



# Park State Bank

## Community Reinvestment Act (CRA)

### Policy

*Updated December 2023*

<b>Guideline Owner</b>	Chief Marketing Officer (CRA Officer)
<b>Effective Date</b>	December 19, 2023
<b>Next Review Date</b>	December 2024



Park State Bank is committed to understanding, responding to, and meeting the credit needs of the communities we serve. We strive to ensure that potential clients in our communities, including low to moderate income residents in our lending assessment areas, are aware of the financial products and services we offer.

For Community Reinvestment Act purposes, Park State Bank defines its assessment area in Minnesota as all of Itasca County, St. Louis County, Lake County, Carlton County, Hennepin County, and one census tract in Aitkin County. Park State Bank also considers all of Douglas County in Wisconsin as part of its assessment area. The delineation of our assessment area does not necessarily restrict our participation in loans outside of our assessment area.

Park State Bank seeks loans throughout our assessment area through our marketing program, employee involvement in community organizations, bank support of and participation in community events, and continually assessing the credit needs of the communities we serve through employee awareness of and involvement in development organizations and activities.

Our lending programs and deposit services offered meet the needs of our local communities. We offer the following types of credit to credit-worthy borrowers without discrimination and as funds permit according to safe and sound banking practices:

Home Purchase Loans	Small Business Administration Loans
Home Refinance Loans	Secondary Market Mortgage Programs
Home Improvement Loans	Commercial Letters of Credit
Home Construction Loans	Commercial and Industrial Loans/Credit Lines
Home Equity Loans	Commercial RE Loans
Home Equity Lines of Credit	Construction Loans
Personal Secured and Unsecured Loans	Credit Cards
Consumer Installment Loans	Medical Repayment Loans

As a result of decades of serving the credit needs of our communities, we have determined that commercial, small business, and home loans are most in demand.



Our Mortgage Department works with Rural Development, Federal Home Loan Bank (FHLB), Fannie Mae, Veterans Affairs (VA) and Federal Housing Administration (FHA) to offer loans that assist homebuyers (including first time buyers) by providing greater access to financing with greater flexibility, including reduced or eliminated down payment requirements in certain instances.

Park State Bank has made and will continue to make loans to low and moderate income borrowers anywhere within our assessment area as long as the borrower is credit-worthy. Our participation in the Federal Home Loan Bank - Des Moines through down payment assistance programs to promote home affordability and our partnership on first time home-buyer education with One Roof Community Housing - Duluth are two examples.

Additionally, we have made loans to local small business enterprises and have participated in special credit-related programs with other agencies such as the U.S. Small Business Administration, Minnesota Business Finance Corporation, the Iron Range Resources and Rehabilitation Board, the Northland Foundation, Amplio, Northspan, Northeast Entrepreneur Fund, Arrowhead Regional Development Commission, Greater Minnesota Housing Fund, and the Two Harbors Development Fund. Furthermore, we have worked with the Cook County Grand Marais Economic Development Authority to initiate a development project.

Park State Bank will continue to assist, consistent with sound banking practices, our local units of government by investing in local bond issues where available and appropriate as well as making available short-term credit to such units. We have also participated and will continue to participate in local development and redevelopments projects and programs.

Park State Bank believes that service to our communities does not end with the lending function. Therefore, we will continue to encourage our employees to be active in our communities' civic associations, city governments, school boards, and other civic endeavors that promote the development needs of our area.

We also encourage our employees to take a proactive approach to determining community needs by being involved in organizations concerned with community development and the needs of low and moderate income people. In addition, it is the policy of Park State Bank to supply speakers on banking  
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and financial matters to school classes, community organizations, housing agencies, and other interested groups.

Employees have been instructed to be on the alert to the changing needs of our communities. We provide enhanced services and expanded bank access for our customers by educating them about our ATM partnerships, mobile banking and remote mobile banking services, e-statements, e-pay, e-deposits, 24-hour telephone banking, internet banking, credit card and prepaid card options.

Our CRA policy is reviewed periodically by our Board of Directors to ensure that viable and relevant credit extension programs are always available to our communities, consistent with applicable state and federal regulations and directives, and to reinforce the Board's overall responsibility of maintaining a safe and sound financial institution.

Written comments about our CRA performance or Park State Bank's performance in helping to meet community credit needs may be sent to our CRA Officer, Marci Knight, at 2630 West Superior Street in Duluth, MN 55806 and to the Regional Director, FDIC Regional Office: 1100 Walnut Street, Suite 2100; Kansas City, Missouri 64106-2180. Your letter, together with any responses by us, may be made public.

You may look at a file of all signed written comments received by Park State Bank within the past two years, any responses Park State Bank has made to the comments, and all CRA Statements in effect during the past two years at our office located at 2630 West Superior Street in Duluth, MN 55806.

You may ask to look at any comments received by the FDIC's Regional Office at 1100 Walnut Street, Suite 2100; Kansas City, MO 64106-2180.

You may also request an announcement of applications covered by the CRA and filed with the FDIC by contacting the FDIC at 550 17<sup>th</sup> Street NW; Washington, DC 20429.



**CHANGE HISTORY:**

VERSION	DATE	EDITOR	CHANGES MADE
21.1	4/22/2021	KRS	New policy due to bank merger.
	4/27/21		BOD Approval
21.2	3/22/22	TLC	BOD Approval
21.3	2/20/2023	MKK	BOD Approval
21.4	12/12/2023	MKK	BOD Approval