

COMMUNITY REINVESTMENT ACT STATEMENT
OF
MAYVILLE SAVINGS BANK

ADOPTED
January 30th, 1979

Current Revision
February 1, 2024

INTRODUCTION

The Community Reinvestment Act (CRA) was passed as Title VIII of the Housing and Community Development Act of 1977 on October 12, 1977. The intent of the Community Reinvestment Act is to encourage Financial Institutions to conduct a dialogue with their local community through marketing practices, speaking engagements, etc., to attempt to determine the credit needs of their community and to help meet those needs, including low and moderate-income neighborhoods.

For Mayville Savings Bank the Community Reinvestment Act Statement that must include the following:

- 1) The delineation of a local community through the use of a map.
- 2) A list of specific types of credit that the institution is prepared to extend within the “local community”.
- 3) A copy of the Community Reinvestment Act Notice.

The basic attempt of the CRA is to encourage thoughtful response to community credit needs by first having the Savings Bank determine what those needs are through contact with the community, and second, offering credit programs that will help meet these needs.

I. Description of the Savings Bank:

The Savings Bank is located in the rural town of Mayville in Dodge County, Wisconsin. According to the 2020 U.S. Census data, Mayville had a population of 5,196 residents. The Savings Bank’s sole office has a drive-up facility and an automated teller machine (ATM). The Savings Bank offers convenience services such as online banking, mobile banking, mobile deposit and bill-pay. The Savings Bank offers a full line of retail banking services, including various deposit and loan products. The Savings Bank is located in a middle-income census tract. As of December 31st, 2023, the Savings Bank had total assets of \$68.7 million, total deposits of \$59.9 million, and total loans of \$44.6 million. The table below provides further details regarding the Savings Bank’s portfolio mix.

Loan Distribution as of 12-31-22		
Loan Type	Dollar Amount (000s)	Percent of Total Loans %
Construction & Land Development	\$ 281	0.6%
Mortgage Loans	\$28,332	63.5%
HELOC	\$ 3,144	7.0%
Commercial Real Estate	\$ 6,304	14.1%
Total Real Estate Loans	\$37,780	84.6%
Commercial & Industrial	\$ 5,827	13.1%

Agriculture	\$ 169	0.4%
Consumer	\$ 653	1.5%
Other	\$ 0	0.0%
Total Loans	\$44,605	100%

II. Description of the Savings Bank's Assessment Area:

The assessment area is comprised of six contiguous census tracts in Dodge County, a non-metropolitan statistical area (Non-MSA). According to the 2020 US Census data, five census tracts are middle-income and one census tract is upper-income. The assessment area conforms to CRA regulatory requirements and does not arbitrarily exclude any categories of geographies. It is comprised of whole geographies and includes the census tract in which the Savings Bank has its only office.

The U.S. Department of Housing and Urban Development (HUD) determines Median Family Income (MFI) based upon the most recent U.S. Census data. The Wisconsin Non-MSA MFI as of the 2020 census was \$70,800. This figure was used in determining the income level of the census tracts used in the geographic distribution of the assessment area. For non-census years, HUD provides estimates of MFI for geographies and individuals. The estimated Dodge County Wisconsin MFI for 2023 is \$90,100. This information is used to determine a borrower's income level classification when reviewing originated home mortgage loans in the assessment area.

The table below details demographic data related specifically to the assessment area as determined by the 2020 Census date.

Demographic and Economic Characteristics of the Assessment Area	
Category	Assessment Area
Population	26,477
<u>Percentage of Families by Income Level</u>	
Low-Income	12%
Moderate Income	44%
Middle-Income	30%
Upper-Income	14%
Total	100%
<u>Percentage of Families Below the Poverty Level</u>	8%
<u>Percentage of Total Housing Units:</u>	
1 to 4 Family	82%
Multi-Family	13%
Mobile Homes	5%
Total	100%
Owner-Occupied Housing Units	71%
Rental-Occupied Housing Units	23%
Vacant Housing Units	6%
Total	100%

<u>Median Housing Characteristics:</u>		
	Median Age in Years	42
	Median Home Value	\$191,600
	Median Gross Rent	\$810
Renters with Rental Costs Greater Than 30% of Income		39%

The table below displays the annual median home sales prices in Dodge County from 2018 through 2023 according to the Wisconsin Realtors Association.

Median Home Sale Price for Dodge County	
Year	Median Sale Price
2018	\$149,000
2019	\$162,000
2020	\$182,500
2021	\$210,000
2022	\$220,000
2023	\$249,900
% of change from 2018 – 2023	67.7%

After years of declining prices coming out of the “Great Recession”, the data for 2018 continuing through December 2023 shows the housing market has remained strong. Statistics show that the 2023 median sale price is more than 67% above the median price of 2018.

According to community contacts, there exists an imbalance in the county housing market. Over the past 12 months, the market has reflected a national trend, that being a shortage of available housing for sale. Throughout the county there is a current need for both new and existing housing inventory as well as affordable rentals. At present, with a shortage of housing for sale, home prices are rising which have begun to stress the affordability of housing for those on the lower end of the income scale.

Based on data gathered from the Wisconsin Department of Workforce Development (WDWD), unemployment rates have remained consistently low in Dodge County. Over the past 4 years, Dodge County experienced unemployment rates ranging from a high of 11.1% in April 2020 (Covid shutdowns), to a low of 1.8% in April 2023. The 4-year average (2019-2022) unemployment rate in Dodge County is 3.5%.

According to the WDWD’s Dodge County 2023 Workforce Profile, manufacturing is the county’s largest contributor of employment, accounting for 29% of total employment and 32% of total payroll. The next two highest industry contributors of employment in the county are education and health, followed by the trade, transportation and utilities industry. In terms of annual wages, per the Bureau of Labor Statistics, Dodge County’s average annual wage was \$51,230 in 2022.

III. Deposit Market Share in the Assessment Area:

The Savings Bank operates in a competitive environment with a wide array of products available from competing institutions. The Savings Bank's primary competition includes local and regional banks and credit unions located within Dodge County. Based on the FDIC's June 30, 2023, Summary of Deposits, there are 12 FDIC insured financial institutions with 30 offices and \$1.47 billion in deposits in Dodge County. The Savings Bank holds 4.01% of deposits and ranks 9th in the County.

IV. Types of Loans the Savings Bank will make:

Residential and commercial loans are the Savings Bank's predominant lending products and primary business focuses. Residential loans, or home mortgage loans, include home purchase, home improvement, and home mortgage refinance loans. The majority of loans made by the Mayville Savings Bank are conventional loans. This means, they are free of any government guarantees or financing arrangements. The Savings Bank does have a correspondent lending relationship with Bankers' Bank whereby it can offer secondary mortgage market products to loan customers including the use of the USDA Rural Development loan program. Loans made through Bankers' Bank are not held or serviced by the bank and all underwriting is performed by Bankers' Bank. When used, the Savings Bank follows the program guidelines provided by the correspondent bank. For in-house loans made by the Savings Bank, the Board of Directors may approve exceptions based on customer and account relationships. No such exceptions are permitted with loans originated for delivery to Bankers' Bank.

A. 1 to 4 family or residential farm (home):

Loan to Value Ratio: Maximum 90%.

Term: 61-to-120-month balloon with a 30 yr. maximum amortization. 15 yr., fully amortized available for owner occupied 1-2 family residences located in Dodge, Washington and/or Fond du Lac Counties (75% max LTV)

Payment: Monthly principal and interest.

Loan Amount: The Bank's LTOB regulatory limit and no minimum.

Applicants granted loans over 80% of the appraised value **must** occupy the property, and will be required to secure private mortgage insurance.

B. Home Equity Lines of Credit (HELOC):

Loan to Value Ratio: Maximum together with all other superior mortgages may not exceed 80%

Term: 12 months renewable

Payment: Interest only monthly

Loan Amount: The Bank's LTOB regulatory limit and no minimum.

C. Commercial/Agricultural Real Estate:

- Improved real estate or land used primarily for commercial or agricultural purposes.

Loan to Value Ratio: Maximum 75%

Term: 3-7 year balloon with a 30 year maximum amortization

Payment: Monthly principal and interest.

Loan Amount: The Bank's LTOB regulatory limit and no minimum.

Applicants must submit financial statements and cash flow analysis at time of application, and must date them annually.

D. Construction:

Construction loans will be made only after assurance of sufficient cash flows to handle repayment upon completion of the project. In addition, the loan shall be structured in such manner which would allow the Bank to complete the project from funds not disbursed in the event of default. All funds of the borrower must be injected into the project prior to using the Bank's funds. Progress inspections shall be made during the disbursement period documented in the file. All projects should be covered by builders' risk insurance with the Bank listed as loss payee. Disbursements without the use of a title company will be processed by the Bank.

E. Secured Consumer Loans:

Loan to Value Ratio: Maximum 100%

Term: Maximum 6 years

Payment: Monthly principal and interest

Loan Amount: The Bank's LTOB regulatory limit and no minimum

F. Unsecured Consumer Loans (current bank customers only):

Term: Maximum 5 years

Payment: Monthly principal and interest

Loan Amount: The Bank's regulatory limit and no minimum.

G. Commercial:

Loan to Value Ratio:

<u>Accounts Receivable</u>	50%
(eliminate all accounts past due 90+days)	

<u>Equipment</u>	75%
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<u>Inventory</u> (depends on type, how marketable, perishable, etc.)	50%
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Term: Short Term under 12 months

Lines of Credit 12 months

Term Loans up to 10 years

Payment: Monthly Principal and interest or based on cash flow
Loan Amount: The Bank's LTOB regulatory limit and no minimum

H. Agricultural:

Short term unsecured –

Term: Maximum 7 years

Payment: Monthly principal and interest

Loan Amount: The Bank's LTOB regulatory limit & no minimum

Seasonal operating loans – Used to fund operating expenses during the growing season or livestock production cycle. Should normally be secured and repaid at the end of the cycle.

Intermediate and long-term loan - Should be secured by intermediate or fixed assets.

Dairy Cattle Loans

Should not exceed 75% of the current market value
Amortization should not exceed 7 years, and
monthly payments of principal and interest should
be required.

Equipment Loans

Should not exceed 75% of the lower of cost or
appraisal value and should be amortized over 10
years.

CONCLUSION

Mayville Savings Bank personnel are involved in many community organizations and committees: Rotary, Senior Citizens groups, Chambers of Commerce, Library Boards, Main Street Mayville, Dodge County Humane Society, Church Health Services, as well as public and private education and church committees and organizations, and many youth groups. This includes making staff members available to local schools to help educate area youth in credit decision making.

As the only community financial institution with corporate offices in Mayville, Wisconsin; Mayville Savings Bank is committed to serve the community through its involvement in various organizations which are dedicated to the betterment of the community.

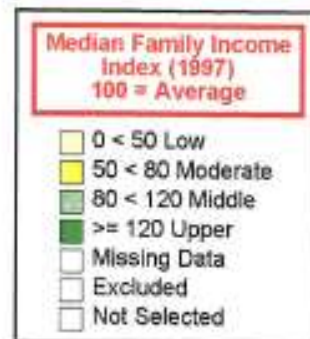
Assessment Area



Mayville Savings Bank -

Assessment Area

Map Legends



COMMUNITY REINVESTMENT ACT NOTICE

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us. Your involvement is encouraged.

■ You are entitled to certain information about our operations and our performance under the CRA, including, for example, the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

■ At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Regional Director, Chicago Regional Office, Division of Supervision and Consumer Protection, Federal Deposit Insurance Corporation, 300 S Riverside Plaza, Suite 1700, Chicago, Illinois 60606.

■ You may send written comments about our performance in helping to meet community credit needs to:

**GARRETT L. KORNMAN – PRESIDENT/CEO
MAYVILLE SAVINGS BANK
200 SOUTH MAIN STREET
MAYVILLE, WISCONSIN 53050**

and to the FDIC Regional Director.

Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

■ You may ask to look at any comments received by the FDIC Regional Director.

■ You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC.