PUBLIC DISCLOSURE

July 15, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Raccoon Valley Bank
Certificate Number: 245

1202 Second Street
Perry, Iowa 50220

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Kansas City Regional Office

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

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 RATING

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

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The following points summarize Raccoon Valley Bank's Community Reinvestment Act (CRA) performance under the Lending Test and Community Development Test.

The Lending Test is rated Satisfactory.

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

- Overall, a majority of loans are located inside the institution's assessment area.

- The geographic distribution of loans reflects excellent dispersion throughout the assessment area.

- The distribution of borrowers reflects overall reasonable penetration among businesses and farms of different revenue sizes and individuals of different income levels.

- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Satisfactory.

- The institution demonstrated adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity and the needs and availability of opportunities for community development in the assessment area.

DESCRIPTION OF INSTITUTION

Raccoon Valley Bank is a community bank headquartered in Perry, Iowa. The bank is wholly owned by a two-bank holding company, Greene Investment Company, located in Jefferson, Iowa. The bank is affiliated with Home State Bank, Jefferson, Iowa through common ownership. There are no other lending affiliates. The institution received a "Satisfactory" rating at its previous FDIC CRA Performance Evaluation dated June 9, 2021, based on Interagency Small Institution Examination Procedures.

In addition to its main office in Perry, Raccoon Valley Bank operates three branch offices in Adel, Dallas Center, and Grimes, Iowa. The Minburn branch closed as of November 18, 2022. No other offices have opened or closed since the previous evaluation, and no merger or acquisition activities have occurred.

Raccoon Valley Bank offers various loan products, including commercial, agricultural, home mortgage, and consumer loans. The bank's primary lending focus remains on commercial, agricultural, and home mortgage loans. Additionally, special financing alternatives are available through programs offered by the Small Business Administration (SBA) and the U.S. Department of Agriculture. The bank also facilitates long-term home mortgage financing through the secondary market. To assist low- and moderate-income borrowers, Raccoon Valley Bank offers affordable housing loans through the Federal Home Loan Bank and the Iowa Finance Authority. The bank also offers a consumer small-dollar loan program that originated approximately 25 small dollar loans totaling $25,150 since the prior evaluation.

The bank provides a variety of deposit products, including checking, savings, money market deposit accounts, and certificates of deposit. Electronic banking services include internet and mobile banking, along with bill pay and electronic statements. Full-service automated teller machines (ATMs) are located at each office location.

As of March 31, 2024, Reports of Condition and Income (Call Report) the institution reported total assets of $457.5 million, total loans of $341.7 million, total securities of $60.6 million, and total deposits of $415.7 million. Total assets increased 28.0 percent, total loans increased 40.6 percent, total securities increased 5.4 percent, and total deposits increased 29.8 percent since the prior evaluation. Bank management attributed the increase in assets, loans, and deposits to the new Grimes branch, successful strategic growth, and the addition of new loan officers. Portfolio concentrations have remained generally consistent over the period reviewed. The following table illustrates the composition of the loan portfolio.

Loan Portfolio Distribution as of 3/31/2024		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	50,622	14.8
Secured by Farmland	41,296	12.1
Secured by 1-4 Family Residential Properties	59,139	17.3
Secured by Multifamily (5 or more) Residential Properties	23,131	6.8
Secured by Nonfarm Nonresidential Properties	88,005	25.8
Total Real Estate Loans	**262,193**	**76.8**
Commercial and Industrial Loans	45,596	13.3
Agricultural Production and Other Loans to Farmers	26,986	7.9
Consumer Loans	992	0.3
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	5,891	1.7
Less: Unearned Income	(0)	(0.0)
Total Loans	**341,658**	**100.0**
Source: Call Report		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet the credit needs of its assessment area.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Raccoon Valley Bank designated a single assessment area in central Iowa consisting of 31 census tracts located in all of Dallas County and portions of Guthrie and Polk counties. The assessment area is part of the Des Moines-West Des Moines, Iowa Metropolitan Statistical Area (MSA). While the boundaries of the assessment area have not materially changed since the prior evaluation, the net number of census tracts that comprise the assessment area increased from 21 to 31 due to population growth and commercial development, per the 2020 U.S. Census.

Economic and Demographic Data

According to 2020 U.S. Census data, the assessment area consists of one low-, one moderate-, 13 middle-, and 16 upper-income census tracts. This composition is a change from the prior evaluation, where the assessment area consisted of two moderate-, eight middle-, and 11 upper-income census tracts, according to the 2015 American Community Survey. The following table illustrates select demographic characteristics of assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	31	3.2	3.2	41.9	51.6	0.0
Population by Geography	157,464	2.1	2.9	34.6	60.4	0.0
Housing Units by Geography	60,029	2.5	3.4	38.7	55.5	0.0
Owner-Occupied Units by Geography	41,696	2.1	2.4	32.7	62.8	0.0
Occupied Rental Units by Geography	14,620	3.5	5.5	49.2	41.7	0.0
Vacant Units by Geography	3,713	2.4	6.1	63.3	28.2	0.0
Businesses by Geography	24,110	1.6	1.3	40.9	56.2	0.0
Farms by Geography	1,208	1.3	1.7	48.4	48.5	0.0
Family Distribution by Income Level	38,028	13.0	13.3	19.3	54.4	0.0
Household Distribution by Income Level	56,316	14.4	14.6	16.9	54.2	0.0
Median Family Income - Des Moines-West Des Moines, Iowa MSA		$89,538	Median Housing Value			$257,701
			Median Gross Rent			$1,031
			Families Below Poverty Level			3.7%

Source: 2020 U.S. Census and 2023 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%

According to 2023 D&B data, service industries represent the largest portion of businesses at 31.9 percent; followed by non-classifiable establishments at 28.6 percent; finance, insurance, and real estate at 13.7 percent; retail trade at 6.7 percent; and construction at 6.4 percent. In addition, 61.8 percent of assessment area businesses have less than five employees, and 95.1 percent operate from a single location.

FFIEC median family incomes for the Des Moines-West Des Moines, Iowa MSA were used to analyze home mortgage lending performance under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
2022 ($98,100)	<$49,050	$49,050 to <$78,480	$78,480 to <$117,720	≥$117,720
2023 ($105,000)	<$52,500	$52,500 to <$84,000	$84,000 to <$126,000	≥$126,000
Source: FFIEC				

Competition

Raccoon Valley Bank operates in a highly competitive market for credit products and financial services. According to FDIC Deposit Market Share data as of June 30, 2023, there were 50 financial institutions operating 180 offices within the counties of Dallas, Guthrie, and Polk. These

institutions range from small community banks to large, national institutions. Raccoon Valley Bank ranked 12th with 1.3 percent of the deposit market share.

Additionally, although the bank is not required to collect or report its small business or small farm loan data, and analyses under the Lending Test do not include direct comparisons to aggregate lending data, this aggregate lending data reflects the level of competition and demand for these loan types and may be referenced throughout this evaluation for this purpose. CRA aggregate data for 2022 shows 116 lenders reported 12,497 small business loan originations and 23 lenders reported 383 small farm loan originations in the assessment area. To further illustrate the level of competition and demand for loans, 2022 Home Mortgage Disclosure Act (HMDA) aggregate data shows 310 institutions reported 9,745 home mortgage loan originations/purchases within the assessment area.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in understanding economic conditions and identifying credit needs. This information helps to determine whether local financial institutions are responsive to community credit needs and provides context regarding available lending opportunities.

Examiners interviewed a representative with extensive knowledge of the agricultural economy within the assessment area. The contact stated that agricultural conditions in the Perry area are challenging. Crop farmers have seen a significant reduction in profits and reduced net farm income. Crop prices are driven by production costs, which have significantly increased in the past few years. While profits have been strong in the past, the margins are much tighter now. Due to technology advances in agriculture, farmers can still work at post-retirement ages since there is less manual work. Agricultural career cycles are extending. The average age of farmers continues to increase, but there has been a surge in new farmers capitalizing on non-traditional crops, such as fruits, vegetables, forestry, and flowers. Farms are becoming much more diversified due to the popularity of farmers markets, stands, and niche markets. New farmers have found better opportunities in niche markets rather than traditional crops. New farmers are a combination of legacy farmers taking over family operations and those completely new to the industry. There has been an increase in mid-sized farms focusing on new specialty crops. The contact noted the negative economic consequences associated with the closures of the Tyson and the Altoona Smithfield plants, as well as the numerous staff reductions at John Deere. However, there has been an increase in smaller agriculture operation hiring and off-farm jobs. Overall, financial institutions are meeting banking and credit needs, and creditworthy individuals and businesses can obtain financing.

Credit and Community Development Needs and Opportunities

Information from the community contact and bank management, as well as demographic and economic data indicate that small farm, small business, and home mortgage loans are the primary credit needs of the assessment area. Call Reports filed by area financial institutions also support this assertion. Community development needs include activities that promote affordable housing, economic development, community services, and revitalization and stabilization of low- and moderate-income areas. The number of low- and moderate-income individuals and number of small businesses and small farms in the assessment area, as well as the presence of low- and moderate-income geographies, evidence this.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated June 9, 2021, through the current evaluation dated July 15, 2024. Examiners used the Interagency Intermediate Small Institution Examination Procedures to evaluate the institution's CRA performance. Related procedures include the Lending and Community Development Tests, which the Appendices describe in detail.

Activities Reviewed

Based on Call Report information, the number and dollar volume of loans originated during the evaluation period, and the bank's business strategy, examiners determined that the major product lines are small business, small farm, and home mortgage loans. Given management's stated business focus, equal weight was given to all three loan types when drawing conclusions. Bank records and discussions with management indicated the product mix remained consistent throughout the evaluation period.

For the Lending Test, examiners considered all small business and small farm loans originated or renewed in 2023, and all home mortgage loans originated in 2022 and 2023. Management indicated that a review of lending activity from this timeframe would yield a representative analysis of lending performance since the prior evaluation. Examiners reviewed the entire universe of loans to evaluate Assessment Area Concentration. The universe consisted of 150 small business loans totaling $23.6 million, 63 small farm loans totaling $8.3 million, 118 home mortgage loans totaling $22.0 million in 2022, and 112 home mortgage loans totaling $27.3 million in 2023. The Geographic Distribution analysis only focused on loans made within the assessment area. For the Borrower Profile analysis, all small farm and home mortgage loans within the assessment area were reviewed; however, for small business loans, examiners used a sample of loans originated or renewed inside the assessment area. The sample included 45 small business loans totaling $6.3 million.

For small business and small farm conclusions, 2023 D&B data provided a standard of comparison. When arriving at home mortgage conclusions, HMDA aggregate data for 2022 and 2020 U.S. Census data provided a standard of comparison for the 2022 home mortgage loans reviewed. Home mortgage lending performance in 2023 was compared to 2020 U.S. Census data, as 2023 aggregate data was not available. Examiners primarily focused on lending performance to aggregate data since it is typically a better indicator of market conditions and loan demand.

Examiners obtained the data necessary for this evaluation from loan data, customer loan files, and interviews with bank management. Examiners analyzed lending performance by both number and dollar volume of loans. However, examiners emphasized performance by number of loans when evaluating the Geographic Distribution and Borrower Profile criteria, as it is generally a better indicator of the number of businesses, farms, and individuals served.

For the Community Development Test, examiners considered community development loans, qualified investments, and community development services since the prior evaluation. Examiners excluded loans considered under the Lending Test from the Community Development Test.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Raccoon Valley Bank demonstrated satisfactory performance under the Lending Test. The bank's collective performance under Loan-to-Deposit Ratio, Assessment Area Concentration, Geographic Distribution, and Borrower Profile supports this conclusion.

Loan-to-Deposit Ratio

Raccoon Valley Bank's average net loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The institution's net loan-to-deposit ratio, calculated from Call Report data, averaged 82.3 percent over the 12 calendar quarters from June 30, 2021, to March 31, 2024. The net loan-to-deposit ratio ranged from a low of 74.7 percent as of June 30, 2021, to a high of 87.1 percent as of December 31, 2022. The ratio fluctuated during the review period but has been gradually trending upward. Management attributed the steady increase in the net loan-to-deposit ratio to the maturing of the Grimes branch, strong commercial loan growth, and the addition of new loan officers. Examiners compared Raccoon Valley Bank's average net-loan-to-deposit ratio with those of four similarly-situated institutions to evaluate the institution's performance. Examiners selected comparable institutions based on similarities in lending focus, asset size, or markets served. As shown in the following table, Raccoon Valley Bank's ratio is above or in-line with the comparable institutions' ratios.

Loan-to-Deposit Ratio Comparison		
Bank	**Total Assets as of 3/31/2024 $(000s)**	**Average Net Loan-to-Deposit Ratio (%)**
Raccoon Valley Bank, Perry, Iowa	**457,467**	**82.3**
Peoples Bank, Clive, Iowa	453,056	72.6
TruBank, Indianola, Iowa	432,156	72.6
Earlham Savings Bank, West Des Moines, Iowa	364,518	50.1
Midwest Heritage Bank, West Des Moines, Iowa	477,586	88.6
Source: Reports of Condition and Income 6/30/2021 through 3/31/2024		

Further, Raccoon Valley Bank sells home mortgage loans to secondary market investors; these transactions are not reflected in the institution's loan-to-deposit ratio. In 2022 and 2023, the bank sold 42 home mortgage loans totaling $7.8 million. While secondary market loan activity does not influence the average net loan-to-deposit ratio, these outlets offer additional options to home mortgage borrowers and provide liquidity to originate other loans. Secondary market lending is responsive to assessment area credit needs by providing long-term home mortgage financing.

Assessment Area Concentration

Raccoon Valley Bank originated a majority of loans by number and dollar volume inside its assessment area. Collectively, the bank originated 53.0 percent of their loans, by number, and 50.2 percent, by dollar amount, in the assessment area. As shown in the following table, a majority of small business and small farm loans, by number, and the majority of small farm and home mortgage loans (combined), by dollar amount, are inside the assessment area. However, the majority of home

mortgage loans, by number, were outside the assessment area, and only 44.7 percent of small business loans, per dollar amount, were inside the assessment area. Examiners noted many home mortgage loans sold to secondary market investors were located within the assessment area.

Management stated that the bank is referral-driven and maintains strong relationships with individuals outside of the assessment area for all loan types. Some customers that previously lived within the assessment area have moved outside of the assessment area but maintained their relationship with the bank. Many of their customers moved directly into the Des Moines metropolitan area. Additionally, management stated that having an online presence often allows customers outside of the assessment area to find them and borrow.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans $(000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	$	%	$	%	$
Home Mortgage										
2022	57	48.3	61	51.7	118	11,905	54.2	10,069	45.8	21,974
2023	54	48.2	58	51.8	112	13,649	49.9	13,690	50.1	27,339
Subtotal	**111**	**48.3**	**119**	**51.7**	**230**	**25,554**	**51.8**	**23,759**	**48.2**	**49,313**
Small Business	86	57.3	64	42.7	150	10,530	44.7	13,028	55.3	23,558
Small Farm	38	60.3	25	39.7	63	4,630	55.8	3,669	44.2	8,299
Source: Bank Data. *Due to rounding, totals may not equal 100.0%.*										

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. The bank's excellent performance in small business and home mortgage lending primarily supports this conclusion. Examiners focused on the percentages of loans, by number, originated in the low- and moderate-income census tracts within the assessment area.

Small Business Loans

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. As shown in the following table, small business lending in both the low- and moderate-income census tracts is significantly higher than the percentage of businesses in these tracts.

Geographic Distribution of Small Business Loans					
Tract Income Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
Low	1.6	5	5.8	584	5.5
Moderate	1.3	10	11.6	726	6.9
Middle	40.9	39	45.3	4,153	39.4
Upper	56.2	32	37.2	5,067	48.1
Totals	**100.0**	**86**	**100.0**	**10,530**	**100.0**
Source: 2023 D&B Data; Bank Data. *Due to rounding, totals may not equal 100.0%*					

Small Farm Loans

The geographic distribution of small farm loans in the assessment area is reasonable given the performance context. As shown in the next table, the bank did not lend in the single low-income census tract, and the bank's level of lending is slightly higher than D&B data in the single moderate-income census tract. However, the low- and moderate-income census tracts are located in the city limits of Perry, where very few farming operations are located, which suggests there are limited opportunities to originate farm loans in those geographies.

Geographic Distribution of Small Farm Loans					
Tract Income Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
Low	1.3	0	0.0	0	0.0
Moderate	1.7	1	2.6	100	2.2
Middle	48.4	24	63.2	2,909	62.8
Upper	48.5	13	34.2	1,621	35.0
Totals	**100.0**	**38**	**100.0**	**4,630**	**100.0**
Source: 2023 D&B Data; Bank Data. *Due to rounding, totals may not equal 100.0%*					

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. The bank's lending in both low- and moderate-income geographies significantly exceeds demographic and aggregate data for both 2022 and 2023. See the following table for details.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	2.1	1.1	5	8.8	305	2.6
2023	2.1	--	3	5.6	120	0.9
Moderate						
2022	2.4	1.5	9	15.8	1,003	8.4
2023	2.4	--	11	20.4	1,791	13.1
Middle						
2022	32.7	27.8	18	31.6	5,604	47.1
2023	32.7	--	24	44.4	5,777	42.3
Upper						
2022	62.8	69.7	25	43.9	4,993	41.9
2023	62.8	--	16	29.6	5,961	43.7
Totals						
2022	**100.0**	**100.0**	**57**	**100.0**	**11,905**	**100.0**
2023	**100.0**	**--**	**54**	**100.0**	**13,649**	**100.0**
Source: 2020 U.S. Census; Bank Data; 2022 HMDA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%*						

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different revenue sizes and individuals of different income levels. The bank's reasonable performance in all three lending products supports this conclusion. Examiners focused on the number of loans to businesses and farms with gross annual revenues of $1 million or less, and on the number of home mortgage loans to low- and moderate-income borrowers.

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different sizes given the performance context. The following table shows that a majority of Raccoon Valley Bank's lending is to businesses with gross annual revenues of $1 million or less. Although lower than demographic data, performance is reasonable when considering that 5.5 percent of businesses did not report their revenue level, and the loans sampled included three loans to a single borrower with gross annual revenues greater than $1 million, skewing the percentages. Additionally, the bank offers loan programs through the SBA to better meet small business credit needs.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	92.4	35	77.8	4,786	76.6
>$1,000,000	2.1	10	22.2	1,460	23.4
Revenue Not Available	5.5	0	0.0	0	0.0
Total	**100.0**	**45**	**100.0**	**6,246**	**100.0**
Source: 2023 D&B Data; Bank Data. *Due to rounding, totals may not equal 100.0%*					

Small Farm Loans

The distribution of borrowers reflects reasonable penetration among farms of different revenue sizes. As shown in the following table, the bank's level of lending to small farms with revenues of $1 million or less is slightly below but comparable to D&B data. Additionally, the 2022 Agriculture Census revealed that 62.3 percent of producers in the assessment area do not list farming as their primary occupation, and 60.5 percent of the farming operations did not report interest expense. This data suggests there is limited farm credit demand.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	97.8	35	92.1	4,138	89.4
>$1,000,000	1.2	3	7.9	492	10.6
Revenue Not Available	1.0	0	0.0	0	0.0
Total	**100.0**	**38**	**100.0**	**4,630**	**100.0**
Source: 2023 D&B Data; Bank Data. *Due to rounding, totals may not equal 100.0%*					

Home Mortgage Loans

The distribution of home mortgage loans reflects reasonable penetration among individuals of different income levels given the performance context. As shown in the following table, the bank's lending was lower than the demographic data percentage for both low- and moderate-income borrowers. The bank was also below the 2022 aggregate lending data percentages reported for both low- and moderate-income borrowers in the assessment area. However, examiners did note that Raccoon Valley Bank has a high percentage of borrowers that did not report income, impacting the analysis in all income categories. This higher percentage is due to the high number of loans secured by investment properties. Additionally, 3.7 percent of families are below the poverty level, which indicates potential applicants may struggle saving for down payments, closing costs, and home maintenance expenses. The bank offers targeted affordable housing loans through the Federal Home Loan Bank and the Iowa Finance Authority. These loans help meet the credit needs of low- and moderate-income borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	13.0	5.0	0	0.0	0	0.0
2023	13.0	--	5	9.3	275	2.0
Moderate						
2022	13.3	15.2	6	10.5	991	8.3
2023	13.3	--	3	5.6	331	2.4
Middle						
2022	19.3	22.2	2	3.5	463	3.9
2023	19.3	--	7	13.0	1,428	10.5
Upper						
2022	54.4	44.3	4	7.0	489	4.1
2023	54.4	--	14	25.9	4,615	33.8
Not Available						
2022	0.0	13.4	45	78.9	9,962	83.7
2023	0.0	--	25	46.3	7,000	51.3
Totals						
2022	**100.0**	**100.0**	**57**	**100.0**	**11,905**	**100.0**
2023	**100.0**	**--**	**54**	**100.0**	**13,649**	**100.0**
Source: 2020 U.S. Census; Bank Data; 2022 HMDA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%*						

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

Raccoon Valley Bank demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services. Examiners considered the bank's capacity and the need and availability of such opportunities in the assessment area. Since the bank was responsive to the community development needs in its assessment area, community development activities benefitting the statewide area were also considered in the analysis.

Examiners compared the bank's level of community development activity to five financial institutions with similar business focuses and asset sizes operating near or within the Des Moines-West Des Moines, Iowa MSA. These institutions were also evaluated using Interagency

Intermediate Small Institution Examination Procedures. All five of the comparable institutions received a satisfactory rating for the Community Development Test.

Community Development Loans

Raccoon Valley Bank originated 18 community development loans totaling approximately $11.3 million during the evaluation period. The total includes all community development loans originated in the assessment area and the statewide area. Raccoon Valley Bank extended loans to entities to promote economic development by supporting permanent job creation, retention, and/or improvement for low- and moderate-income persons, and to aid revitalization or stabilization efforts in low- and moderate-income geographies.

Raccoon Valley Bank's community development lending activity represented 2.5 percent of total assets and 3.3 percent of net loans, as of March 31, 2024. The comparable institutions had community development loans to total assets ratios ranging from 0.2 percent to 2.9 percent, and community development loans to net loans ratios ranging from 0.6 percent to 3.9 percent. Raccoon Valley Bank's ratios compare reasonably to these institutions. Because the bank's community development lending during the evaluation period did not include any SBA Paycheck Protection Program (PPP) loans, but all five comparable institutions' community development lending activity included a significant number of PPP loans, examiners calculated comparable bank ratios exclusive of this activity. The following tables reflect the number and dollar volume of community development lending in each category by area and activity year.

Community Development Lending										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Assessment Area	0	0	0	0	14	5,770	1	515	**15**	**6,285**
Statewide Activities	0	0	0	0	3	4,980	0	0	**3**	**4,980**
Total	**0**	**0**	**0**	**0**	**17**	**10,750**	**1**	**515**	**18**	**11,265**
Source: Bank Data										

Community Development Lending by Year										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2021 (Partial Year)	0	0	0	0	5	4,591	0	0	**5**	**4,591**
2022	0	0	0	0	3	2,017	0	0	**3**	**2,017**
2023	0	0	0	0	5	2,817	1	515	**6**	**3,332**
2024 (Year-to-Date)	0	0	0	0	4	1,325	0	0	**4**	**1,325**
Total	**0**	**0**	**0**	**0**	**17**	**10,750**	**1**	**515**	**18**	**11,265**
Source: Bank Data										

The following points summarize notable examples of the bank's community development lending during the evaluation period.

- Provided funding for an industrial park located in a low- and moderate-income area that will bring in additional businesses that support economic development.
- Provided SBA 504 funding to purchase a trucking and transportation company that employs low- and moderate-income employees.
- Provided several operating lines of credit to a business located in a low-income census tract that employs low- and moderate-income individuals.

Qualified Investments

During the evaluation period, Raccoon Valley Bank made 35 qualified investments totaling approximately $413,000, which includes 34 donations of approximately $123,000. As the bank was responsive to assessment area community development needs, these totals also include nine donations totaling approximately $7,000 benefitting the statewide area that includes the bank's assessment area.

Raccoon Valley Bank's qualified investments represented 0.1 percent of total assets and 0.7 percent of total securities, as of March 31, 2024. The comparable institutions' qualified investments ranged from 0.0 percent to 2.6 percent of total assets, and 0.0 percent to 6.0 percent of total securities. While Raccoon Valley Bank's qualified investment ratios are lower than some of the comparable institutions, examiners recognized that the number and amount of qualified donations significantly exceeded the comparable institutions, which can be more impactful on a community. The next highest comparable bank had 38 donations for $87,000.

Through its investments and donations, Raccoon Valley Bank supported community development needs through affordable housing, community services, and economic development. The following tables reflect the number and dollar volume of qualified investments in each category by area and activity year.

Qualified Investments										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Assessment Area	1	8	21	333	4	65	0	0	**26**	**406**
Statewide Activities	2	1	7	6	0	0	0	0	**9**	**7**
Total	**3**	**9**	**28**	**339**	**4**	**65**	**0**	**0**	**35**	**413**
Source: Bank Data										

Qualified Investments by Year										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	0	0	0	0	0	0	0	0	**0**	**0**
2021 (Partial Year)	0	0	1	290	0	0	0	0	**1**	**290**
2022	0	0	0	0	0	0	0	0	**0**	**0**
2023	0	0	0	0	0	0	0	0	**0**	**0**
2024 (Year-to-Date)	0	0	0	0	0	0	0	0	**0**	**0**
Subtotal	**0**	**0**	**1**	**290**	**0**	**0**	**0**	**0**	**1**	**290**
Qualified Grants & Donations	3	9	27	49	4	65	0	0	**34**	**123**
Total	**3**	**9**	**28**	**339**	**4**	**65**	**0**	**0**	**35**	**413**
Source: Bank Data										

The following points provide examples of qualified investments where the bank has been most responsive to community development needs.

- Invested in a large school bond for a district located in a low- and moderate-income area in which more than 50 percent of the students qualified for free or reduced-price lunch.
- Multiple large-dollar donations to local food pantries.
- Several large-dollar donations to support local economic development organizations that support low- and moderate-income employment.

Community Development Services

The institution received consideration for a total of 64 community development services. The total includes 15 community development services provided in the statewide area that includes the assessment area. Raccoon Valley Bank personnel provided technical or financial expertise to these organizations in many ways, all related to their employment with the institution. Employees dedicated their time and resources to 21 different organizations over the evaluation period. These organizations provide resources related to affordable housing, community services targeted to low- and moderate-income individuals and families, economic development activities that help to provide employment to low- or moderate-income individuals and develop small businesses, and the revitalization and stabilization of low- and moderate-income areas. Most notably, in most of these entities, bank employees served in a board member, president, or officer capacity.

Comparable institutions provided between 4 and 76 services. Raccoon Valley Bank was in-line with the comparable institutions. The following table illustrates the bank's community development services by activity year.

Community Development Services					
Assessment Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total**
	#	#	#	#	#
Assessment Area	5	16	21	7	49
Statewide Activities	5	7	3	0	15
Total	**10**	**23**	**24**	**7**	**64**
Source: Bank Data					

Community Development Services by Year					
Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total**
	#	#	#	#	#
2021 (Partial Year)	4	4	6	1	**15**
2022	2	7	7	2	**18**
2023	2	7	6	2	**17**
2024 (Year-to-Date)	2	5	5	2	**14**
Total	**10**	**23**	**24**	**7**	**64**
Source: Bank Data					

Notable examples of community development services include bank staff providing financial expertise to economic development and housing organizations, serving on the Board of a charitable foundation that targets low- and moderate-income residents and employees, and serving as chairman of a non-profit organization that revitalizes older buildings in a low-income area.

The bank offers retail services that increase access to financial services in the assessment area, which include the alternative services described under this document's Description of Institution section. These services are generally free of charge to bank customers, which benefits low- and moderate-income individuals. These include services such as online and mobile banking, mobile deposit, bill pay, and electronic statements. Raccoon Valley Bank offers low-cost checking accounts, health savings accounts, and small dollar loans. As mentioned previously, the bank participates in various lending programs through government-sponsored agencies that aid small businesses, small farms, and homeowners. Furthermore, the main office and ATM in Perry are located in a low-income census tract.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
3) The geographic distribution of the bank's loans;
4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

1) The number and amount of community development loans;
2) The number and amount of qualified investments;
3) The extent to which the bank provides community development services; and
4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

GLOSSARY

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.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

(1) Support affordable housing for low- and moderate-income individuals;
(2) Target community services toward low- and moderate-income individuals;
(3) Promote economic development by financing small businesses or farms; or
(4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and

(2) Except in the case of a wholesale or limited purpose institution:

(i) Has not been reported or collected by the institution or an affiliate for consideration in the institution's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and

(ii) Benefits the institution's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

Community Development Service: A service that:

(1) Has as its primary purpose community development;

(2) Is related to the provision of financial services; and

(3) Has not been considered in the evaluation of the institution's retail banking services under § 345.24(d).

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.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;
(2) A poverty rate of 20 percent or more; or
(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that 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 applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, 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.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities 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 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 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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 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.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Raccoon Valley Bank Branch Locations

ADEL

Lobby Hours: Open Wednesday Until 4:30 PM

Drive-up Hours: Open Wednesday Until 4:30 PM

Address

1009 Court Street
Adel, IA 50003
Get Directions

DALLAS CENTER

Lobby Hours: Open Wednesday Until 4:30 PM

Drive-up Hours: Open Wednesday Until 4:30 PM

Address

590 Sugar Grove Avenue
Dallas Center, IA 50063
Get Directions

PERRY

Lobby Hours: Open Wednesday Until 4:30 PM

Drive-up Hours: Open Wednesday Until 4:30 PM

Address

1202 2nd St / PO Box 129
Perry, IA 50220
Get Directions

GRIMES

Lobby Hours: Open Wednesday Until 4:30 PM

Drive-up Hours: Open Wednesday Until 4:30 PM

Address

1051 NE Gateway Drive / PO Box 800
Grimes, IA 50111
Get Directions

Your Hometown Community Bank

When it comes to choosing a bank, you have many options. But trusting a bank with your money and counting on them to make smart financial decisions in your best interest is not an easy choice. At Raccoon Valley Bank, we recognize the many banking options available, and that trust is something that is earned though actions, not through talk. As a community bank, Raccoon Valley Bank's commitment to providing the latest bank technology and quality customer service for our customers' success is what sets us apart.

A diverse offering of banking products and services means Raccoon Valley Bank can assist nearly anyone with their financial needs. From young adults who commute to our communities to local store owners and farmers, the customer experience is the same at Raccoon Valley Bank.

Each customer is informed and educated about the products and services that could best help them reach their financial goals. Whether you are interested in newer bank technology such as Online Banking, Mobile Banking and Online Bill Pay, or simply need a checking account, business loan or agricultural loan, you get just what you need at Raccoon Valley Bank . We are invested in building up the communities and people we serve, meaning that you always get the face-to-face time and attention you deserve.

Raccoon Valley Bank's approach to community banking is nothing new, it is just the way banking should be done: with honesty, integrity and an eye on building the strongest communities we can for the future. See what this experience is all about by coming by any of the Raccoon Valley Bank offices in central Iowa today!

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D. C.

Hereby certifies that the deposits of each depositor in

RACCOON VALLEY BANK

PERRY

IOWA

are insured to the maximum amount provided by the Federal Deposit Insurance Act

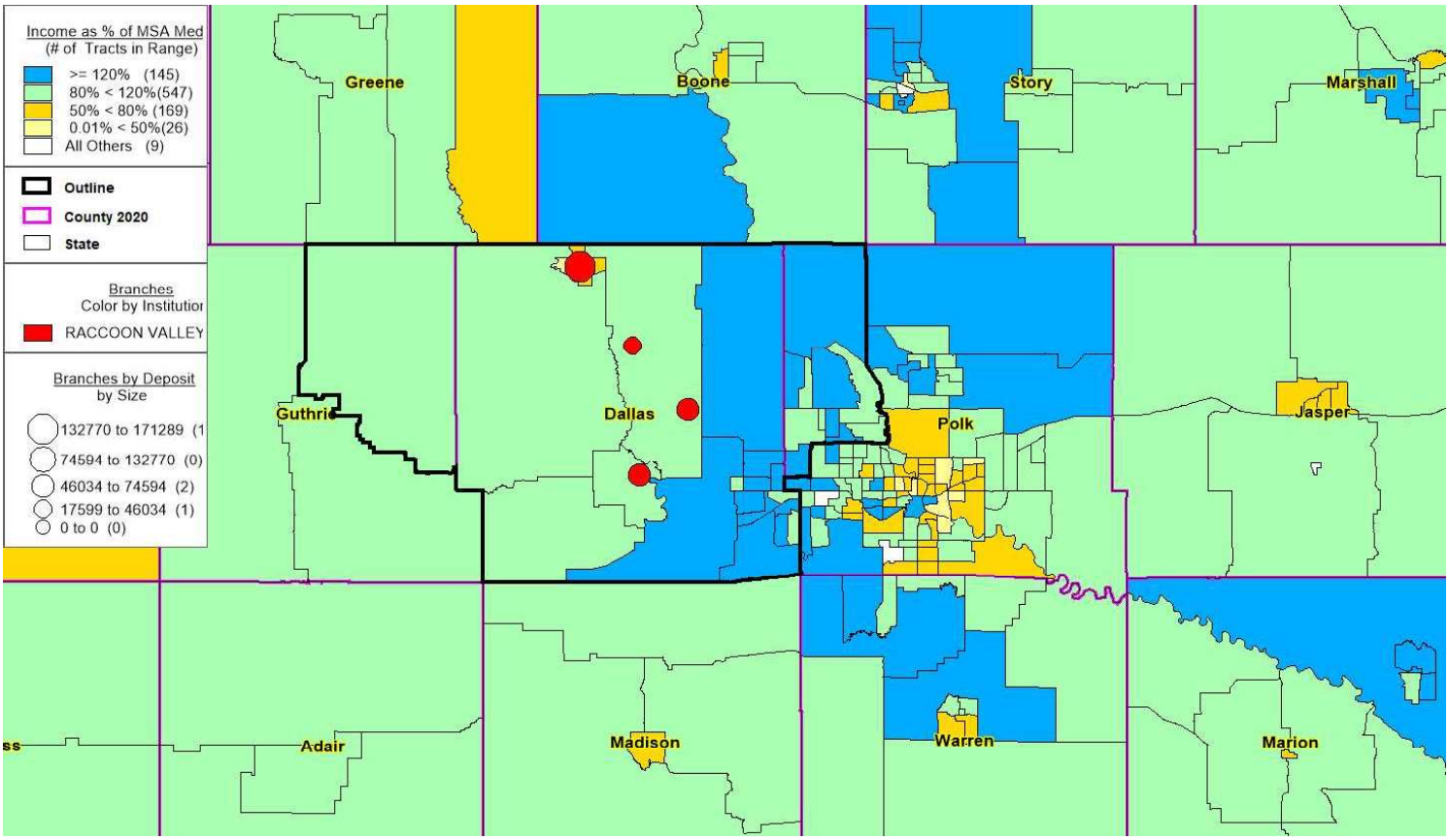
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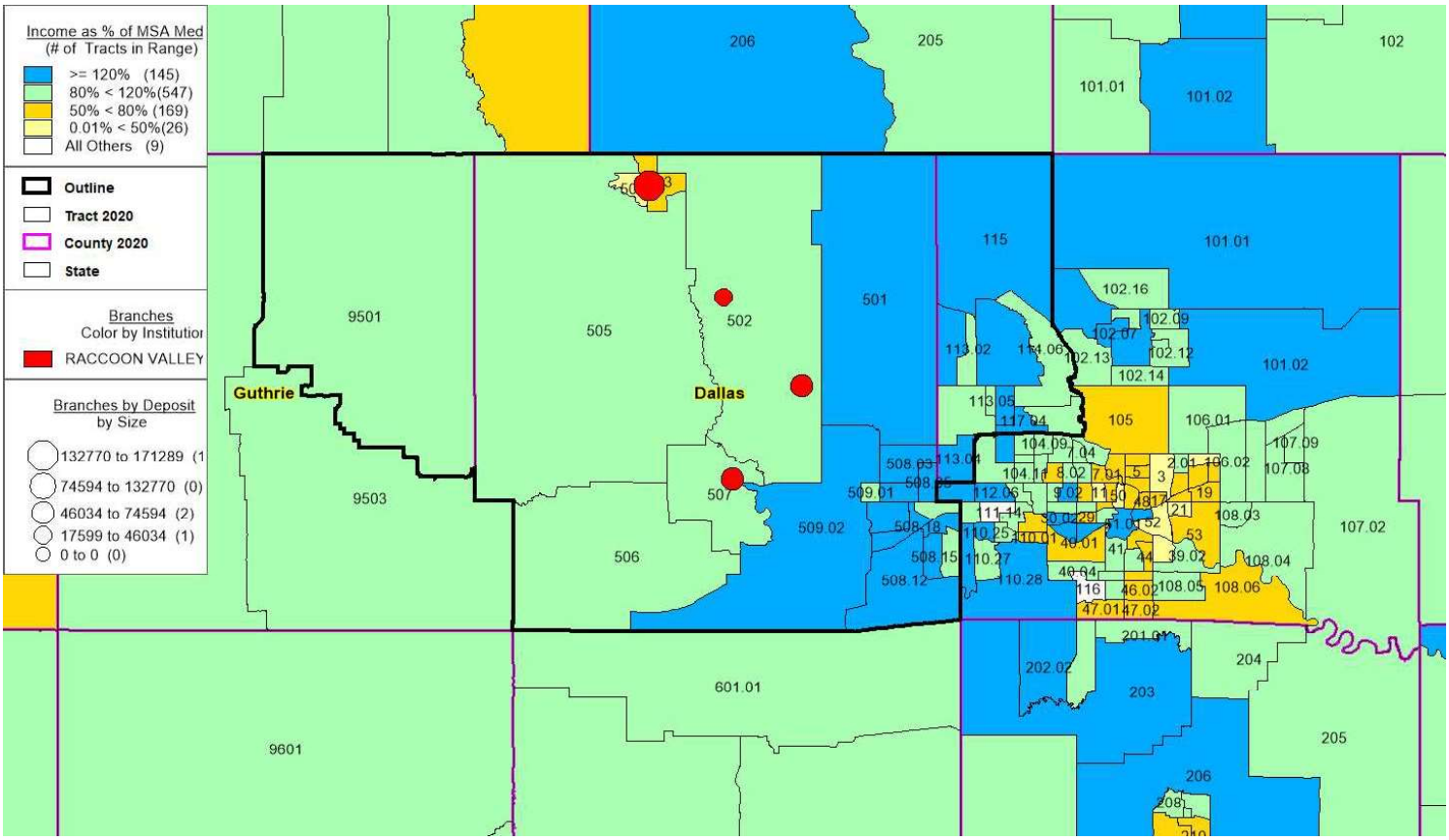
Attest: Robert E. Feldman

EXECUTIVE SECRETARY

In testimony whereof, witness my signature and the seal of the Corporation this **27TH** day of **OCTOBER, 2003**

CHAIRMAN OF THE BOARD OF DIRECTORS


Income as % of MSA Med
(# of Tracts in Range)
>= 120% (145)
80% < 120%(547)
50% < 80% (169)
0.01% < 50%(26)
All Others (9)
Outline
County 2020
State
Branches
Color by Institutior
RACCOON VALLEY
Branches by Deposit
by Size
132770 to 171289 (1
74594 to 132770 (0)
46034 to 74594 (2)
17599 to 46034 (1)
0 to 0 (0)
Greene
Boone
Story
Marshall
Guthrie
Dallas
Polk
Jasper
Adair
Madison
Warren
Marion


Income as % of MSA Med
(# of Tracts in Range)
>= 120% (145)
80% < 120%(547)
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0 to 0 (0)
Guthrie
Dallas
9501
9503
9601
505
506
507
501
502
509.01
509.02
115
206
205
102
101.01
101.02
102.16
102.09
102.07
102.13
102.12
102.14
113.02
114.06
113.05
117.04
105
106.01
107.09
107.08
104.09
104.11
108.03
107.02
108.04
108.06
108.05
601.01
202.02
203
204
201.01
205
206

Branch	Address	City	County	State	State Code	County Code	Census Tract	MSA
Main	1202 2nd St	Perry	Dallas	Iowa	19	049	0504.00	Des Moines-West Des Moines, IA
Adel	1009 Court St	Adel	Dallas	Iowa	19	049	0507.00	Des Moines-West Des Moines, IA
Dallas Center	590 Sugar Grove Ave	Dallas Center	Dallas	Iowa	19	049	0502.00	Des Moines-West Des Moines, IA
Grimes	1051 NE Gateway Dr	Grimes	Polk	Iowa	19	153	0113.02	Des Moines-West Des Moines, IA

Raccoon Valley Bank

NON-PROFIT CHECKING ACCOUNT

Overview

Made for non-profit organizations that have minimal transactions.

Monthly Service Fee - $5.00

-How to waive the fee – If average monthly balance is above $100

Per Item Fee - $0.50

- First 99 items are free

Requirements:

- Must have Tax ID Number (EIN)
- SOS Documents and/or Meeting Minutes

Benefits:

- Online Banking
- Mobile Banking
- QuickBooks Integration

Additional Products:

- ACH - $15 a month
- Remote Deposit - $25 or $35 a month
- Positive Pay - $35 a month

Raccoon Valley Bank

HOMETOWN BUSINESS CHECKING ACCOUNT

Overview

Made for businesses with simple account needs

Monthly Service Fee - $10

-How to Avoid the Fee – Keep average monthly balance above $500

Per Item Fee - $0.50

- First 99 items are free

Benefits

- Online Banking
- Mobile Banking
- QuickBooks Integration

Additional Products

- ACH - $15 a month
- Remote Deposit - $25 or $35 a month
- Positive Pay - $35 a month

Raccoon Valley Bank

JUST RIGHT BUSINESS CHECKING ACCOUNT

Overview

Made for businesses with complex needs and high transactions

Fees:

- Monthly Service Fee - $17 a month
- Per Debit - $0.25
- Per Credit - $0.20

Benefits:

- Earnings Credit
- ACH
- Business Online Banking
- Mobile Banking

Additional Products:

- Remote Deposit - $25 or $35 a month
- Positive Pay - $35 a month
- QuickBooks Integration - $0

Raccoon Valley Bank

Automatic Clearing House (ACH)

Overview

Automated Clearing House (ACH) is an electronic payment delivery system that allows the customer to pay or collect funds electronically. With greater speed, accuracy, and efficiency, ACH offers more control over the timing of payments posting to the customers bank accounts. A customer can use ACH to help improve forecasting expenses, reduce exposure to check fraud, cut expenses and get faster access to funds.

Ways a customer can use ACH

- Direct Deposit – Pay employees and vendors
- Consumer Receipts – Collect bills, payments, and more from their customers
- Payments – Send funds to suppliers and make payments to other businesses
- Cash Concentration – Consolidate funds from various accounts
- Cross-border – Send payments to Foreign Businesses.

	Consumer Credit Transactions	
*Business Online-ACH Manager	6:00 PM	***Two*** business day Prior to **Effective date**
	Consumer Debit Transactions	
*Business Online-ACH Manager	6:00 PM	***One*** business day Prior to **Effective date**
	Same Day Transactions	
*Business Online-ACH Manager	11:30 AM	Same Day Additional Fee applies

ACH is $15/month. This fee is waived for the Just Right Business Checking Account.

Raccoon Valley Bank

Positive Pay (Check)

Overview

Positive Pay is a fraud mitigation service that provides early detection of fraudulent, altered, or counterfeit checks through a daily verification of checks presented for payment against the customers check register.

Positive Pay helps prevent check fraud and strengthens internal controls by systematically comparing checks presented on the customer's account against the checks you issue daily. It works by verifying check numbers, dollar amounts, etc. and then reports discrepancies to the customer through Business Online Banking. If the customer identifies a fraudulent check, they notify us through their online portal by the cutoff time to return the item.

Positive Pay is $35/month.

Raccoon Valley Bank

REMOTE DEPOPSIT CAPTURE

Overview

Remote Deposit Capture (RDC) allows the customer to make deposits remotely using a bank scanner. They scan the paper checks from their place of business and send images securely over the internet to Raccoon Valley Bank for deposit.

This service gives the customer flexibility to manage their business on their schedule. They can make deposits without driving to the branch and deposit them at any time.

The bank will provide them with a scanner if they do not have one already. We just ask that if they cancel the service that they return the scanner. We will charge for a non-return or damaged machine.

Remote Deposit Capture Single-Feed is $25/month.

Remote Deposit Capture Multi-Feed is $35/month.

QUICKBOOKS DIRECT CONNECT

Overview

Direct Connect is an Intuit solution that provides all Raccoon Valley Banking clients the ability to automatically connect and access their account information and download transactions directly from within Quicken or QuickBooks.

Customer must have an updated version of Quicken or QuickBooks on their mobile or computer device. For Business Online Banking customers, they will need assistance connecting RVB to their bank feed.

Quickbooks is free for customers.

MERCHANT SERVICES PROFESSIONAL SOLUTIONS

Overview

Allows businesses to accept credit, debit cards and other forms of payment online, through a payment card reader, or a point-of-sale (POS) system.

We partner with Professional Solutions to provide this service to our customers.

Referral Site:

How to Enroll or Refer Your Customer or Member - Professional Solutions (profsolutions.com)

Professional Solutions will quote the cost for customers.

Raccoon Valley Bank

HOMETOWN BUSINESS SAVINGS

Overview

Made for businesses with basic savings needs

Monthly Service Fee - $10

How to Avoid Fee – Keep average monthly balance above $500

Benefits

- Interest Bearing
- Online Banking
- Mobile Banking

Raccoon Valley Bank

BUSINESS MONEY MARKET

Overview

Made for businesses with larger savings balances

Monthly Service Fee - $15

How to Avoid the Fee – Maintain a monthly balance above $2500

Benefits:

- Tiered interest rate on daily collected balance
- Online Banking
- Mobile Banking

HOMETOWN FREE CHECKING ACCOUNT

Opening Deposit:

- $100

Monthly Fees:

- None

Stipulations:

- eStatement only

Interest Paid:

- None

Additional Features:

- Debit card- $10.70 annual fee
- Online banking
- Online bill Pay
- Mobile banking
- $5 toward opening balance for savings account

HOMETOWN CHECKING ACCOUNT

Opening Deposit:

- $100

Monthly Fees:

- $7.49 per statement cycle if average daily balance falls below $1,000
- $5.35 per statement cycle if check images returned

Stipulations:

- $1,000 minimum balance to avoid monthly service charge

Interest Paid:

- On daily collected balance of $1,000 or more

Additional Features:

- Debit card- $10.70 annual fee
- Online banking
- Online bill Pay
- Mobile banking
- eStatements or paper statements available
- Free 3X5 SDB for 1 year, based on availability
- $5 toward opening balance for savings account

HOMETOWN CHECKING PLUS

Opening Deposit:

- $500

Monthly Fees:

- $10.70 per statement cycle if combined balance falls below $10,000
- $5.35 per statement cycle if check images returned

Stipulations:

- $10,000 minimum balance to avoid monthly service charge

Interest Paid:

- Tiered interest rate on daily collected balance

Additional Features:

- Debit card- Free
- Online banking
- Online bill Pay
- Mobile banking
- Free 3X5 SDB for 1 year, based on availability
- Free club checks or discount specialty checks
- $5 toward opening balance for savings account

Raccoon Valley Bank

Junior Savings

Opening Deposit:

- $25

Monthly Fees:

- $2 per withdrawal/debit over 3 per service change cycle

Stipulations:

- 0-17 years old

Interest Paid:

- Compound on collected balance

Additional Features:

- Online banking
- Mobile banking
- eStatement or paper statements available

Raccoon Valley Bank

REGULAR SAVINGS ACCOUNT

Opening Deposit:

- $100

Monthly Fees:

- $5 per service charge cycle if balance falls below $100
- $2 per withdrawal/debit over 3 per service change cycle

Stipulations:

- $1,000 minimum balance to avoid monthly service charge

Interest Paid:

- Compound on collected balance

Additional Features:

- ATM card- $10.70 annual fee
- Online banking
- Mobile banking
- eStatements or paper statements available

INSURED MONEY MARKET ACCOUNT

Opening Deposit:

- $2,500

Monthly Fees:

- $10 per statement cycle if combined balance falls below $2,500
- $10 per withdrawal/debit over 6 per service change cycle

Stipulations:

- $2,500 minimum balance to avoid monthly service charge

Interest Paid:

- Tiered interest rate on collected balance

Additional Features:

- Online Banking
- Mobile Banking
- eStatements or paper statements available

Raccoon Valley Bank

Saftey Deposit Boxes

Annual Rent:

- 3 X 5 $15
- 5 X 5 $20
- 3 X 10 $30
- 5 X 10 $40
- 10 X 10 $60
- Cabinet $120

Additional Fees:

- Drill-Replacement Lock $200
- Key Replacement $15
- Past-Due Rent $10 (Per month after 30 days)
- Security Deposit $10

Stipulations:

- Auto pay required.

Consumer Lending Solutions

There's a lending option just right for you at Raccoon Valley Bank. Right for your personal or business needs. Right for your budget. Right for your dreams. With many options to choose from, your Raccoon Valley Bank loan officer can help you choose the lending solution that's just right for you.

Mortgage Loans

You found the perfect home, now find the mortgage loan that's right for you at Raccoon Valley Bank.

CONVENTIONAL LOANS

Choose from 10-, 15-, 20-, 25- and 30-year fixed rate terms.

- **80/10/10 Program**- Avoid private mortgage insurance and strict lending requirements of a jumbo loan by buying a home with 10% down and two mortgages totaling 90% of the purchase price.
- **Home Ready Program**- With a 3% down payment, this is a great choice for low- to moderate-income first or subsequent buyers who meet the income requirements.
- **First-time Home Buyer Program**- This 3% down payment program may be the best option for first-time buyers whose income exceeds the Home Ready requirements.
- **Construction Loan Program**- Finance the building of your new home by securing a loan to cover project costs before obtaining long-term funding.

GOVERNMENT LOAN PROGRAMS

- **Federal Housing Administration (FHA)**- With a down payment as little as 3.5% and flexible underwriting guidelines, you may qualify for FHA financing to protect the lender in the event of defaulting on the loan.
- **Veterans Administration Program (VA)**- With a 3% down payment and no income restrictions, this is the right choice for low- to moderate-income home buyers.
- **Rural Development Loan Program**- A $0 down payment and reduced monthly mortgage insurance makes this USDA Single-Family Program the right choice for low- and moderate-income rural residents.

SPECIALTY PRODUCTS

- **Bridge Loan Program**- Use this 12-month single-pay fixed-rate loan against a current property to finance the purchase of your next home. Only pay interest until your current home is sold and the balance is fully paid.
- **Portfolio Loan Program**- Borrowers benefit from the 3/1, 5/1 or 7/1 adjustable rate first mortgage for times when a conforming loan will not work.
- **Lot Loan**- Choose this loan to purchase land on which you plan to develop and construct a home in the future.
- **First Time Home Buyer Grant Program**- Ask about this $7,500 grant available to qualified applicants.

HOME EQUITY PRODUCTS

- **Home Equity Line of Credit (HELOC)**- Use the equity in your home for any purpose with an option to pay only interest during the first five years of the loan.
- **Home Equity Fixed Rate Loan**- This fixed rate 5-year balloon loan can be amortized over 15 years to help fund home improvements, major purchases or other financial needs you may have.

CONSUMER FINANCING



Consumer Loans

The perfect solution for purchasing vehicles, planning a vacation, making home improvements or paying off high interest rate credit cards.

Credit Cards

Low annual percentage rates with rewards and the convenience of worldwide acceptance make our VISA® credit cards ideal for added buying power.

Business Lending Solutions

Solutions for Businesses of All Sizes

Whether you are just getting started or trying to take your business or agricultural operation to the next level, chances are you will need to borrow money. Raccoon Valley Bank recognizes this, as well as the fact that no two businesses or farms are identical in their lending needs. That is why the business process is simple at Raccoon Valley Bank, with expectations set from the beginning:

- **Responsiveness**- you can expect quick decisions on your business loan applications, with most applications being decided upon on the same day you apply.
- **Local Decision Making**- the decision on your loan is made by local loan officers at each of our locations. They'll also help you with filling out your application and answering any questions you have.
- **Approachability**- have no fear! Our loan officers are willing to discuss your application with you and help you better understand your current financial situation.
- **Respectable Rates and Terms**- you won't find sudden rate hikes, short grace periods or giant late fees. Raccoon Valley Bank is a community lender with a focus on building the community, not squeezing every nickel and dime we can out of its businesses. If something comes up during your loan, feel free to call your lender about it.
- **Local Servicing**- once your business loan application is approved, Raccoon Valley Bank does not ship out the servicing to someone else in another state. Your business loan servicing is done locally so that if you have questions, you can still reach out for help to the same loan officer who approved your loan.



BUSINESS LOANS

Raccoon Valley Bank's business loan offerings are diverse to help business owners and entrepreneurs in all stages of business development:

- Equipment Purchase/Lease
- Real Estate Construction Loans
- Commercial Real Estate Loans
- Lines of Credit
- Letters of Credit
- Business Credit Cards
- Working Capital Loans
- SBA (Small Business Administration) Loans

Come to Raccoon Valley Bank for Your Business Loan Needs

Raccoon Valley Bank's loan officers are experts in local business trends, making them your go-to source for business loans. Call or come by any Raccoon Valley Bank office today to get started.

TIME SAVING TIPS

Checklist of what to bring with you:

- Personal Financial Statement
- Personal Tax Returns
- Business Financial Statements/Tax Returns

Raccoon Valley Bank

Agricultural Lending Solutions

Providing Ag Loans to Iowa Farm Families

Farming and agriculture have been the backbone of Iowa's economy since settlers first came to the "Land of Opportunity." Today's farm families carry on the tradition of hard work and long hours. We are proud to be able to support them through our agricultural loan programs.

AGRICULTURAL LOAN TYPES AND PROGRAMS

Raccoon Valley Bank takes time to learn about your individual goals and situation before recommending various agricultural loan programs:

- Crop Input Loans
- Operating Lines of Credit
- Livestock Loans
- Real Estate Loans
- Equipment Financing
- Construction Loans
- Equipment Leasing
- FSA (Farm Service Agency) Loans
- Grain Bin Loans
- Capital Improvement Loans

Raccoon Valley Bank can also assist with year-end record evaluations, net income, expenses, cash flow projections and cash flow analysis.



ADDITIONAL AG SERVICES

In addition to lending solutions, our team can also help with financial planning. We can help you be ready for the future by determining changes in net worth as compared to actual income, and providing you with valuable cash flow projections and cash flow analysis.

CENTRAL IOWA'S RESOURCE FOR AGRICULTURAL LOANS

Our local farmers go to great lengths to ensure their crops and livestock produce every year. Raccoon Valley Bank strives to have the same commitment to our farm families when it comes to the agricultural loan services we provide. Get in touch with your nearest Raccoon Valley Bank office today to see how we can help with your agricultural loan needs.

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**).*

Raccoon Valley Bank

Loan to Deposit Ratio

Net Loans/Total Deposits (as found on the call report)

Quarter End	LTD Ratio
3/31/2025	79.84%
6/30/2025	83.28%
9/30/2025	87.22%
12/31/2025	89.48%