 97.19% | December | 85.03% | December | 78.09% |
| | | | | | | | |
| <u>2020</u> | | <u>2019</u> | | <u>2018</u> | | <u>2017</u> | |
| March | 86.22% | March | 89.68% | March | 95.62% | March | 100.09% |
| June | 82.60% | June | 88.31% | June | 96.95% | June | 102.87% |
| September | 82.26% | September | 88.06% | September | 94.26% | September | 106.73% |
| December | 80.06% | December | 92.27% | December | 89.80% | December | 98.93% |

HOME MORTGAGE DISCLOSURE ACT NOTICE

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age and income of applicants and borrowers; and information about loan approvals and denials. HMDA data for many other financial institutions are also available online. For more information, visit the Consumer Financial Protection Bureau's Web site

www.consumerfinance.gov/hmda