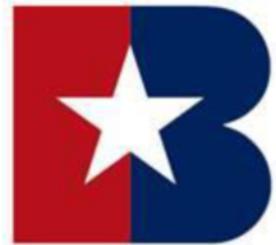


Ixonia Bank

Community Reinvestment Act

Public File



Ixonia Bank

Ixonia Bank has had no written comments from the public regarding our CRA efforts in the preceding two years.

PUBLIC DISCLOSURE

September 6, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Ixonia Bank
Certificate Number: 12514

W1046 Marietta Avenue
Ixonia, Wisconsin 53036

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

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

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.

Ixonia Bank's Satisfactory Community Reinvestment Act (CRA) performance under the Lending Test and Community Development Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank's Lending Test and Community Development Test performance.

The Lending Test is rated Satisfactory.

- The loan-to-deposit ratio is reasonable (considering seasonal variations and taking into account lending related activities) given the institution's size, financial condition, and assessment area credit needs.
- A substantial majority of loans and other lending related activities are outside the institution's assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of loans to borrowers reflects, given the demographics of the assessment area, reasonable penetration of loans among individuals of different income levels (including low- and moderate-income) and businesses of different sizes.
- 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. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the assessment area.

DESCRIPTION OF INSTITUTION

Background

Ixonia Bank is headquartered in Ixonia, Wisconsin, and operates in Dodge, Jefferson, Milwaukee, Ozaukee, Washington, and Waukesha Counties in southeastern Wisconsin. The bank is wholly owned by Ixonia Bancshares, Inc., a one bank-holding company, also in Ixonia. Ixonia Bank received a Satisfactory rating at its previous FDIC Performance Evaluation, dated July 29, 2019, based on Interagency Small Institution Examination Procedures.

Operations

The bank operates the main office in Ixonia, one branch in Dousman, one branch in downtown Milwaukee, two branches in Oconomowoc, and two branches in Watertown. The downtown Milwaukee branch was opened in January 2020 and is the only branch primarily with a commercial lending focus. The other branches focus equally on residential and commercial lending. The Milwaukee branch does not offer Saturday hours or drive-up facilities, which is in line with competitors in downtown Milwaukee. All other locations have Saturday hours and drive-up facilities. All seven locations have ATMs that disperse cash and do not accept deposits. The main office and all branches are located in middle- and upper-income census tracts; however, one Watertown branch is located in a census tract adjacent to a moderate-income census tract in Jefferson County. The bank did not close any branches since the previous evaluation.

On April 1, 2020, Ixonia Bank acquired Novus Home Mortgage, a nationwide residential mortgage lending operation with 18 loan production offices (LPOs) in eight states. The number of LPOs has varied since acquisition, ranging up to 55. As of the time of the evaluation, there were 32 LPOs in 13 states. Novus Home Mortgage is neither a subsidiary nor an affiliate, but rather a division of the bank. Novus Home Mortgage primarily originates secondary market residential loans, and funds loans from a warehouse line of credit. Novus Home Mortgage is not dependent on deposits from Ixonia Bank customers for funding, which allows Ixonia Bank deposits to remain in its assessment area. No other merger or acquisition activities occurred since the previous evaluation.

The bank offers a wide range of financial products and services to meet the needs of its customers, including but not limited to commercial, home mortgage, and consumer loans. Deposit products include savings, checking, money market, certificates of deposit, individual retirement, and health savings accounts. The bank also offers insurance and investment advisory services. Alternative banking systems include telephone, internet, and mobile banking.

Ixonia Bank participates in a variety of government loan programs through and/or guaranteed by the Wisconsin Housing and Economic Development Authority (WHEDA), the Small Business Administration (SBA), Veterans Affairs (VA), United States Department of Agriculture (USDA), and Federal Housing Authority (FHA). These programs are beneficial in helping first time homebuyers and small businesses obtain financing that they might not have been able to obtain through conventional financing. Down payment grant programs are offered through the Federal Home Loan Bank (FHLB), Home Consortium, and WHEDA to assist low-income borrowers purchase a home.

Ability and Capacity

Assets totaled \$623.9 million as of June 30, 2022, and included total loans of \$336.1 million, total securities of \$188.5 million, and total equity capital of \$50.8 million. Total assets increased \$260.8 million (71.9 percent) since June 30, 2019. Total loans increased \$108.4 million (47.6 percent), and securities increased \$92.9 million (97.2 percent) over the same three-year time period. This growth is attributable to the acquisition of Novus Home Mortgage since the prior examination.

Commercial and residential loans continue to represent the largest concentrations of the bank's lending activity, however, some loan portfolio composition changes have occurred since the prior examination. The following table shows that loans secured by non-farm non-residential properties (commercial real estate) and commercial and industrial loans make up 59.6 percent of total loans, and 1-4 family residential mortgage loans make up 31.2 percent of total loans. The most significant loan composition change between June 30, 2019 and June 30, 2022 is that 1-4 family residential mortgage loans increased \$79.9 million from 11.0 percent to 31.2 percent of the loan portfolio. The volume of commercial real estate and commercial and industrial loans increased \$26.6 million; nevertheless, commercial loans decreased from 76.2 percent to 59.6 percent of the loan portfolio. The following table outlines the loan portfolio distribution as of the June 30, 2022 Call Report.

Loan Portfolio Distribution as of 6/30/2022		
Loan Category	\$ (000s)	%
Construction and Land Development	21,137	6.3
Secured by Farmland	253	0.1
Secured by 1-4 Family Residential Properties	104,971	31.2
Secured by Multifamily (5 or more) Residential Properties	8,206	2.4
Secured by Non-farm Non-residential Properties	97,280	29.0
Total Real Estate Loans	231,847	69.0
Commercial and Industrial Loans	102,959	30.6
Agricultural Loans	62	0.0
Consumer Loans	281	0.1
Other Loans	944	0.3
Less: Unearned Income	0	0.0
Total Loans	336,093	100.0

Source: Reports of Condition and Income

The bank originates the majority of home mortgage loans in the secondary market, which are not included in the following table. Home mortgage loans sold in the secondary market equal \$10.1 million (57 loans) in 2019, \$734.7 million (1,730 loans) in 2020, \$1.2 billion (4,714 loans) in 2021, and \$512.2 million (1,570 loans) in the first seven months of 2022. The acquisition of Novus Home Mortgage in April 2020 lead to the dramatic increase in sold loans in 2020 and 2021.

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

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its CRA performance. Ixonia Bank designated a single assessment area consisting of a portion of the Milwaukee-Racine-Waukesha Combined Statistical Area (CSA), which includes the entire Milwaukee-Waukesha Metropolitan Statistical Area (MSA) plus the non-MSA areas of Jefferson County and the southern portion of Dodge County. The Dodge County census tracts are 9615.00, 9616.00, 9617.00, 9619.00, and 9620.00. The Dodge County census tracts contain the northern portion of Watertown and the three census tracts that abut Watertown. The Milwaukee-Waukesha MSA consists of Milwaukee, Ozaukee, Washington, and Waukesha Counties.

Since the prior evaluation, the bank added Milwaukee, Ozaukee, and Washington Counties when the Milwaukee branch was opened. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude any low- or moderate-income geographies. The following sections discuss economic and demographic information for the assessment area.

Economic and Demographic Data

The assessment area includes 456 census tracts. Based on the 2015 American Community Survey (ACS) five-year estimates, the census tracts have the following income designations:

- 99 low-income census tracts,
- 69 moderate-income census tracts,
- 153 middle-income census tracts,
- 132 upper-income census tracts, and
- 3 non-classified census tracts.

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	456	21.7	15.1	33.6	28.9	0.7
Population by Geography	1,675,387	15.7	14.1	35.2	35.0	0.0
Housing Units by Geography	715,356	15.1	14.4	36.7	33.8	0.0
Owner-Occupied Units by Geography	405,530	6.8	11.2	37.6	44.4	0.0
Occupied Rental Units by Geography	258,867	24.5	19.4	37.1	19.1	0.0
Vacant Units by Geography	50,959	33.3	14.6	27.8	24.4	0.0
Businesses by Geography	98,981	11.0	11.7	35.6	41.6	0.0
Family Distribution by Income Level	415,699	22.8	16.2	19.6	41.3	0.0
Household Distribution by Income Level	664,397	24.7	15.4	17.1	42.8	0.0
Median Family Income MSA - 33340 Milwaukee-Waukesha, WI MSA	\$71,764	Median Housing Value			\$186,507	
Median Family Income Non-MSAs - WI	\$60,742	Median Gross Rent			\$839	
		Families Below Poverty Level			10.8%	

Source: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

Waukesha County has three moderate-income census tracts in downtown Waukesha, and Jefferson County has one moderate-income census tract in Watertown. The remaining 164 low- and moderate-income census tracts are located in Milwaukee County with a vast majority in the City of Milwaukee. Three census tracts in the assessment area do not have sufficient population to categorize into an income category. As shown in the demographic table, the percentage of the population living in low- and moderate-income census tracts, compared to the percentage of low- and moderate-income families in the assessment area indicates some of these families are residing in middle- and upper-income census tracts. In addition, 10.8 percent of families in the assessment area live below the poverty level and are less likely to have the capacity to afford a home.

Wisconsin contains 120 Opportunity Zones, and 113 municipalities in Wisconsin utilize tax increment financing (TIF) districts. These areas are targeted for economic development, revitalization and stabilization, and other community improvement projects. Tax incentives are offered to encourage development in these targeted areas. These targeted areas are located throughout the assessment area, with a concentration of these targeted areas in the low- and moderate-income census tracts.

Examiners rely on the 2019, 2020, and 2021 FFIEC-estimated median family income (MFI) levels to analyze the home mortgage loans under the Borrower Profile criterion. The FFIEC bases its annual estimates on the most recent U.S. Census or ACS data, and factors in inflation and other economic variables to arrive at a MFI that more closely reflects current economic conditions. The following table presents the low-, moderate-, middle-, and upper-income levels for the MSA and Non-MSA areas.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Milwaukee-Waukesha, WI MSA Median Family Income (33340)				
2019 (\$82,300)	<\$41,150	\$41,150 to <\$65,840	\$65,840 to <\$98,760	≥\$98,760
2020 (\$83,800)	<\$41,900	\$41,900 to <\$67,040	\$67,040 to <\$100,560	≥\$100,560
2021 (\$84,400)	<\$42,200	\$42,200 to <\$67,520	\$67,520 to <\$101,280	≥\$101,280
WI NA Median Family Income (99999)				
2019 (\$65,900)	<\$32,950	\$32,950 to <\$52,720	\$52,720 to <\$79,080	≥\$79,080
2020 (\$68,000)	<\$34,000	\$34,000 to <\$54,400	\$54,400 to <\$81,600	≥\$81,600
2021 (\$69,600)	<\$34,800	\$34,800 to <\$55,680	\$55,680 to <\$83,520	≥\$83,520
<i>Source: FFIEC</i>				

According to the 2021 Population Estimates Program and 2020 ACS, Milwaukee County has the largest population in Wisconsin with 928,059 residents. Waukesha County is the third most populated county in the State with 408,756 residents. Washington County reported 137,175 residents, Ozaukee County has 92,497 residents, Dodge County has 89,313 residents, and Jefferson County has 84,943 residents.

There are 715,356 housing units in the assessment area. Of these, 56.7 percent are owner-occupied, 36.2 percent are occupied rental units, and 7.1 percent are vacant. Additionally, 78.3 percent of housing units are 1-4 family, 20.9 percent are multifamily, and 0.8 percent are mobile homes. This data provides insight into the potential credit needs and opportunities for various types of residential lending.

Housing prices vary significantly between the six counties in the assessment area. During the evaluation period, median home prices rose considerably with the largest increase occurring in Dodge County. See the following table with data from the Wisconsin Realtors Association. This information indicates that housing affordability may be challenging for low- and moderate-income individuals.

Median Housing Prices in the Assessment Area			
Area	Median Sale Price 2020	Median Sale Price 2021	% Increase
Milwaukee County	\$186,400	\$207,500	11.3
Ozaukee County	\$335,000	\$375,000	11.9
Washington County	\$274,000	\$308,250	12.5
Waukesha County	\$337,500	\$368,950	9.3
Dodge County	\$182,750	\$210,000	14.9
Jefferson County	\$244,750	\$270,000	10.3
State of Wisconsin	\$220,000	\$240,000	9.1
<i>Source: Wisconsin Realtors Association</i>			

In March 2020, the coronavirus disease (COVID-19) was declared a global pandemic. Many states and local governments imposed strict measures to restrain certain aspects of public life resulting in a significant disruption of the local and national economy and financial markets. Unemployment rates were higher in 2020 due to economic struggles brought about by the pandemic. Unemployment rates improved in all counties in 2021. See the following table for specific unemployment rates.

Annual Unemployment Rates in the Assessment Area			
Area	2020	2021	Change
	(%)	(%)	(%)
Milwaukee County	8.3	5.4	-2.9
Ozaukee County	5.4	3.1	-2.3
Washington County	5.7	3.1	-2.6
Waukesha County	5.6	3.1	-2.5
Dodge County	5.3	3.2	-2.1
Jefferson County	5.5	3.3	-2.2
State of Wisconsin	6.3	3.8	-2.5

Source: Wisconsin Department of Workforce Development

According to 2021 D&B data, there were 98,981 businesses in the assessment area. The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by revenue level. Gross annual revenues for these businesses are as follows:

- 80.7 percent have \$1 million or less,
- 7.8 percent have more than \$1 million, and
- 11.5 percent have revenues that were not reported.

Service industries represent the largest portion of businesses at 43.0 percent; followed by retail trade (13.6 percent); finance, insurance, and real estate (9.5 percent); construction (6.5 percent); manufacturing (4.6 percent); and transportation (4.5 percent). In addition, 62.8 percent of assessment area businesses have four or fewer employees, and 86.8 percent operate from a single location. Largest employers in the assessment area include Advocate Aurora Health (32,000 employees), Froedtert Health (14,000 employees), Ascension Wisconsin (10,750 employees), Quad/Graphics (7,500 employees), Medical College of Wisconsin (6,225 employees), Kohl's Corporation (6,200 employees), GE Healthcare (6,000 employees), and Northwestern Mutual (6,000 employees).

Competition

The assessment area is highly competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2022, there were 59 financial institutions that operated 500 full-service branches within the bank's assessment area. Ixonia Bank ranked 23rd with 0.5 percent of the \$94.1 billion in total deposits. Of the banks ranked above Ixonia Bank, half are community banks and half are banks with a regional or national presence. Credit unions are also a significant source of competition and are not included in these rankings and market share.

There is a high level of competition for home mortgage loans among several banks, credit unions, and non-depository mortgage lenders in the market. In 2020, 585 lenders originated or purchased 101,359 home mortgage loans in the assessment area, and 310 lenders reported 10,381 loans in the low- and moderate-income census tracts in the assessment area. Ixonia Bank ranked 49th with a market share of 0.5 percent in the assessment area, and ranked 83rd with a market share of 0.2 percent in the low- and moderate-income census tracts in the assessment area. The five most prominent home mortgage lenders accounted for 26.5 percent of total market share in the assessment area and include Landmark Credit Union, Wells Fargo Bank NA, University of Wisconsin Credit Union, Summit Credit Union, and Associated Bank NA. The top two lenders in the low- and moderate-income census tracts were Landmark Credit Union and Educators Credit Union with 15.2 percent market share.

The bank is not required to collect or report its small business loan data. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. The aggregate data, however, reflects the level of demand for small business loans and is therefore included here. Aggregate data for 2020 shows that 181 institutions reported 33,543 small business loans in the Milwaukee-Waukesha MSA, and 68 institutions reported 2,174 small business loans in Dodge and Jefferson Counties. This information indicates a moderate degree of competition for this product.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit and community development opportunities are available. Examiners obtained information from two contacts.

The first contact was a housing organization serving Milwaukee and Waukesha Counties. The contact stated that the need for affordable housing is high due to increasing home values in the area. In addition, the construction of affordable housing is low due to the increasing cost of construction. Both of these issues have made homeownership difficult for low- and moderate-income individuals. The contact felt that COVID-19 has not significantly affected the availability of affordable housing as this issue was present before the pandemic. The contact identified needs for down-payment assistance programs, products for rehabilitation loans, and nontraditional credit to evaluate low- and moderate-income applicants. Furthermore, the contact said there was a need for banks to offer small-dollar loans to help individuals who might otherwise pay higher interest rates and fees with a payday lender.

The second contact was a Waukesha County government branch dedicated, in part, to fostering the County and surrounding areas' economic development. This contact stated that area businesses are seeking to grow and expand, particularly in technology, manufacturing, engineering, and healthcare. However, area businesses are experiencing supply chain issues due to the pandemic, as well as a labor shortage that has been occurring for some time. The contact noted that there are not enough qualified workers to fulfill the numerous job vacancies, and workforce re-training efforts have been

insufficient. However, the contact mentioned that interest rates are favorable, and banks appear to be meeting the area's financing needs.

The contact also pointed out that the high housing costs in the area have been prohibitive to attracting additional workforce to the area. For example, high home purchase prices have not allowed many people to be able to live and work in Waukesha County. A typical starting salary of around \$75,000 would not allow a person to afford a single-family home for \$375,000. Efforts to improve the supply of affordable housing are ongoing. The County is planning an increase in multifamily housing, and zoning laws are changing to allow more single-family units per acre in some Waukesha County communities.

The contact said that ample funds are available for rent and utility assistance for low- and moderate-income residents, many of whom are in the retail and service industries. The contact feels that banks are sufficiently involved in the community, and is not aware of any unmet credit needs.

Credit and Community Development Needs and Opportunities

Considering information from the community contacts, bank management, and economic and demographic data, examiners determined the primary needs and opportunities in the assessment area are affordable housing, housing rehabilitation loans, nontraditional home mortgage underwriting products, and small business loans.

Throughout the evaluation period, affordable housing loans, particularly those that benefit low- and moderate-income families, were in high demand. The significant number and percentage of families in the low- and moderate-income categories and 10.8 percent of families below the poverty level support this conclusion. Furthermore, as indicated by community contact information and economic and demographic data, the assessment area has community development opportunities in economic development, community services, and revitalization and stabilization.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated July 29, 2019, to the current evaluation dated September 6, 2022. Examiners used the Interagency Intermediate Small Institution Examination Procedures to evaluate Ixonia Bank's CRA performance. These procedures include two tests: the CRA Small Bank Lending Test and the Community Development Test, as detailed in the Appendix. Banks must achieve at least a Satisfactory rating under each test to obtain an overall Satisfactory rating. This evaluation does not include any lending activity performed by affiliates.

Examiners relied on records provided by the bank, 2015 ACS five-year estimates, D&B demographic data, community contacts, and loan information reported under the Home Mortgage Disclosure Act (HMDA). Ixonia Bank's CRA performance was analyzed in relation to the bank's performance context, which includes (but is not limited to) bank size and structure, financial

condition, loan mix, resources, limitations, assessment area demographics, economic factors, competition, loan demand, and available opportunities. Examiners used information obtained from community contact interviews to help establish the performance context for this CRA evaluation. The community contact interviewees are representatives in the assessment area and not affiliated with the bank.

Activities Reviewed

Examiners determined that the bank's major product lines are home mortgage and small business loans. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period.

The bank's record of originating home mortgage loans contributed more weight to overall conclusions due to the larger loan origination volume when compared to small business lending during the evaluation period. No other loan types, such as small farm loans or consumer loans, represent a major product line. Therefore, they provided no material support for conclusions or ratings and are not presented. The following table shows the bank's originations and purchases during the evaluation period by loan type.

Loan Products Reviewed						
Year	Home Mortgage		Small Business		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)
2019	131	27,685	107	31,264	238	58,949
2020	3,139	818,582	151	26,517	3,290	845,099
2021	4,653	1,191,131	143	32,159	4,796	1,223,290

Source: Bank Records dated 1/1/18 through 6/30/21.

Examiners considered all home mortgage loans reported on the bank's 2019, 2020, and 2021 HMDA loan application registers. Where available, aggregate data provided a standard of comparison for the bank's home mortgage loans. Demographic data from the 2015 ACS five-year estimates was also used as a measure of comparison.

Examiners considered all small business loans originated from January 1, 2019, through December 31, 2021. Bank data provided sufficient location and revenue information which was used to evaluate the bank's small business lending performance. D&B data and similarly-situated bank analyses provided a standard of comparison for the bank's small business loans.

Of the 151 small business loans in 2020 and the 143 small business loans in 2021 shown in the previous table, 66 (43.7 percent) in 2020 and 39 (27.3 percent) in 2021 are SBA Paycheck Protection Program (PPP) loans. The bank has shown responsiveness to community needs as this program helped retain jobs and enable businesses to survive the lockdowns. The Community Development Test contains information on additional SBA PPP loans not included within the Small Bank lending test. The following table summarizes SBA PPP lending activity during the review period.

SBA Paycheck Protection Program Loans						
Year	Lending Test		Community Development Test		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020	66	8,474	252	47,356	318	55,830
2021	39	3,568	137	15,786	176	19,354
Total	105	12,042	389	63,142	494	75,184

Source: Bank Records

For the Lending Test, examiners reviewed the number and dollar volume of home mortgage and small business loans. While number and dollar volume of loans are presented, examiners emphasized performance by number of loans, because the number of loans is a better indicator of the number of individuals and businesses served.

When determining the Lending Test rating, examiners gave more weight to borrowers' profile and the geographic distribution of loans than loan-to-deposit ratio and assessment area concentration. These two factors are more important because they most directly identify how well the bank serves the traditionally underserved segments of the population (including low- and moderate-income individuals and geographies, and small businesses).

For the Community Development Test, bank management provided data on community development loans, qualified investments, and community development services since the previous CRA evaluation dated July 29, 2019. Qualified investments obtained prior to July 29, 2019, and remaining on the books as of September 6, 2022, were given credit at the current book value.

When determining the Community Development Test rating, examiners evaluated the bank's community development loans, qualified investments, and community development services in the context of available bank resources and opportunities in the assessment area, with no type of community development activity receiving more weight than another. Community development activities were evaluated quantitatively based on the financial capacity of the bank, as well as qualitatively based upon the impact to the assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The Lending Test is rated "Satisfactory." Ixonia Bank demonstrated reasonable performance under Loan-to-Deposit Ratio, Geographic Distribution, and Borrower Profile criteria, primarily supporting the overall rating. However, under Assessment Area Concentration criterion, the bank originated a substantial majority of loans outside of the assessment area.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's loan-to-deposit ratio, calculated from Call Report data, averaged 68.4

percent over the past 12 quarters from September 30, 2019 to June 30, 2022. The ratio ranged from a low of 54.4 percent as of March 31, 2022, to a high of 87.9 percent as of September 30, 2020. Similarly-situated banks had loan-to-deposit ratios that ranged from 63.2 percent to 99.5 percent during the same timeframe, as reflected in the table below. Comparable institutions were selected based on their asset size, geographic location, and lending focus. While Ixonia Bank's ratio resides in the low range of the performance of comparative banks, its performance is within an acceptable range. Further, the more modest ratio is mitigated by the significant level of home mortgage lending that is sold through the secondary market. Ixonia Bank sold 57 loans totaling \$10.1 million in 2019, 1,730 loans totaling \$734.7 million in 2020, 4,714 loans totaling \$1.2 billion in 2021, and 1,570 loans totaling \$512.2 million in the first seven months of 2022.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 6/30/2022 (\$000s)	Average Net LTD Ratio (%)
Ixonnia Bank	623,853	68.4
Premier Bank	531,089	65.7
Forte Bank	340,042	85.3
Community State Bank	635,473	63.2
Oostburg State Bank	340,805	77.9
First Citizen's State Bank	424,848	67.6
The Greenwood's State Bank	521,999	88.9
PyraMax Bank, FSB	534,085	84.2
Commerce State Bank	857,349	99.5

Source: Call Report of Condition 9/30/19 to 6/30/22

Assessment Area Concentration

Ixonnia Bank made a substantial majority of loans and other lending related activities outside the assessment area. As stated previously, Ixonnia Bank acquired Novus Home Mortgage on April 1, 2020, as a division of the bank. Novus Home Mortgage originates home mortgage loans nationwide through various LPOs. Within the evaluation period, the number of LPOs ranged from 18 upon acquisition date to 55. While the bank does not meet the standard for satisfactory performance under this criterion, examiners applied less weight to Assessment Area Concentration given that the bank's new lending has not decreased the volume of lending in the assessment area. Specifically, the percentage of home mortgage loans in the assessment area declined from 82.4 percent in 2019 to 9.6 percent in 2021, but the number of home mortgage loans in the assessment area increased from 108 to 448. This information indicates that Ixonnia Bank is continuing to serve the assessment area with home mortgage loans. In addition, the bank made an increasing trend of small business loans in the assessment area, both by number of loans and by percentages as shown in the following table.

Lending Inside and Outside of the Assessment Area										
	Number of Loans					Dollar Amount of Loans \$(000s)				
Loan Category	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Home Mortgage										
2019	108	82.4	23	17.6	131	22,743	82.1	4,942	17.9	27,685
2020	551	17.6	2,588	82.4	3,139	137,129	16.8	681,453	83.2	818,582
2021	448	9.6	4,205	90.4	4,653	111,747	9.4	1,079,385	90.6	1,191,131
Subtotal	1,107	14.0	6,816	86.0	7,923	271,619	13.3	1,765,779	86.7	2,037,398
Small Business										
2019	84	78.5	23	21.5	107	24,518	78.4	6,746	21.6	31,264
2020	136	90.1	15	9.9	151	23,284	87.8	3,233	12.2	26,517
2021	138	96.5	5	3.5	143	30,004	93.3	2,155	6.7	32,159
Subtotal	358	89.3	43	10.7	401	77,806	86.5	12,134	13.5	89,940
Total	1,465	17.6	6,859	82.4	8,324	349,425	16.4	1,777,913	83.6	2,127,338

Source: Bank Data

Geographic Distribution

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

In 2019, the assessment area did not have any low-income census tracts. In January 2020, Ixonia Bank opened a branch with a commercial-lending focus in downtown Milwaukee. At that time, the bank expanded the assessment area to include Milwaukee, Ozaukee, and Washington Counties. Census tracts in the assessment area increased from 111 to 456, with low-income census tracts increasing from 0 to 99 (0.0 percent to 21.7 percent), and moderate-income census tracts increasing from 4 to 69 (3.6 percent to 15.1 percent). It is noted that the downtown Milwaukee branch encountered staffing and building issues, as well as faced more restrictive COVID-19 restrictions, affecting business operations. While the bank's other branches had drive-up facilities that allowed them to continue operations during the COVID-19 lockdowns, the Milwaukee branch does not have drive-up facilities due to space limitations and could not continue operations during the lockdowns. These difficulties impacted this branch's operations.

In April 2020, Ixonia Bank acquired Novus Home Mortgage with several LPOs and a nationwide lending focus. Several lenders work from the LPO in Waukesha, Wisconsin, which originate many home mortgage loans in the assessment area.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. The bank did not make any loans in low-income census tracts in 2019, as the

assessment area did not contain any low-income census tracts at that time. Due to the expanded assessment area in 2020, comparable benchmarks of aggregate data increased to 2.5 percent, and the percentage of owner-occupied housing units in low-income census tracts increased to 6.8 percent. The bank's performance of 0.5 percent in 2020 and 3.3 percent in 2021 is reasonable when considering this increasing trend, the commercial focus and operational struggles of the new downtown Milwaukee branch, and the geographic distance of the branches from the low-income census tracts that are concentrated in the City of Milwaukee.

In the moderate-income census tracts, the bank's 2019 performance compared well with the benchmarks, including the 2.3 percent aggregate data and the 2.5 percent owner-occupied housing units in moderate-income census tracts. With the expanded assessment area in 2020, the comparable aggregate and demographic benchmarks increased. While the bank's performance of 3.4 percent in 2020 and 8.0 percent in 2021 trails the comparable demographics, performance is reasonable when considering the same mitigating factors previously discussed, including this increasing trend, the commercial focus and operational struggles of the new downtown Milwaukee branch, and the geographic distance of the branches from the moderate-income census tracts that are concentrated in the City of Milwaukee.

Geographic Distribution of Home Mortgage Loans in the Assessment Area							
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%	
Low							
2019	0.0	0.0	0	0.0	0	0.0	
2020	6.8	2.5	3	0.5	300	0.2	
2021	6.8	--	15	3.3	2,265	2.0	
Moderate							
2019	2.5	2.3	5	4.6	515	2.3	
2020	11.2	7.7	19	3.4	2,745	2.0	
2021	11.2	--	36	8.0	5,611	5.0	
Middle							
2019	24.6	21.3	33	30.6	6,056	26.6	
2020	37.6	35.2	190	34.5	38,432	28.0	
2021	37.6	--	154	34.4	30,703	27.5	
Upper							
2019	72.9	76.4	70	64.8	16,172	71.1	
2020	44.4	54.5	339	61.5	95,652	69.8	
2021	44.4	--	243	54.2	73,168	65.5	
Totals							
2019	100.0	100.0	108	100.0	22,743	100.0	
2020	100.0	100.0	551	100.0	137,129	100.0	
2021	100.0	--	448	100.0	111,747	100.0	

Source: 2015 ACS; Bank data; 2019 and 2020 HMDA Aggregate data; “—“ data not available.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. The bank did not make any loans in low-income census tracts in 2019, as the assessment area did not contain any low-income census tracts at that time. Due to the expanded assessment area in 2020, the comparable benchmark of the percentage of businesses in low-income census tracts increased. Although not a direct comparator, 2020 aggregate data in the low-income census tracts is 8.9 percent, slightly trailing the census demographics. The bank's performance of 6.6 percent in 2020 and 4.3 percent in 2021 is within a reasonable range when considering the operational struggles of the new downtown Milwaukee branch, local competition, and the geographic distance of the branches from the low-income census tracts that are concentrated in the City of Milwaukee.

In the moderate-income census tracts, the bank originated 3.6 percent in 2019. The bank compared well with the percentage of businesses operating in moderate-income census tracts, and although not used as a direct comparison, exceeded the aggregate (2.6 percent). With the expanded assessment area in 2020, the comparable benchmarks increased. The bank's performance increased to 18.4 percent in 2020, exceeding the demographic. The 2021 performance reasonable compares to the demographic. Stronger records of lending in moderate-income census tracts mitigates slightly less favorable performance in low-income census tracts reflecting overall reasonable performance. See the following table.

Geographic Distribution of Small Business Loans in Assessment Area						
Tract Income Level	% of Businesses	#	%	\$(000s)	%	
Low						
2019	0.0	0	0.0	0	0.0	
2020	10.3	9	6.6	2,585	11.1	
2021	11.0	6	4.3	2,606	8.7	
Moderate						
2019	3.2	3	3.6	570	2.3	
2020	11.5	25	18.4	5,833	25.1	
2021	11.7	16	11.6	2,278	7.6	
Middle						
2019	28.8	24	28.6	8,005	32.7	
2020	35.8	32	23.5	5,664	24.3	
2021	35.6	27	19.6	5,917	19.7	
Upper						
2019	68.0	57	67.8	15,943	65.0	
2020	42.4	70	51.5	9,202	39.5	
2021	41.6	89	64.5	19,203	64.0	
Totals						
2019	100.0	84	100.0	24,518	100.0	
2020	100.0	136	100.0	23,284	100.0	
2021	100.0	138	100.0	30,004	100.0	

Source: 2019, 2020, and 2021 D&B data; Bank data.

Borrower Profile

The distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes in the assessment area. The bank's reasonable performance of home mortgage and small business loans support this conclusion. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers. They also focused on the percentage by number of small business loans to businesses with revenues of \$1 million or less.

Home Mortgage Loans

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable. The bank originated 3.7 percent of home mortgage loans to low-income individuals in 2019. In 2019, the percent of low-income families was 11.5 percent. A low-income family with an income of \$41,150 would not likely qualify for a mortgage under conventional underwriting standards, especially considering the median housing value of approximately \$183,000 or more, depending upon the county. Therefore, the demand and opportunity for lending to low-income families are relatively limited. For this reason, more

emphasis is given to the comparison with aggregate data. The bank compared reasonably to aggregate data. Aggregate data in 2020 increased to 4.8 percent with the expansion of the assessment area. While the bank's performance at 3.1 percent in 2020 and 3.8 percent in 2021 is slightly below aggregate, it is within the range of reasonable performance.

To the moderate-income individuals, the bank originated 16.7 percent of home mortgage loans in 2019. The bank compared well to aggregate (13.6 percent) and demographic (13.8 percent) benchmarks. In 2020, the comparable benchmarks of aggregate data increased to 17.1 percent, and the percentage of moderate-income families increased to 16.2 percent. The bank's performance of 16.2 percent in 2020 and 19.6 percent in 2021 is reasonable and compares well with these benchmarks. See the following table.

Distribution of Home Mortgage Loans by Borrower Income Level in the Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$ (000s)	%
Low						
2019	11.5	3.7	4	3.7	343	1.5
2020	22.8	4.8	17	3.1	2,355	1.7
2021	22.8	--	17	3.8	2,615	2.3
Moderate						
2019	13.8	13.6	18	16.7	2,943	12.9
2020	16.2	17.1	89	16.2	16,027	11.7
2021	16.2	--	88	19.6	17,516	15.7
Middle						
2019	20.4	22.9	25	23.1	4,757	20.9
2020	19.6	22.2	127	23.0	28,506	20.8
2021	19.6	--	138	30.8	29,977	26.8
Upper						
2019	54.3	49.9	54	50.0	13,475	59.3
2020	41.3	43.9	311	56.4	88,807	64.8
2021	41.3	--	184	41.1	56,432	50.5
Not Available						
2019	0.0	9.9	7	6.5	1,224	5.4
2020	0.0	12.1	7	1.3	1,433	1.0
2021	0.0	--	21	4.7	5,207	4.7
Totals						
2019	100.0	100.0	108	100.0	22,743	100.0
2020	100.0	100.0	551	100.0	137,129	100.0
2021	100.0	--	448	100.0	111,747	100.0

Source: 2015 ACS; Bank data; 2019 and 2020 HMDA Aggregate data; “--” data not available.

Small Business Loans

The bank's distribution of small business loans reflects reasonable penetration of loans to businesses with revenues of \$1 million or less. As shown in the following table, the bank's performance is significantly below demographic data. Examiners considered the performance of similarly-situated banks, as well as aggregate data, to determine that the bank's performance, while trailing, is reasonable overall.

Examiners compared the bank's performance with other banks recently evaluated in the Milwaukee area to assist in establishing a standard of demand. Four banks were selected for comparison with lending to small businesses in 2019 ranging from 15.1 percent to 41.4 percent. The banks on the lower end of this analysis demonstrated poor performance. In 2020, two comparable institutions were reviewed with performance ranging from 44.4 percent to 57.9 percent. Considering the similarly-situated bank analysis, examiners determined that performance is reasonable overall during the review period.

As noted previously, aggregate data is not a direct comparator and is not shown in the following table, as the bank does not report CRA small business loan data and the bank's small business loans are not included in the aggregate data. However, examiners did consider the record of aggregate lending in conjunction with similarly-situated bank performance to determine the level of demand for such loans. The 2019 aggregate data shows that 44.8 percent of reported loans originated to small businesses, and the 2020 aggregate shows that 38.0 percent of reported loans originated to small businesses. Ixonia Bank's performance is below 2019 aggregate data, but improves significantly and exceeds 2020 aggregate data.

Finally, the bank participated in the SBA PPP during the review period. These loans are captured in the "Revenue Not Available" section of the following table as the bank was not required to collect revenue information. In 2020, 14 of the 21 loans for which revenue was not collected are SBA PPP loans made to help support small businesses during the pandemic. In 2021, eight of the nine loans with no revenue data are SBA PPP loans. All other SBA PPP loans are considered in the Community Development analysis of this evaluation.

Distribution of Small Business Loans by Gross Annual Revenue Category in Assessment Area					
Gross Revenue Level	% of Businesses	#	%	\$ (000s)	%
<=\$1,000,000					
2019	79.0	25	29.8	6,724	27.4
2020	80.6	61	44.9	5,165	22.2
2021	80.7	52	37.7	5,748	19.2
>\$1,000,000					
2019	9.6	59	70.2	17,794	72.6
2020	8.0	54	39.7	14,014	60.2
2021	7.8	77	55.8	23,467	78.2
Revenue Not Available					
2019	11.4	0	0.0	0	0.0
2020	11.3	21	15.4	4,105	17.6
2021	11.5	9	6.5	789	2.6
Totals					
2019	100.0	84	100.0	24,518	100.0
2020	100.0	136	100.0	23,284	100.0
2021	100.0	138	100.0	30,004	100.0

Source: 2019, 2020, and 2021 D&B data; Bank data.

Response to Complaints

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the CRA rating.

COMMUNITY DEVELOPMENT TEST

The Community Development Test is rated “Satisfactory.” Ixonia Bank demonstrated adequate responsiveness to the community development needs and opportunities of its assessment area through community development loans, qualified investments, and community development services. Examiners considered the institution’s capacity and the need and availability of such opportunities. The community development performance is consistent with the performance of other similarly-situated banks. In addition to the quantitative consideration given to the volume of activities, examiners gave qualitative consideration to the impact that these activities have on the community and how the activities meet the needs in the assessment area.

Community Development Loans

Ixonia Bank originated or renewed 400 community development loans totaling \$85.4 million during the evaluation period. This level of activity represents 17.2 percent of average total assets and 29.7 percent of average net loans in the 12 quarters since the prior evaluation. Only one community

development loan for \$1.2 million is not in the assessment area but is in the broader statewide or regional area. Examiners considered community development loans in the broader statewide or regional area because the bank has been responsive to the community development needs and opportunities within the assessment area.

The bank's level of activity is comparable to other Wisconsin banks evaluated under Intermediate Small Bank CRA procedures in 2022 and receiving Satisfactory ratings under the Community Development Test. Specifically, seven similarly-situated banks had community development lending that ranged from 4.1 percent to 18.4 percent of average total assets and 5.8 percent to 24.6 percent of average net loans.

Of the 400 community development loans, 389 loans totaling \$63.1 million are SBA PPP loans, which supported economic development in the assessment area. These loans helped small businesses to meet payroll and other expenses in order to retain employees and remain operational. These loans demonstrate the bank's responsiveness to a primary community development need during the current evaluation period.

Besides the SBA PPP lending activity, the bank originated 11 community development loans totaling \$22.2 million during the evaluation period. This level of activity represents 4.5 percent of average total assets and 7.7 percent of average net loans, which falls within a comparable range of the previously mentioned seven similarly-situated Wisconsin banks. Specifically, when excluding SBA PPP activity for the similarly-situated banks, community development lending ranged from 0.5 percent to 6.6 percent of average total assets and 0.9 percent to 9.8 percent of average net loans.

The following table illustrates the bank's community development lending activity by year and purpose.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
7/29/19 – 12/31/19	0	0	0	0	1	15	0	0	1	15
2020	0	0	1	750	254	49,084	1	7,650	256	57,484
2021	2	1,606	0	0	139	16,836	0	0	141	18,442
1/1/22 – 9/6/22	1	9,169	1	280	0	0	0	0	2	9,449
Total	3	10,775	2	1,030	394	65,935	1	7,650	400	85,390

Source: Bank records

Notable examples of the bank's community development loans are highlighted below.

- The bank made a loan for \$7.7 million to renovate an urban shopping plaza that spans three city blocks in a TIF district in the City of Milwaukee.
- The bank made a loan for \$9.2 million for a new apartment complex in Shorewood, Wisconsin. This project is under an agreement with the Village of Shorewood requiring rents to conform to WHEDA's published rent caps for renters earning below 80 percent of the county median income.

Qualified Investments

Ixonia Bank made 43 qualified investments totaling \$6.7 million in the assessment area during the evaluation period. The total level of activity represents 1.3 percent of average total assets, 12.7 percent of average equity capital, and 5.9 percent of average securities in the 12 quarters since the prior evaluation. The bank's performance in qualified investments exceeds the seven similarly-situated Wisconsin banks, which range from 0.0 percent to 1.0 percent of average assets, 0.0 percent to 9.8 percent of average equity capital, and 0.0 percent to 4.8 percent of average total securities.

The following table illustrates the bank's investments and donations.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	1	1,017	0	0	1	1,000	0	0	2	2,017
7/29/19 – 12/31/19	0	0	0	0	1	1,567	0	0	1	1,567
2020	0	0	0	0	0	0	0	0	0	0
2021	1	1,014	0	0	0	0	0	0	1	1,014
1/1/22 – 9/6/22	0	0	0	0	1	2,023	0	0	1	2,023
Subtotal	2	2,031	0	0	3	4,590	0	0	5	6,621
Qualified Grants & Donations	0	0	38	58	0	0	0	0	38	58
Total	2	2,031	38	58	3	4,590	0	0	43	6,679

Source: Bank records

Notable examples of the bank's qualified investments are highlighted as follows.

- The bank made an equity investment for \$1.0 million in the Wisconsin Women's Business Initiative Corporation (WWBIC) in April 2019. This investment remains on the bank's books. WWBIC is a Community Development Financial Institution (CDFI) whose mission is to promote economic development by providing direct lending, access to capital, quality business education, and business assistance to entrepreneurs with an emphasis on serving low- and moderate-income individuals throughout Wisconsin.
- The bank made two investments totaling \$3.6 million in Small Business Investment Corporation (SBIC) debentures during the evaluation period. 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. See the definition of SBIC in the Appendix for further details.

Community Development Services

Ixonia Bank provided community development services that benefited the assessment area and were consistent with the capacity of the institution and the need and availability of such opportunities. Employees, management, and Board members actively participate in providing services to various organizations, which specifically target low- and moderate-income individuals within the assessment area. During the evaluation period, bank representatives provided 24 instances of

financial expertise to community development-related organizations in the assessment area. The bank's performance is comparable to other institutions. Seven similarly-situated banks had qualified services ranging from 17 to 132 instances over a similar timeframe. The table below illustrates the bank's community development services by year and purpose.

Activity Year	Community Development Services					Totals
	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize		
	#	#	#	#		
7/29/19 – 12/31/19	0	6	1	0	7	
2020	0	6	1	0	7	
2021	0	3	2	0	5	
1/1/22 – 6/30/22	0	3	2	0	5	
Total	0	18	6	0	24	

Source: Bank records

Notable examples of the bank's community development services are as follows.

- A bank officer is on the Board of a non-profit organization focusing on supporting youth in Milwaukee's inner city as well as near-suburbs. The goal of the organization is to transform Milwaukee into a more equitable region through education, sports, and inclusion. The programming is free and geared towards youth that grow up in the underserved parts of the City.
- Two bank employees served on the Board and one bank employee was co-chairperson of the Fundraising Committee of a non-profit organization that helps people with disabilities to live independently.
- Two bank employees served on the Fundraising Committee of a non-profit organization that assist homeless families find shelter and jobs in Waukesha County. One bank employee was also involved with the Financial Literacy Program for this organization.

Additionally, the bank assisted eight borrowers in obtaining down payment assistance grants totaling \$46,450 during the evaluation period.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners reviewed the bank's compliance with the laws relating to discrimination and other illegal credit practices, 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.

Distribution of Branches

Ixonia Bank has 7 full-service facilities, all within our assessment area. Four branches are within upper-income census tracts and three are within middle income census tracts. Ixonia Bank has 7 ATM's similarly positioned at the facilities. As stated in our 2019 FDIC CRA Performance Evaluation, the distribution of Ixonia Bank branches/ATM's in respect to income-level areas is reasonable considering the overall distribution of middle- and upper-income geographies in our assessment area.

Branch/ATM Address	Drive Up Facility	ATM's	Census Tract/Income
Main Bank W1046 Marietta Avenue Ixonia, WI 53036 <i>Serving Ixonia's market area</i>	Yes	Drive Up (24 hr accessible) Not deposit taking	1017.02 Upper
109 Oakridge Court Watertown, WI 53094 <i>Serving the Watertown area</i>	Yes	Drive Up (24 hr accessible) Not deposit taking	1001.00 Upper
1725 Church Street Watertown, WI 53094 <i>Serving the Watertown area</i>	Yes	Drive Up (24 hr accessible) Not deposit taking	1003.00 Middle
1223 East Summit Avenue Oconomowoc, WI 53066 <i>Serving the Oconomowoc area</i>	Yes	Drive Up (24 hr accessible) Not deposit taking	2043.02 Middle
491 North Main Street Dousman, WI 53118 <i>Serving the Dousman area</i>	Yes	Drive Up (24 hr accessible) Not deposit taking	2040.03 Middle
W359N5002 Brown Street Oconomowoc, WI 53066 <i>Serving the Oconomowoc area</i>	Yes	Drive Up (24 hr accessible) Not deposit taking	2045.02 Upper
611 E Wisconsin Ave, Suite #101 Milwaukee, WI 53202 <i>Serving the Milwaukee area</i>	No	Building Lobby/Vestibule Not deposit taking	1874.00 Upper

BRANCH OPENINGS AND CLOSINGS

Closed

Hartland Branch – Closed July 26, 2019, census tract # 2035.00-Upper (As of 2022 this census tract is 2035.02)
3201 Village Square Drive
Hartland, WI 53029

Opened

Milwaukee Branch – Opened January 2020
611 E Wisconsin Ave, Suite #101
Milwaukee, WI 53202

FEE SCHEDULE – Consumer

Beginning December 1, 2022 — **Changes are noted in bold**



Ixonia Bank

GENERAL ACCOUNT CHARGES & USAGE

	Minimum opening deposit	\$100.00	per account
	Paper statement charge	\$3.00	per statement

DEPOSIT SERVICES

Deposit Services	Deposited check dishonored	\$10.00	per check
	Foreign check processing	\$10.00	per check
	New account closing	\$25.00	within 90 days of opening
	Non-sufficient funds (returned items)	\$29.00	per item per presentment, maximum of two fees per day
	<i>A Non-sufficient funds (returned items) fee can occur each time the merchant/vendor or other financial institution presents the item(s) to us for payment and your balance is not sufficient to cover the transaction amount. This may result in multiple Non-sufficient funds (returned items) fee for the same item or transaction.</i>		
Overdraft Related Charges and NSF	Overdraft fee	\$29.00	per item, maximum of two fees per day
	Continuing overdraft charge	\$8.00	per day
		<i>Continuing overdraft charge is charged each business day beginning at the end of the 5th business day. Continues until a positive balance is retained in the account.</i>	
	Overdraft protection (from another Ixonia Bank account)	\$10.00	

MISCELLANEOUS FEES

Miscellaneous Fees	Account Research/Reconciliation (copy charges apply)	\$30.00	per hour
	ATM/Debit Card replacement	\$7.00	per card
	Cashiers Check	\$3.00	per check
	Check Cashing (Checks drawn on us for non-customers)	\$10.00	per check
	Check Printing	Varies	
	Fax Service - outgoing	\$5.00	up to 3 pages
		\$2.50	each after 3 pages
	Fax service - incoming	\$1.00	per page
	Foreign ATM / Debit Card Transaction Fee	Up to 1%	Assessed by Mastercard
	Foreign draft	\$20.00	
	Photo copies / Account printouts	\$3.00	per printout
	Stop payment	\$32.50	per occurrence
	Tax Levy or garnishment	\$70.00	per request unless directed otherwise
	Telephone Banking 24/7/365	No charge	Call 1-800-522-4116
	Telephone transfer (non-automated)	\$2.00	each transaction

Wire Transfers	Domestic incoming	\$15.00	per wire
	Domestic outgoing	\$20.00	per wire
	Foreign incoming	\$20.00	per wire
	Foreign outgoing	\$45.00	per wire

Safe Deposit Box	Rental Fee - 3 x 5x 24 or 4 x 5 x 24	\$27.00	per year
	Rental Fee - 3 x 10 x 24	\$42.00	per year
	Rental Fee - 5 x 10 x 24	\$52.00	per year
	Rental Fee - 9 x 10 x 24	\$82.00	per year
	Safe Deposit Box Drilling	\$180.00	per occurrence
	Safe Deposit Box Key Replacement	\$20.00	each

Some products and services are not available at some locations.

Revised November 30, 2022 

HOW TO CONTACT US



IXONIA - MAIN OFFICE

W1046 Marietta Avenue | PO Box 110
Ixonia, WI 53036
920-262-6959 or 262-567-7509

DOUSMAN

491 N Main Street
Dousman, WI 53118
262-965-2570

MILWAUKEE

611 E Wisconsin Avenue, Suite 101
Milwaukee, WI 53202
414-763-2428

OCONOMOWOC

1223 E Summit Avenue
Oconomowoc, WI 53066
262-567-2881

OCONOMOWOC

W359N5002 Brown Street, Suite 104
Oconomowoc, WI 53066
262-468-4449

WATERTOWN

109 Oakridge Court | PO Box 499
Watertown, WI 53094
920-262-6949

WATERTOWN

1725 S Church Street | PO Box 499
Watertown, WI 53094
920-206-2000

CUSTOMER SOLUTIONS DEPARTMENT
920-262-6952 or 262-567-5295

COMMERCIAL LOAN DEPARTMENT
262-560-7320

ONLINE BANKING SUPPORT
920-206-4357

LOAN PROCESSING DEPARTMENT
920-262-6940

24-HOUR TELEPHONE BANKING
800-522-4116

ONLINE BANKING
www.IxoniaBank.com



FEE SCHEDULE—Business

Beginning December 1, 2022 — **Changes are noted in bold**



Ixonia Bank

GENERAL ACCOUNT CHARGES & USAGE

General Account Charges	Minimum opening deposit	\$100.00	per account
	Monthly maintenance charge	N/A	Business Basic Plus, per account
		\$15.00	Business Select Plus, per account
		\$20.00	Business Elite Plus, per account
	Paper statement charge	\$4.00	per statement

DEPOSIT SERVICES

Deposit Services	Checks paid and Other debits	Varies	
	Coin rolls	\$0.15	per roll
	Currency straps	\$0.30	per strap
	Deposits and Other credits	Varies	per item
	Deposited check dishonored	\$10.00	per check
	Foreign check processing	\$10.00	per check
	Items deposited	Varies	per item
	New account closing	\$25.00	within 90 days of opening
	Other debits / ACH debits	Varies	

Non-sufficient funds (returned items) \$39.00 **per item per presentment, maximum of two fees per day**

A Non-sufficient funds (returned items) fee can occur each time the merchant/vendor or other financial institution presents the item(s) to us for payment and your balance is not sufficient to cover the transaction amount. This may result in multiple Non-sufficient funds (returned items) fee for the same item or transaction.

Overdraft Related Charges and NSF

Overdraft Related Charges and NSF	Overdraft fee	\$39.00	per item, maximum of two fees charged per day
	Continuing overdraft charge	\$8.00	per day
			<i>Continuing overdraft charge is charged each business day beginning at the end of the 5th business day. Continues until a positive balance is retained in the account.</i>
	Overdraft protection (from another Ixonia Bank account)	\$10.00	

BUSINESS ONLINE BANKING

Business Online Banking	Base Module Charge	Varies	
	Business Mobile Banking	No additional charge	
	Token fee - new	\$15.00	after first two tokens
	Token fee - replacement	\$15.00	per token

TREASURY MANAGEMENT SOLUTIONS

Automatic Clearing House (ACH)	ACH Monthly base fee	\$40.00	per month
	ACH Initial set-up fee	\$25.00	
	ACH file fee	\$3.00	per month, after first four files
	ACH per item in file fee	\$0.11	per item
	ACH returns	\$5.00	per item

Fraud Prevention Solutions

Fraud Prevention Solutions	ACH Block/Filter Monthly base fee	Varies	per month
	ACH Block/Filter per exception fee	No charge	
	Positive Pay Monthly base fee	Varies	per month
	Positive Pay per exception fee	No charge	

Some products and services are not available at some locations.

Revised November 30, 2022

TREASURY MANAGEMENT SOLUTIONS - continued

Remote Deposit Capture (RDC)	RDC Monthly base fee	\$50.00	per month
	RDC Rental fee	Varies	per month
	RDC Deposits	\$0.20	per item
	Items deposited	\$0.11	per item
Sweep Processing	Loan Account Sweep	\$150.00	per month
	Zero Balance Account (ZBA)	\$100.00	per month
	Insured Cash Sweep (ICS)	\$50.00	per month
Wire Transfers	Online wire module	\$10.00	per month
	Domestic incoming	\$20.00	per wire
	Domestic outgoing	\$25.00	per wire
	- initiated thru online wire module	\$20.00	per wire
	International incoming	\$25.00	per wire
	International outgoing	\$55.00	per wire
	- initiated thru online wire module	\$50.00	per wire

MISCELLANEOUS FEES

Miscellaneous Fees	Account Research/Reconciliation (copy charges apply)	\$30.00	per hour
	ATM/Debit Card replacement	\$7.00	per card
	Cashiers Check	\$3.00	per check
	Check Cashing (Checks drawn on us for non-customers)	\$10.00	per check
	Check Printing	Varies	
	Fax Service - outgoing	\$5.00	up to 3 pages
		\$2.50	each after 3 pages
	Fax service - incoming	\$1.00	per page
	Foreign ATM / Debit Card Transaction Fee	Up to 1%	Assessed by Mastercard
	Foreign draft	\$20.00	
	Photo copies / Account printouts	\$3.00	per printout
	Stop payment	\$32.50	per occurrence
	Tax Levy or garnishment	\$70.00	per request unless directed otherwise
	Telephone Banking 24/7/365	No charge	Call 1-800-522-4116
	Telephone transfer (non-automated)	\$2.00	each transaction
Safe Deposit Box	Rental Fee	Varies	by size
	Safe Deposit Box Drilling	\$180.00	per occurrence
	Safe Deposit Box Key Replacement	\$20.00	each

We're here for you.

If you have questions about your Ixonia Bank business account or any other Ixonia Bank product or solution, please visit your nearest branch or contact our **Business Services Team at bizservicesteam@ixoniabank.com or 262-560-7327, Monday-Friday, 8AM — 5PM.**

Available Loan, Deposit, Investment Products

Ixonia Bank Loan Services

- Residential Mortgage Loans for 1 – 4 dwelling units
- Construction Loans
- Lot Loans
- Home Equity Loans and Lines of Credit
- Consumer Loans
- Government Loans
- Personal Unsecured Credit Line-Overdraft Line Only
- Automobile Loans
- Small Business Loans and Lines of Credit
- Community Development Loans
- Commercial and Industrial Real Estate Loans and Lines of Credit
- Recreational Vehicle/Mobile Home/Boat Loans

Ixonia Bank Deposit Services

- Personal Checking Accounts
 - Freedom Checking
 - Patriot Checking
 - Ultimate Interest Checking
 - Star Checking
- Money Market Accounts
- Savings Accounts
 - Statement Savings
 - Platinum Personal Savings
 - Escrow Accounts
 - Cashus Kids Club Savings Accounts
- Certificates of Deposit (CDs)
 - Young Savers CD
- Individual Retirement Accounts (IRAs)
- Health Savings Accounts (HSAs)
- Business Checking Accounts
 - Business Basic Plus
 - Business Select Plus
 - Business Elite Plus
- Ixonia Bank Consumer and Business Visa Cards
- Ixonia Bank ATM/Debit Cards
- Card Valet & Alerts
- Merchant Credit Card Services
- CDARs
- ICS
- Business Money Market and Savings Accounts
- Commercial Banking
- Mobile Banking Services
- Online Account Opening

Non-Deposit Financial Products and Services (offered through Ixonia Wealth Management-IWM)

- Investment Accounts
 - Equities and Fixed Income Securities
 - Mutual Funds
 - IRAs and IRA Rollovers
 - Business Retirement Accounts
 - Fixed and Variable Annuities
 - College Investment Programs
- Life, LTC, and Disability Insurance
- Investment Management and Trust Services
 - Investment Analysis
 - Portfolio Review
- ♦ Alternative Investments

Hours of Operation

Facility	Lobby Hours	Teller Drive-In Hours
W1046 Marietta Avenue Ixonia, WI 53036	8:30am -5:00pm M-F 9:00am -Noon Sat	8:00am -5:00pm M-Th 8:00am -5:30pm F 8:30am -Noon Sat
1725 Church Street Watertown, WI 53094	8:30am -5:00pm M-F 9:00am -Noon Sat	8:00am -5:00pm M-Th 8:00am -5:30pm F 8:30am -Noon Sat
109 Oakridge Court Watertown, WI 53094	8:30am -5:00pm M-F 9:00am -Noon Sat	8:00am -5:00pm M-Th 8:00am -5:30pm F 8:30am -Noon Sat
491 North Main Street Dousman, WI 53118	8:30am -5:00pm M-F 9:00am -Noon Sat	8:00am -5:00pm M-Th 8:00am -5:30pm F 8:30am -Noon Sat
1223 East Summit Avenue Oconomowoc, WI 53066	8:30am -5:00pm M-F 9:00am -Noon Sat	8:00am -5:00pm M-Th 8:00am -5:30pm F 8:30am -Noon Sat
W539N5002 Brown Street Oconomowoc, WI 53066	8:30am -5:00pm M-F 9:00am -Noon Sat	8:00am -5:00pm M-Th 8:00am -5:30pm F 8:30am -Noon Sat
611 E Wisconsin Ave, Suite #101 Milwaukee, WI 53202	9:00am -5:00pm M-F	N/A

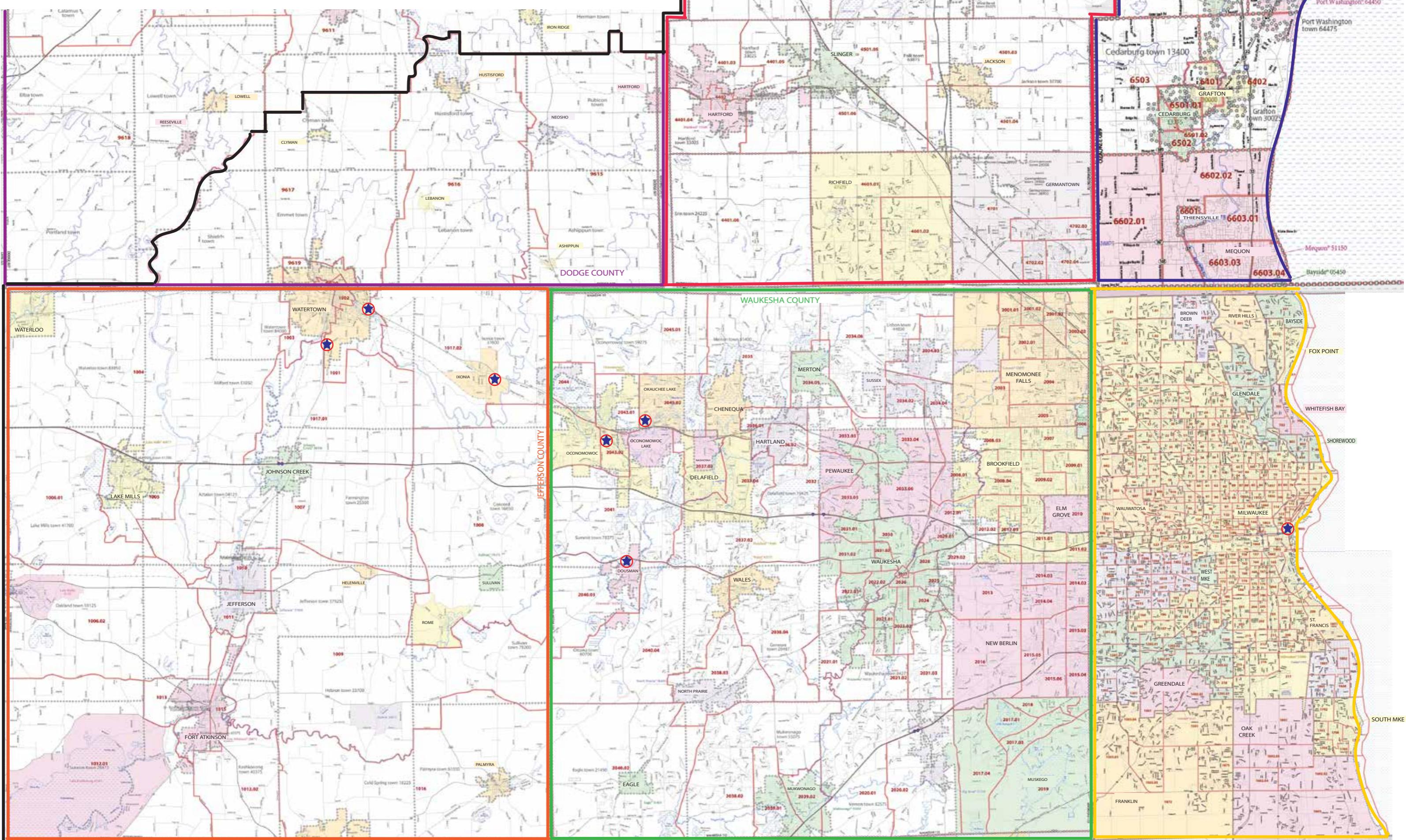
Delivery Systems

- ◆ Ixonia Bank offers the capability to perform banking functions through various channels. Some or all of these channels are widely available to all customers. Traditional avenues (personal visits) are enhanced by Ixonia Bank's generous hours of operation listed below as well as 24-hour night drops that are available at all facilities for after-hour and bank-by-mail transactions.
- ◆ Telephone banking services are available to all customers 24 hours a day and offer an array of services including the ability to retrieve balances and transfer funds.
- ◆ Online banking services are offered to all Ixonia Bank customers 24 hours a day. The system allows customers to retrieve balances, transfer funds, print statements, access account histories, view check images, and utilize bill payment services. Customers can obtain information about their Ixonia Bank accounts including checking, money market, savings, certificates of deposit and loans.
- ◆ Mobile Banking is available to all customers with a mobile phone. These services include, but are not limited to, balance inquiries and histories, transfers between accounts, person to person payments, mobile bill pay and mobile deposit capabilities.
- ◆ Ixonia Bank offers no annual fee ATM/debit cards that allow our customers to make purchases anywhere that Master Card is accepted as well as the added convenience of performing balance transfers and obtaining cash at ATMs.
- ◆ Safe Deposit Boxes are available in a variety of sizes at every location excepting the Milwaukee branch.



LEGEND

- Ixonia Bank location
 - Ixonia Bank CRA Outline
 - Dodge County
 - Ozaukee County
 - Milwaukee County
 - Jefferson County
 - Washington County
 - Waukesha County



ASSESSMENT AREA:

The Assessment Area map defines Ixonia Bank's primary service area. This area includes the following census tracts:

Dodge County	9615.00	U	Ashipun, Rubicon			
	9616.00	M	Hustisford, Lebanon			
	9617.00	M	Clyman, Emmet, Shields			
	9619.00	M	Emmet, Watertown			
	9620.00	M	Watertown			

Jefferson County	1001.00	U	Watertown	1010.00	U	Jefferson
	1002.00	MO	Watertown	1011.00	M	Jefferson
	1003.00	M	Watertown	1012.01	M	Summertown
	1004.00	U	Milford, Waterloo, Wtn	1012.02	U	Koshkonong
	1005.00	M	Lake Mills	1013.00	M	Fort Atkinson
	1006.01	U	Lake Mills	1014.00	M	Fort Atkinson
	1006.02	M	Oakland	1015.00	M	Fort Atkinson
	1007.00	U	Johnson Crk, Frmntn, Azt	1016.00	M	Palmyra, Cold Spring
	1008.00	U	Concord, Rome	1017.01	U	Farmington, Watertown
	1009.00	M	Hebron, Sullivan	1017.02	U	Ixonia, Watertown
Waukesha County	2001.01	M	Menomonee Falls	2023.02	MO	Waukesha
	2001.02	M	Menomonee Falls	2024.00	M	Waukesha
	2001.03	M	Menomonee Falls	2025.00	M	Waukesha
	2002.01	U	Menomonee Falls	2026.00	MO	Waukesha
	2002.02	M	Menomonee Falls	2027.00	M	Waukesha
	2003.00	U	Lannon	2028.00	M	Waukesha
	2004.00	U	Menomonee Falls	2029.01	M	Waukesha
	2005.00	U	Butler	2029.02	M	Waukesha
	2006.00	M	Butler	2030.00	M	Waukesha
	2007.00	U	Butler	2031.01	U	Waukesha
	2008.01	U	Pewaukee	2031.02	M	Waukesha
	2008.03	U	Pewaukee	2031.03	MO	Waukesha
	2008.04	U	Brookfield	2032.00	U	Delafield, Pewaukee
	2009.01	U	Brookfield	2033.03	U	Pewaukee
	2009.02	U	Brookfield	2033.04	U	Pewaukee
	2010.00	U	Elm Grove	2033.05	U	Pewaukee
	2011.01	U	Brookfield	2033.06	M	Pewaukee
	2011.02	U	Brookfield	2034.02	U	Sussex
	2012.01	U	Brookfield	2034.03	U	Sussex

	2012.02	U	Brookfield	2034.04	M	Sussex
	2012.03	U	Brookfield	2034.05	U	Merton
	2013.00	U	New Berlin	2034.06	U	Lisbon
	2014.02	M	New Berlin	2035.00	U	Merton
	2014.03	U	New Berlin	2036.01	M	Hartland
	2014.04	U	New Berlin	2036.02	U	Hartland
	2015.03	U	New Berlin	2037.02	U	Delafield, Wales
	2015.04	U	New Berlin	2037.03	U	Nashotah
	2015.05	U	New Berlin	2037.04	U	Hartland, Delafield
	2015.06	U	New Berlin	2038.02	U	Mukwanago
	2016.00	U	New Berlin	2038.03	U	Mukwanago
	2017.01	U	Muskego	2038.04	U	Genesee
	2017.03	U	Muskego	2039.01	U	Mukwanago
	2017.04	U	Muskego	2039.02	U	Mukwanago
	2018.00	U	Muskego	2040.02	U	Eagle
	2019.00	U	Muskego	2040.03	M	Dousman
	2020.01	U	Vernon	2040.04	U	Ottawa, North Prairie
	2020.02	U	Vernon	2041.00	U	Ocon Lake, Summit
	2021.01	U	Waukesha	2042.00	U	Oconomowoc, Summit
	2021.02	U	Waukesha	2043.01	U	Oconomowoc
	2021.03	U	Waukesha	2043.02	M	Oconomowoc
	2022.01	U	Waukesha	2044.00	U	Lac La Belle. Ocon
	2022.02	M	Waukesha	2045.01	U	Town of Oconomowoc
	2023.01	U	Waukesha	2045.02	U	Okauchee

Milwaukee County	0001.01	L	Milwaukee	0174.00	L	Milwaukee
	0001.02	L	Milwaukee	0175.00	L	Milwaukee
	0002.01	L	Milwaukee	0176.00	L	Milwaukee
	0002.02	M	Milwaukee	0179.00	Mo	Milwaukee
	0003.01	M	Milwaukee	0180.00	M	Milwaukee
	0003.02	L	Milwaukee	0181.00	M	Milwaukee
	0003.03	M	Milwaukee	0182.00	U	Milwaukee
	0003.04	M	Milwaukee	0183.00	M	Milwaukee
	0004.00	Mo	Milwaukee	0184.00	M	Milwaukee
	0005.01	Mo	Milwaukee	0185.00	M	Milwaukee
	0005.02	L	Milwaukee	0186.00	L	Milwaukee
	0006.00	Mo	Milwaukee	0187.00	L	Milwaukee
	0007.00	Mo	Milwaukee	0188.00	L	Milwaukee
	0008.00	Mo	Milwaukee	0189.00	M	Milwaukee
	0009.00	L	Milwaukee	0190.00	M	Milwaukee
	0010.00	L	Milwaukee	0191.00	Mo	Milwaukee
	0011.00	L	Milwaukee	0192.00	Mo	Milwaukee

	0012.00	L	Milwaukee	0193.00	M	Milwaukee
	0013.00	Mo	Milwaukee	0194.00	M	Milwaukee
	0014.00	L	Milwaukee	0195.00	M	Milwaukee
	0015.00	L	Milwaukee	0196.00	M	Milwaukee
	0016.00	L	Milwaukee	0197.00	M	Milwaukee
	0017.00	Mo	Milwaukee	0198.00	Mo	Milwaukee
	0018.00	L	Milwaukee	0199.00	Mo	Milwaukee
	0019.00	Mo	Milwaukee	0200.00	Mo	Milwaukee
	0020.00	L	Milwaukee	0201.00	Mo	Milwaukee
	0021.00	L	Milwaukee	0202.00	Mo	Milwaukee
	0022.00	Mo	Milwaukee	0203.00	Mo	Milwaukee
	0023.00	L	Milwaukee	0204.00	Mo	Milwaukee
	0024.00	L	Milwaukee	0205.00	Mo	Milwaukee
	0025.00	L	Milwaukee	0206.00	M	Milwaukee
	0026.00	L	Milwaukee	0207.00	M	Milwaukee
	0027.00	Mo	Milwaukee	0208.00	M	Milwaukee
	0028.00	L	Milwaukee	0209.00	M	Milwaukee
	0029.00	L	Milwaukee	0210.00	M	Milwaukee
	0030.00	M	Milwaukee	0211.00	M	Milwaukee
	0031.00	Mo	Milwaukee	0212.00	M	Milwaukee
	0032.00	Mo	Milwaukee	0213.00	Mo	Milwaukee
	0033.00	Mo	Milwaukee	0214.00	Mo	Milwaukee
	0034.00	Mo	Milwaukee	0215.00	M	Milwaukee
	0035.00	M	Milwaukee	0216.00	Mo	Milwaukee
	0036.00	L	Milwaukee	0217.00	M	Milwaukee
	0037.00	Mo	Milwaukee	0218.00	M	Milwaukee
	0038.00	L	Milwaukee	0301.00	U	Bayside
	0039.00	L	Milwaukee	0351.00	U	Fox Point
	0040.00	L	Milwaukee	0352.00	U	Fox Point
	0041.00	Mo	Milwaukee	0401.00	U	River Hills
	0042.00	L	Milwaukee	0501.01	M	Brown Deer
	0043.00	L	Milwaukee	0501.02	M	Brown Deer
	0044.00	L	Milwaukee	0601.01	U	Glendale
	0045.00	L	Milwaukee	0601.02	U	Glendale
	0046.00	L	Milwaukee	0602.00	M	Glendale
	0047.00	L	Milwaukee	0701.00	U	Whitefish Bay
	0048.00	L	Milwaukee	0702.00	U	Whitefish Bay
	0049.00	Mo	Milwaukee	0703.00	U	Whitefish Bay
	0050.00	Mo	Milwaukee	0801.00	U	Shorewood
	0051.00	Mo	Milwaukee	0802.00	M	Shorewood

	0052.00	M	Milwaukee	0803.00	U	Shorewood
	0053.00	Mo	Milwaukee	0804.00	M	Shorewood
	0054.00	M	Milwaukee	0901.00	U	Wauwatosa
	0055.00	M	Milwaukee	0902.00	U	Wauwatosa
	0056.00	U	Milwaukee	0903.00	M	Wauwatosa
	0057.00	M	Milwaukee	0906.00	M	Wauwatosa
	0058.00	M	Milwaukee	0907.00	U	Wauwatosa
	0059.00	Mo	Milwaukee	0908.00	U	Wauwatosa
	0060.00	L	Milwaukee	0909.00	M	Wauwatosa
	0061.00	Mo	Milwaukee	0910.00	U	Wauwatosa
	0062.00	L	Milwaukee	0911.00	U	Wauwatosa
	0063.00	L	Milwaukee	0912.00	U	Wauwatosa
	0064.00	L	Milwaukee	0913.00	U	Wauwatosa
	0065.00	L	Milwaukee	0914.00	M	Wauwatosa
	0066.00	L	Milwaukee	1001.00	Mo	Milwaukee
	0067.00	L	Milwaukee	1002.00	Mo	Milwaukee
	0068.00	L	Milwaukee	1003.00	Mo	Milwaukee
	0069.00	L	Milwaukee	1004.00	Mo	Milwaukee
	0070.00	L	Milwaukee	1005.00	Mo	Milwaukee
	0071.00	Mo	Milwaukee	1006.00	Mo	Milwaukee
	0072.00	Mo	Milwaukee	1007.00	M	Milwaukee
	0073.00	M	Milwaukee	1008.00	M	West Allis
	0074.00	U	Milwaukee	1009.00	Mo	Milwaukee
	0075.00	U	Milwaukee	1010.00	M	Milwaukee
	0076.00	U	Milwaukee	1011.00	M	Milwaukee
	0077.00	M	Milwaukee	1012.00	M	Milwaukee
	0078.00	M	Milwaukee	1013.00	M	Milwaukee
	0079.00	Mo	Milwaukee	1014.00	M	Milwaukee
	0080.00	Mo	Milwaukee	1015.00	Mo	Milwaukee
	0081.00	L	Milwaukee	1016.00	M	Milwaukee
	0084.00	L	Milwaukee	1017.00	M	Milwaukee
	0085.00	L	Milwaukee	1018.00	M	Milwaukee
	0086.00	L	Milwaukee	1101.00	Mo	Milwaukee
	0087.00	L	Milwaukee	1201.01	M	Milwaukee
	0088.00	L	Milwaukee	1201.02	M	Milwaukee
	0089.00	L	Milwaukee	1202.01	M	Milwaukee
	0090.00	L	Milwaukee	1202.02	Mo	Milwaukee
	0091.00	L	Milwaukee	1202.03	Mo	Milwaukee
	0092.00	L	Milwaukee	1203.00	M	Milwaukee
	0093.00	M	Milwaukee	1204.00	M	Milwaukee

	0094.00	M	Milwaukee	1205.01	M	Milwaukee
	0095.00	M	Milwaukee	1205.02	M	Milwaukee
	0096.00	L	Milwaukee	1301.00	U	Milwaukee
	0097.00	M	Milwaukee	1302.00	U	Milwaukee
	0098.00	L	Milwaukee	1401.00	U	Milwaukee
	0099.00	L	Milwaukee	1402.01	M	Milwaukee
	0106.00	L	Milwaukee	1402.02	M	Milwaukee
	0107.00	M	Milwaukee	1501.00	U	Milwaukee
	0108.00	M	Milwaukee	1503.01	U	Milwaukee
	0110.00	Mo	Milwaukee	1503.03	U	Milwaukee
	0111.00	M	Milwaukee	1503.04	M	Milwaukee
	0112.00	U	Milwaukee	1601.00	M	Milwaukee
	0113.00	M	Milwaukee	1602.02	M	Milwaukee
	0114.00	U	Milwaukee	1602.03	M	Milwaukee
	0122.00	L	Milwaukee	1602.04	M	Milwaukee
	0123.00	L	Milwaukee	1603.00	U	Milwaukee
	0124.00	Mo	Milwaukee	1701.00	M	Milwaukee
	0125.00	M	Milwaukee	1702.00	M	Milwaukee
	0126.00	Mo	Milwaukee	1703.00	M	Milwaukee
	0127.00	M	Milwaukee	1704.00	M	Milwaukee
	0128.00	M	Milwaukee	1705.00	M	Milwaukee
	0129.00	Mo	Milwaukee	1706.00	Mo	Milwaukee
	0130.00	Mo	Milwaukee	1707.00	Mo	Milwaukee
	0133.00	L	Milwaukee	1801.00	M	Milwaukee
	0134.00	L	Milwaukee	1802.00	Mo	Milwaukee
	0135.00	L	Milwaukee	1803.00	Mo	Milwaukee
	0136.00	L	Milwaukee	1804.00	M	Milwaukee
	0137.00	L	Milwaukee	1805.00	M	Milwaukee
	0141.00	L	Milwaukee	1851.00	M	Milwaukee
	0143.00	U	Milwaukee	1852.00	M	Milwaukee
	0144.00	M	Milwaukee	1853.00	U	Wauwatosa
	0146.00	L	Milwaukee	1854.00	L	Milwaukee
	0147.00	L	Milwaukee	1855.00	L	Milwaukee
	0148.00	L	Milwaukee	1856.00	L	Milwaukee
	0149.00	L	Milwaukee	1857.00	L	Milwaukee
	0157.00	L	Milwaukee	1858.00	Mo	Milwaukee
	0158.00	L	Milwaukee	1859.00	Mo	Milwaukee
	0159.00	L	Milwaukee	1860.00	L	Milwaukee
	0160.00	L	Milwaukee	1861.00	L	Milwaukee
	0161.00	Mo	Milwaukee	1862.00	L	Milwaukee

	0162.00	L	Milwaukee	1863.00	U	Milwaukee
	0163.00	L	Milwaukee	1864.00	L	Milwaukee
	0164.00	L	Milwaukee	1865.00	L	Milwaukee
	0165.00	L	Milwaukee	1866.00	L	Milwaukee
	0166.00	L	Milwaukee	1868.00	L	Milwaukee
	0167.00	L	Milwaukee	1869.00	U	Milwaukee
	0168.00	L	Milwaukee	1870.00	U	Milwaukee
	0169.00	L	Milwaukee	1872.00	U	Milwaukee
	0170.00	L	Milwaukee	1873.00	U	Milwaukee
	0171.00	Mo	Milwaukee	1874.00	U	Milwaukee
	0172.00	Mo	Milwaukee	9800.00	Unk now n	Milwaukee
	0173.00	L	Milwaukee	9900.00	Unk now n	Milwaukee

Ozaukee County	6101.01	M	Fredonia	6502.00	U	Cedarburg
	6101.02	M	Belgium	6503.00	U	Cedarburg Town
	6201.00	M	Saukville Town	6601.00	M	Thiensville
	6301.00	M	Port Washington	6602.01	U	Germantown
	6302.01	M	Port Washington Town	6602.02	U	Mequon
	6302.02	M	Port Washington Town	6603.01	U	Mequon
	6401.00	M	Grafton	6603.03	U	Mequon
	6402.00	U	Grafton Town	6603.04	U	Mequon
	6501.01	U	Cedarburg	9900.00	Unknown	
	6501.02	U	Cedarburg			

Washington County	4001.02	M	West Bend	4401.04	M	Hartford
	4001.03	M	Farmington Town	4401.05	M	Hartford
	4001.04	M	Trenton Town	4401.06	U	Slinger
	4101.00	M	Kewaskum	4402.00	M	Hartford
	4201.03	M	West Bend	4501.03	M	Jackson
	4201.04	M	Barton Town	4501.04	U	Jackson
	4201.05	M	West Bend	4501.05	U	Slinger/Polk town
	4201.06	M	West Bend	4501.06	M	Slinger/Polk town
	4202.00	M	Westbend	4601.01	U	Richfield
	4203.00	M	Westbend	4601.02	U	Richfield
	4204.01	M	Westbend	4701.00	U	Germantown
	4204.02	M	Westbend	4702.02	U	Germantown
	4301.00	M	Addison town	4702.03	M	Germantown

	4401.03	M	Hartford	4702.04	U	Germantown
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U=Upper Income, M=Middle Income, MO= Moderate Income, L=Low Income

Lending Activity

Ixonia Bank's overall lending activity reflects responsiveness to the needs of our market.

Ixonia Bank's 2023 year-end loan-to-deposit ratio was 96.8% (as of 12/31/23).

Loan-to Deposit Ratio	Business Quarter
96.80%	12/31/23
75.99%	06/30/23
93.15%	03/31/22
92.72%	01/31/23
78.90%	12/31/22
71.00%	09/30/22
67.90%	06/30/22
56.10%	03/31/22
57.14%	12/31/21
63.02%	09/30/21
67.85%	06/30/21
74.38%	03/31/20
72.82%	12/31/20
89.67%	09/30/20
81.93%	06/30/20
71.30%	03/31/20
70.17%	12/31/19
73.57%	09/30/19
73.01%	06/30/19
70.41%	03/31/19
68.41%	12/31/18
70.22%	09/30/18
72.64%	06/30/18
72.75%	03/31/18

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.

These data are available online at the Consumer Financial Protection Bureau's website (www.consumerfinance.gov/hmda)

HMDA data for many other financial institutions are also available at this website.