



PUBLIC DISCLOSURE

December 30, 2015

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bremer Bank, National Association
Charter Number 23290

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St. Paul, MN 55102

Office of the Comptroller of the Currency

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Minneapolis, MN 55402-3393

NOTE: 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, and should not 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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Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Outstanding**.

The following table indicates the performance level of **Bremer Bank, National Association** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Bremer Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Bremer Bank, National Association (Bremer) lending test performance in the Minneapolis MSA is excellent. Bremer demonstrates excellent lending activity, excellent geographic distribution, and good borrower income distribution. Lending within the assessment area (AA) is excellent with 93 percent of all bank loans made in one of the bank’s AA’s. Community development lending has a positive impact on the bank’s overall lending performance in the Minneapolis MSA.
- Bremer provided an excellent level of qualified investments throughout the bank’s AA’s. Qualified investments consist primarily of donations and grants to organizations supporting affordable housing and social services to low- and moderate-income individuals.
- Bremer’s performance under the service test is excellent. Bremer’s delivery systems are readily accessible to low- and moderate-income individuals and geographies. Branch closings have not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income individuals and geographies. The bank is a leader in providing community development services to organizations that targeted low- and moderate-income individuals or promoted economic development.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the

bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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.

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, which 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).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, 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 applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, 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.

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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county 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 percent 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 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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 qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined

in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): 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, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

Bremer is an interstate bank headquartered in St. Paul, MN. Bremer has 98 branches, including one seasonal branch located at the Minnesota State Fair Grounds that is open only during the fair. Bremer is a full-service commercial bank that offers a wide variety of retail and commercial banking products and services throughout Minnesota, North Dakota, and Wisconsin.

On October 1, 2014, Bremer consolidated their nine affiliate national bank charters into a single charter and moved their headquarters from South St. Paul to St. Paul, MN. This increased the number of Bremer's branches from 28 to 86 branches. Activities from the affiliate charters are not included in this analysis since six months of data prior to the end of the evaluation period is needed to perform a meaningful analysis. On January 23, 2015, Bremer acquired 13 branches from Eastwood Bank, a privately held state bank in Rochester, MN. Eastwood Bank activities are also not considered since the acquisition occurred after the evaluation period.

As of December 31, 2015, Bremer has total assets of \$10.6 billion and held \$979 million in net Tier One Capital. Bremer's lending focus is to meet the community's residential real estate, commercial, and consumer lending needs. Bremer's \$7.4 billion loan portfolio consisted of 64 percent real estate related loans, 17 percent commercial loans, 9 percent agricultural loans, 6 percent municipal loans, and 4 percent consumer loans. Bremer's products and services are targeted to small and medium sized businesses, as well as residential real estate programs that include affordable housing programs.

Bremer is wholly-owned by Bremer Financial Corporation (BFC), a \$10.7 billion banking organization headquartered in St. Paul, MN. BFC non-bank affiliates include trust and insurance companies. BFC is owned by the Otto Bremer Foundation (Foundation) and its employees. A majority of the Foundation's assets are invested in BFC. Earnings generated by BFC are distributed to support nonprofit activities in communities served by Bremer. Grants made by the Foundation are considered in Bremer's investment test performance.

There are no known legal, financial, or other factors impeding Bremer's ability to help meet the credit needs in its AAs. Bremer was rated "Outstanding" at the last CRA examination dated August 13, 2012.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the lending test, with the exception of community development loans, is January 1, 2012, through December 31, 2014. The lending test included two separate analyses from January 1, 2012, through December 31, 2013, and January 1, 2014, through December 31, 2014. Bremer's AA, and consequently our lending analysis, was affected by the Office of Management and Budget (OMB) MA geographic boundary revisions that became effective on January 1, 2014. Mille Lacs County, comprising the bank's non-MSA AA in Minnesota for 2012-2013, was added to the Minneapolis/St. Paul/Bloomington (Minneapolis) MSA in 2014. We combined home mortgage lending data for 2012 and 2013 and evaluated both the Minneapolis MSA and Mille Lacs AAs against 2010 Census data and 2014 MA boundaries. Small business loans for 2012-2013 were compared to 2013 peer data. Minneapolis MSA home mortgage lending data for 2014 is analyzed separately and is evaluated

against 2010 Census data and 2014 MA boundaries. Small business loans for 2014 were compared to 2014 peer data.

Products reviewed in the lending test include home mortgage loans consisting of home purchase and home refinance loans as reported on the bank's HMDA Loan Application Register (HMDA-LAR). Our assessment also included reportable small loans to businesses. We did not consider home improvement, multi-family, or small farm loans as these three products combined accounted for less than approximately two percent of total loan originations during the evaluation period. The analysis of these products would not be meaningful.

As we evaluated Bremer's Lending Test performance, lending activity in 2012-2013 received greater weight since a majority of loan originations were made during this period compared to 2014. We gave the greatest weight to the bank's home mortgage performance, since this represented 67 percent by number of loans originated or purchased during the entire evaluation period. Of the home mortgage loans, we gave the most weight to home refinances, which represented 53 percent of the number of home mortgage loans originated during the entire evaluation period. Small loans to businesses represented 33 percent of the loans.

In our analysis of borrower distribution, we considered the level of poverty in each AA and the impact it could have on the ability of lower-income families to own homes and obtain financing.

The evaluation period for qualified community development loans, investments, and services is July 1, 2012, through December 31, 2014. Given the exclusion of the newly merged areas in this performance evaluation, any comparisons to Tier One Capital for community development activities will be based solely on the Bremer St. Paul charter. Tier One Capital for the St. Paul charter was \$254.9 million as of December 31, 2014. At the bank's request, we considered qualified investments made by the Foundation.

Data Integrity

Prior to conducting this evaluation, we tested the accuracy of Bremer's HMDA and small business loan data. We found the data to be accurate and used the data in this evaluation.

We reviewed all community development loans, investments, and services provided to ensure that they met the regulatory definition of community development. Those that did not meet the definition were excluded from this evaluation.

Selection of Areas for Full-Scope Review

We performed a full-scope review of the bank's performance in the Minneapolis MSA. The Minneapolis MSA is the bank's most significant AA as it represents 93 percent of the bank's offices, 97 percent of its reported loans, and 96 percent of its deposits. Bremer's only other AA (Mille Lacs County) received a limited-scope review. Refer to the table in Appendix A for additional information about the scope of the evaluation.

Ratings

Bremer's rating is based mainly on the area that received a full-scope review, the Minneapolis MSA AA. While considered, data related to the area that received a limited-scope review, the Mille Lacs AA, was not given significant weight in our analysis. As noted above, this is due to the low volume of activity in the Mille Lacs AA.

Other

During our evaluation, we made two local community contacts to better understand the demographics and primary credit needs of the AA. One contact indicated that improvements in the housing market evidence a large increase in investor ownership of previously foreclosed single-family housing. Rehabilitation of foreclosed properties remains difficult given high rehabilitation costs combined with low values of properties in low- and moderate-income areas. Conservative underwriting and lending practices continue to curtail commercial real estate purchases, even though appraised values have increased. Our contacts indicated that opportunities for investment include mixed income housing developments, affordable housing in Minneapolis/St. Paul suburbs, and affordable housing along transit lines to improve access to employment.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), in determining a national bank's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated Outstanding. Based on a full-scope review, the bank's performance in the Minneapolis MSA is excellent.

Lending Activity

Refer to Tables 1 Lending Volume and 1 Other in Appendix C for the facts and data used to evaluate the bank's lending activity.

Bremer's lending levels reflect excellent responsiveness in relation to area credit needs and the bank's deposit market share. We evaluated the bank's performance for the period January 1, 2012, through December 31, 2013, using 2013 Peer Mortgage Data, and we evaluated the bank's performance from January 1, 2014, through December 31, 2014, using 2014 Peer Mortgage Data.

During 2012-2013, Bremer originated 1,817 home mortgage loans totaling \$302 million and 603 small loans to businesses totaling \$184 million. Based upon 2013 Peer Mortgage Data, Bremer ranked 26th among lenders in the AA with 0.99 percent by number of home mortgage loans originated. The bank achieved a 0.58 percent market share of home purchase loans, ranking 25th of 538 reporting lenders. The bank achieved a 0.40 percent market share of home refinance loans, ranking 37th of 544 reporting lenders. For small loans to businesses, the bank achieved a 0.95 percent market share based on the number of loans originated and ranked 16th of the 127 reporting lenders. By dollar amount, Bremer had 7.92 percent market share and ranked fourth of 127 banks. Given the level of competition from the top lenders in the AA (predominantly large regional and national financial institutions), the bank's higher lender rankings is considered excellent. According to the June 30, 2013, FDIC Deposit Market Share Report, Bremer ranks fifth of 146 banks located in the AA, with 1.29 percent deposit market share. The top two lenders in the AA (large national financial institutions) lead with a combined 82 percent deposit market share.

During 2014, Bremer originated 499 home mortgage loans totaling \$81 million and 538 small loans to businesses totaling \$165 million. Based upon 2014 Peer Mortgage Data, Bremer ranked 38th among 630 lenders in the AA with 0.56 percent by number of home mortgage loans originated. The bank achieved a 0.56 percent market share of home purchase loans, ranking 34th of 539 reporting lenders. The bank achieved a 0.57 percent market share of home refinance loans, ranking 35th of 479 reporting lenders. For small loans to businesses, the bank achieved a 0.96 percent market share based on the number of loans originated and ranked 15th of the 118 reporting lenders. Given the level of competition from the top lenders in the AA (predominantly large regional and national financial institutions), the bank's higher lender rankings is considered excellent. According to the June 30, 2014, FDIC Deposit Market Share Report, Bremer ranks fifth of 141 banks located in the AA, with 1.15 percent deposit market share. The top two lenders in the AA (large national financial institutions) lead with a combined 85 percent deposit market share.

Distribution of Loans by Income Level of the Geography

Bremer's overall geographic distribution of loans is excellent.

Home Mortgage Loans

Refer to Tables 2 and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Bremer's geographic distribution of home mortgage loans in the Minneapolis MSA is good. More weight was given to home refinance loans, as they represent 53 percent of all home mortgage loans. We did not conduct geographical analysis of home improvement and multifamily loans, as analysis would not have been meaningful due to limited loan volumes.

Home Purchase Loans

Bremer's geographic distribution of home purchase loans is excellent. The percentage of loans originated from both the low- and moderate-income census tracts exceeds the percentage of owner-occupied housing units in those geographies in both 2012-2013 and 2014. Bremer's market share for loans made in both the low- and moderate-income geographies exceeds its overall market share for home purchase loans in both 2012-2013 and 2014.

Home Refinance Loans

Bremer's geographic distribution of home refinance loans is good. The percentage of loans originated in low-income tracts was lower than the percentage of owner-occupied housing in 2012-2013 and significantly lower than the percentage of owner-occupied housing units in those geographies in 2014. The percentage of loans originated in moderate-income census tracts was near the percentage of owner-occupied housing units in those geographies in 2012-2013 and exceeded the percentage of owner-occupied housing units in those geographies in 2014. Bremer's market share for loans made in low-income geographies exceeds the overall market share in 2012-2013 but is significantly lower than the overall market share in 2014. Based upon the 2014 Peer Mortgage data, Bremer ranks 19th of 218 reporting lenders for originating or purchasing home refinance loans in low-income census tracts. Nine large national institutions lead the market with a combined 55 percent market share. Bremer's market share for loans made in moderate-income geographies exceeds its overall market share in both 2012-2013 and 2014.

Small Loans to Businesses

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Bremer's geographic distribution of small loans to businesses is excellent. The percentage of loans originated in both the low- and moderate-income census tracts exceeds the percentage of businesses within those geographies in both 2012-2013 and 2014. Bremer's market share of small loans to businesses in low- and moderate-income geographies exceeds its overall market share in both 2012-2013 and 2014.

Lending Gap Analysis

Our geographic distribution analysis included a review of lending gaps, particularly in the low- and moderate-income census tracts. We did not identify any conspicuous gaps in the Minneapolis MSA.

Inside/Outside Ratio

Bremer's level of loan originations and purchases within the AA is excellent. The inside/outside ratio analysis is performed at the bank level rather than the state or AA level. Overall, Bremer originated 93 percent of all home mortgage (purchase, refinance, and home improvement), small business, and small farm loans (by number) within its AAs. For product types considered in this evaluation, Bremer originated 91 percent home purchase, 92 percent home refinance, and 96 percent small business loans inside the bank's AAs. We view this as a positive characteristic in our analysis of lending performance.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of loans is good. The borrower distribution of mortgage loans is excellent. While the distribution of loans to businesses was poor, we placed more emphasis on home mortgage loans, which account for 67 percent of the AA's reported loans.

Home Mortgage Loans

Refer to Tables 8 and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Bremer's distribution of home mortgage loans by income level of the borrower in the Minneapolis MSA AA is excellent.

Home Purchase Loans

Bremer's demographic distribution of home purchase loans is excellent. The percentage of home purchase loans exceeds both the percentage of low- and moderate-income families in the AA in both 2012-2013 and 2014. In addition, Bremer's market share of loans to both low- and moderate-income borrowers exceeds its overall market share in both 2012-2013 and 2014.

Home Refinance Loans

Bremer's demographic distribution of home refinance loans is excellent. The percentages of home refinance loans to low-income borrowers are near to the percentage of low-income families in the AA for both 2012-2013 and 2014. The percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA in both 2012-2013 and 2014. Bremer's market share of home refinance loans to low-income borrowers exceeded its overall market share in both 2012-2013 and 2014. Bremer's market share of home refinance loans to moderate-income borrowers exceeds its overall market share in 2012-2013 and is near its overall market share in 2014.

Small Loans to Businesses

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

Bremer's borrower distribution of small loans to businesses is poor. The percentage of loans to businesses with revenues of \$1 million or less is lower than the percentage of businesses reporting revenues of \$1 million or less in the AA in both 2012-2013 and 2014. Bremer's market share to businesses with revenues of \$1 million or less is lower than the overall market share in both 2012-2013 and 2014.

Community Development Lending

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans.

Community development lending had a positive impact on the bank's overall lending performance in the Minneapolis MSA. Bremer originated or purchased 52 community development loans totaling \$50.6 million during the entire evaluation period in the Minneapolis MSA. This volume constitutes 20.73 percent of allocated Tier One Capital. These loans supported affordable housing to low- and moderate-income individuals and provided working capital for organizations providing social services to low- and moderate-income individuals.

Bremer also originated twelve community development loans totaling \$9.7 million benefitting a broader regional area that includes the Minneapolis MSA. We gave positive consideration to these community development loans as Bremer has adequately addressed the community development needs of its AAs.

Product Innovation and Flexibility

Bremer does not have any new flexible or innovative loan products for this evaluation period. However, Bremer continues to offer various loan programs, some internally developed, to assist low- and moderate-income borrowers in meeting credit needs. Bremer's relationships with various local and state housing agencies and lenders help to provide a variety of products targeted to low- and moderate-income individuals for successful home ownership.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the lending test in the Mille Lacs AA is weaker than the bank's overall performance in the Minneapolis MSA. Performance is considered weaker due to limited lending volume in the Mille Lacs AA. The Mille Lacs AA represents less than 4 percent of loans originated by Bremer during 2012-2013. The bank's performance in the Mille Lacs AA had no impact on the overall lending test performance. Refer to Tables 1 through 13 in Appendix C for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated Outstanding. Based on a full-scope review, the bank's performance in the Minneapolis MSA is excellent. Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Bremer's level of investments in the Minneapolis MSA is excellent given the bank's opportunities and responsiveness to the identified needs of the MSA. Qualified grants and donations totaled \$29.7 million during the entire evaluation period. This represents 12.18 percent of the bank's Tier One Capital allocated to the Minneapolis MSA. In addition, Bremer has another \$1.2 million in investments that benefit the greater regional area of Minnesota, North Dakota, and Wisconsin. While these investments may not have a direct benefit to the bank's AAs, they may indirectly benefit the AA, as the impacted areas are broader or regional areas that include the bank's AA. Examples of community development investments during the evaluation period include:

- Donations and grants to organizations supporting affordable housing and job training for immigrants.
- Donations and grants to organizations providing affordable housing and social services to low- and moderate-income individuals with mental illness.
- Grants to the Twin Cities Habitat for Humanity Alternate Mortgage Product, a newer program to move low-income individuals into affordable housing faster and increase the number of families served.
- Grants to local colleges to fund scholarships under the Finish Line Scholarship program for low-income individuals facing financial and other personal hardships.
- Grants to support operations of two Community Development Financial Institutions (CDFI's) providing resources to small businesses and assistance to other nonprofit agencies in Minnesota.
- In-kind donation of used office furniture to two local schools located in low-income census tracts with high participation rates in the National School Lunch program that provides free and reduced cost lunches to students.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Mille Lacs AA is weaker than the bank's overall Outstanding performance under the investment test. Performance is considered weaker because of the limited number of investments made in the AA during the evaluation period. Bremer made two qualifying investments totaling \$45 thousand during the 2012-2013 evaluation period. Bremer's performance in the Mille Lacs AA has no impact on the overall investment test performance. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

Bremer's performance under the service test is rated Outstanding. Based on a full-scope review, Bremer's performance in the Minneapolis MSA is excellent.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Bremer's delivery systems are readily accessible to individuals of different income levels and in geographies of different income levels in the Minneapolis MSA. During the 2012-2013 evaluation period, Mille Lacs AA had two branches located in middle-income tracts. In 2014, the OMB revisions

changed both tract income levels to moderate-income, and the Mille Lacs AA was added to the Minneapolis AA. Bremer currently operates 26 branches in the AA, including one seasonal branch that is open for twelve days of the state fair on the Minnesota State Fairgrounds. One branch is located in a low-income census tract, and nine are located in moderate-income census tracts. While the percentage of the bank's branches located in low-income census tracts is somewhat lower than the percentage of the population living in those tracts, the percentage of the bank's branches in moderate-income census tracts exceeds the percentage of the population living in those tracts.

Branch closures have not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies. Bremer closed two branches during the 2014 evaluation period, in Milaca and Zimmerman, MN. The Zimmerman branch was located in a middle-income tract, and Milaca was in a moderate-income census tract. Both branches were closed due to declining demand and their close proximity to another existing branch location.

Services do not vary in a way that inconveniences certain portions of the AA, particularly low- and moderate-income geographies and/or individuals. Bremer offers a variety of traditional banking products and services to meet the needs of the AA. A majority of the branches have Saturday drive-up hours. In addition to Bremer's branch network, banking services are available in several formats and include mobile banking, online banking, telephone banking, online loan applications, and an ATM network. Bremer currently has 27 ATMs in the Minneapolis AA, of which 22 ATMs are deposit-taking. Bremer closed three ATMs during the entire evaluation period, all of which were cash dispensing ATMs located in moderate-income census tracts. Bremer removed one ATM due to a branch closure and removed one of the two ATMs available at the Minnesota State Fair. Another ATM was removed due to the relocation of corporate offices, but this ATM was never accessible to the public, only employees. Bremer belongs to the MoneyPass ATM network which allows its customers to use any MoneyPass ATM without a surcharge or bank fee.

Community Development Services

Bremer is a leader in providing community development services in the Minneapolis AA. Bank management and employees have provided financial expertise to various qualified community development organizations or programs. Thirty-seven employees supported thirty-eight organizations that promote various community development initiatives in the AA. A majority of the qualified services are volunteer board positions. Examples of community development services during the evaluation period include:

- Serving on the Capital Campaign Committee for an organization providing affordable housing to low- and moderate-income individuals throughout the Minneapolis and St. Paul areas.
- Serving as board members and/or committee members for organizations operating family shelters, local food shelves, and providing job training skills.
- Serving as a board member for a certified development company promoting economic development by providing business loans and financing services to business and bank lenders throughout Minnesota.
- Serving as a board member for a non-profit certified development company whose mission is to help small businesses obtain financing for job creation, fund business expansion, and promote economic development throughout the state of Minnesota and nine counties in western Wisconsin.

In 2014, Bremer established TuitionMatch-MN Individual Development Accounts (IDAs), matched savings accounts targeted to low-income individuals. Individuals must meet income qualifications and commit to monthly deposits. Depositors receive a triple-match of their funds up to a cap, and can only withdraw funds for tuition at participating MN vocational or technical colleges. The Foundation is a major provider of the matched funds, but Bremer employees open, close, and maintain the accounts. From May 2014 to December 2014, Bremer established 78 TuitionMatch-MN accounts. Participating colleges are all located within the Minneapolis/St. Paul metro area.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Service Test in the Mille Lacs AA is weaker than the bank's overall Outstanding performance under the Service Test. Performance is weaker because the percent of branches located in moderate-income geographies is lower than the percentage of the population residing in moderate-income geographies. Bremer's performance in the Mille Lacs AA had no impact on the overall service test performance. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (01/01/2012 to 12/31/2014) Investment and Service Tests and CD Loans: (07/01/2012 to 12/31/2014)	
Financial Institution	Products Reviewed	
Bremer Bank, National Association (Bremer) St. Paul, MN	Home Mortgage, Small Business, and Community Development loans; Qualified Investments, Community Development Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Otto Bremer Foundation	Holding Company	Qualified Investments
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
State of Minnesota		
Minneapolis MSA	Full Scope	Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, Wright, and Mille Lacs (2014 only) Counties
Mille Lacs	Limited Scope	Mille Lacs County (2012-2013 only)

Appendix B: Market Profiles for Full-Scope Areas

Bremer Bank – Minneapolis MSA 2014

Demographic Information for Full Scope Area: Bremer Bank – Minneapolis MSA 2014						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	757	8.32	19.55	44.25	27.34	0.53
Population by Geography	3,180,566	6.42	16.82	47.11	29.53	0.12
Owner-Occupied Housing by Geography	890,088	2.56	13.80	50.59	33.06	0.00
Business by Geography	263,301	4.69	15.35	46.17	33.77	0.02
Farms by Geography	7,649	1.14	11.83	58.16	28.87	0.00
Family Distribution by Income Level	792,255	19.09	17.62	23.25	40.04	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	290,831	10.49	24.63	47.88	17.00	0.00
Median Family Income		79,301	Median Housing Value		254,750	
HUD Adjusted Median Family Income for 2014		83,900	Unemployment Rate (2010 US Census)		3.72%	
Households Below Poverty Level		9%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2014 HUD updated MFI

The 2014 Minneapolis MSA AA consists of twelve counties in the Minnesota portion of the multistate Minneapolis-St Paul-Bloomington, MN-WI MSA (#33460). LeSeuer and Sibley counties were added to the Minneapolis MSA in 2014 due to the OMB revisions, but Bremer does not include these counties in their AA given the lack of branches in those areas. Mille Lacs County was evaluated separately for 2012-2013, but became part of the Minneapolis AA with the OMB boundary revisions. The AA complies with the regulation and does not arbitrarily exclude low- or moderate-income geographies. Bremer currently operates 26 branches in the Minneapolis MSA AA.

Competition among financial institutions in the AA is high. According to the June 30, 2014, FDIC Deposit Market Share Report, Bremer ranks fifth in deposit market share out of 141 institutions with a presence in the AA. Large bank competitors Wells Fargo and U.S. Bank, dominate the market with a combined 85 percent deposit market share. Bremer considers itself most competitive in its business banking and affordable housing products and services. Primary business banking competitors include Wells Fargo, U.S. Bank, Associated Bank, and BMO Harris Bank. All of these institutions are significantly larger in asset size and legal lending limits. Other local competitors who are smaller in size but more active in business banking activity include Anchor Bank, Klein Bank, MidCountry Bank, and Bell State Bank.

Economic conditions within the Minneapolis AA have improved. In 2012, the annual unemployment rate for the counties in the AA ranged from 4.8 percent to 6.9 percent. This compared to the state unemployment rate of 5.6 percent and the national unemployment rate of 8.3 percent. In 2014, the annual unemployment rate for the counties in the AA improved and ranged from 3.5 percent to 6.6 percent. This compared to the state unemployment rate of 4.2 percent and the national unemployment rate of 5.6 percent. Major industries in the AA include education, health care, retail trade, and banking. Minneapolis is home to many Fortune 500 companies including UnitedHealth Group, Target, SuperValu, 3M, U.S. Bancorp, Medtronic, and General Mills.

According to the January 1, 2014, U.S. Department of Housing and Urban Development Comprehensive Housing Market Analysis for the Minneapolis MSA, the housing market remained tight, with an estimated vacancy rate of 1.3 percent. During 2013, new and existing home sales increased 18 percent at an average price of \$240,700. This was a 9 percent increase from the average sales price reported in 2012. Additionally, the rental market was also considered tight with a vacancy rate of 3.2 percent in fourth quarter 2013.

Community and credit needs identified in the AA include affordable housing and small business lending. Bremer has responded to these community needs by lending to, investing in, and offering financial expertise to various community development organizations that help address these needs.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) Purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For

borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME												Geography: BREMER BANK		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013	
Assessment Area:	% of Rated Area Loans (#) in MA/AA [*]	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans ^{**}		Total Reported Loans		% of Rated Area Deposits in MA/AA ^{***}			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)				
Full Review:															
Minneapolis MSA	96.31	1,817	301,959	603	184,351	1	18	0	30,948	2,455	486,328	95.65			
Regional or Statewide		0	0	0	0	0	0	8	5,750	8	5,750				
Limited Review:															
Mille Lacs AA	3.69	76	6,484	15	2,716	2	34	0	750	93	9,984	4.35			

^{*} Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

^{**} The evaluation period for Community Development Loans is from July 01, 2012 to December 31, 2013.

^{***} Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	737	48.94	2.67	5.02	14.88	21.03	52.09	48.17	30.37	25.78	0.57	0.91	0.87	0.56	0.43
Limited Review:															
Mille Lacs AA	16	1.06	0.00	0.00	8.99	0.00	91.01	100.00	0.00	0.00	1.67	0.00	0.00	1.73	0.00

* Based on 2013 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Minneapolis MSA	23	46.00	2.67	0.00	14.88	26.09	52.09	34.78	30.37	39.13	0.22	0.00	0.60	0.16	0.17	
Limited Review:																
Mille Lacs AA	2	4.00	0.00	0.00	8.99	0.00	91.01	100.00	0.00	0.00	6.90	0.00	0.00	7.41	0.00	

* Based on 2013 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
Full Review:															
Minneapolis MSA	1,048	47.38	2.67	1.53	14.88	12.98	52.09	46.95	30.37	38.55	0.40	0.55	0.51	0.38	0.37
Limited Review:															
Mille Lacs AA	58	2.62	0.00	0.00	8.99	3.45	91.01	96.55	0.00	0.00	4.33	0.00	2.63	4.45	0.00

* Based on 2013 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	9	50.00	14.19	11.11	30.94	22.22	39.21	66.67	15.65	0.00	1.13	0.00	0.54	2.73	0.00
Limited Review:															
Mille Lacs AA	0	0.00	0.00	0.00	18.65	0.00	81.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2013 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: BREMER BANK		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography							
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp			
Full Review:																		
Minneapolis MSA	603	48.79	4.85	5.14	16.85	24.54	47.03	46.93	31.26	23.38	0.95	1.36	1.44	1.00	0.67			
Limited Review:																		
Mille Lacs AA	15	1.21	0.00	0.00	9.29	0.00	90.71	100.00	0.00	0.00	5.49	0.00	0.00	6.15	0.00			

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2013).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	1	16.67	1.21	0.00	11.17	0.00	62.40	100.00	25.22	0.00	0.18	0.00	0.00	0.27	0.00
Limited Review:															
Mille Lacs AA	2	33.33	0.00	0.00	3.64	0.00	96.36	100.00	0.00	0.00	11.11	0.00	0.00	11.11	0.00

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: BREMER BANK								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	737	48.94	19.55	27.63	17.98	34.20	23.61	19.29	38.86	18.88	0.66	1.33	0.90	0.47	0.35
Limited Review:															
Mille Lacs AA	16	1.06	20.68	12.50	19.49	43.75	24.03	25.00	35.80	18.75	1.92	3.39	1.61	3.19	0.00

* Based on 2013 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.8% of loans originated and purchased by bank.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [†]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ²	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	23	46.00	19.55	33.33	17.98	4.76	23.61	33.33	38.86	28.57	0.21	1.04	0.00	0.16	0.15
Limited Review:															
Mille Lacs AA	2	4.00	20.68	0.00	19.49	100.00	24.03	0.00	35.80	0.00	7.41	0.00	28.57	0.00	0.00

[†] Based on 2013 Peer Mortgage Data -- US and PR

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 8.0% of loans originated and purchased by bank.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share						
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:																	
Minneapolis MSA	1,048	47.38	19.55	14.48	17.98	23.03	23.61	24.68	38.86	37.80	0.45	0.70	0.54	0.43	0.36		
Limited Review:																	
Mille Lacs AA	58	2.62	20.68	12.07	19.49	18.97	24.03	31.03	35.80	37.93	5.03	4.88	8.41	3.21	4.69		

* Based on 2013 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.7% of loans originated and purchased by bank.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: BREMER BANK			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Minneapolis MSA	603	48.79	73.83	31.51	34.49	23.05	42.45	0.95	0.58
Limited Review:									
Mille Lacs AA	15	1.21	78.49	86.67	46.67	26.67	26.67	5.49	10.48

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 1.13% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: BREMER BANK			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Minneapolis MSA	1	16.67	97.44	100.00	100.00	0.00	0.00	0.18	0.30
Limited Review:									
Mille Lacs AA	2	33.33	99.09	100.00	100.00	0.00	0.00	11.11	16.67

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2013).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Minneapolis MSA	0	0	343	16,364	343	16,364	94.96	0	0
Regional or Statewide	0	0	16	824	16	824	4.78	0	0
Limited Review:									
Mille Lacs AA	0	0	0	45	2	45	.26	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Minneapolis MSA	95.56	26	89.29	3.85	26.92	42.31	26.92	0	0	0	0	0	0	6.62	18.12	47.96	27.18
Limited Review:																	
Mille Lacs AA	4.35	0	10.71	0.00	0.00	0.00	0.00	0	0	0	0	0	0	0.00	11.97	88.03	0.00

Table 1. Lending Volume

LENDING VOLUME		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014				
Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Minneapolis MSA	100.00	499	81,383	538	165,093	1	20	0	19,603	1,038	246,496	100.00
Regional or Statewide		0	0	0	0	0	0	4	3,900	4	3,900	

* Loan Data as of December 31, 2014. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2014 to December 31, 2014.

*** Deposit Data as of February 08, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Minneapolis MSA	295	100.00	2.56	3.05	13.80	23.73	50.59	45.08	33.06	28.14	0.55	0.61	0.86	0.54	0.45	

* Based on 2014 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Minneapolis MSA	13	100.00	2.56	0.00	13.80	23.08	50.59	46.15	33.06	30.77	0.33	0.00	0.47	0.36	0.25	

* Based on 2014 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Minneapolis MSA	185	100.00	2.56	1.08	13.80	14.05	50.59	53.51	33.06	31.35	0.56	0.26	0.75	0.59	0.48	

* Based on 2014 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014							
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	6	100.00	14.00	33.33	27.53	50.00	41.24	16.67	17.22	0.00	2.68	1.11	3.16	4.02	0.00

* Based on 2014 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014						
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	538	100.00	4.69	6.88	15.35	21.93	46.17	48.51	33.77	22.68	0.93	1.48	1.49	1.08	0.53

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2014).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid
Full Review:																
Minneapolis MSA	1	100.00	1.14	0.00	11.83	100.00	58.16	0.00	28.87	0.00	3.96	0.00	1.72	3.86	5.14	

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2014).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: BREMER BANK								Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁴	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	295	100.00	19.09	17.12	17.62	40.41	23.25	21.23	40.04	21.23	0.68	0.84	0.92	0.56	0.50

^{*} Based on 2014 Peer Mortgage Data -- US and PR

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 1.0% of loans originated and purchased by bank.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁵	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Minneapolis MSA	13	100.00	19.09	0.00	17.62	36.36	23.25	27.27	40.04	36.36	0.32	0.00	0.50	0.35	0.27

^{*} Based on 2014 Peer Mortgage Data -- US and PR

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 15.4% of loans originated and purchased by bank.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014					Market Share				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ⁶	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Minneapolis MSA	185	100.00	19.09	13.74	17.62	21.98	23.25	21.98	40.04	42.31	0.65	0.86	0.59	0.60	0.67	

* Based on 2014 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by bank.

⁶ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: BREMER BANK			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Minneapolis MSA	538	100.00	73.45	30.30	34.57	25.09	40.33	0.93	0.59

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.37% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: BREMER BANK			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Minneapolis MSA	1	100.00	97.16	100.00	100.00	0.00	0.00	3.96	4.30

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2014).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: BREMER BANK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Minneapolis MSA	0	0	234	13,329	0	13,329	97.09	0	0
Regional or Statewide	0	0	3	400	3	400	2.91	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS		Geography: BREMER BANK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Minneapolis MSA	100.00	0	100.00	3.57	32.14	39.29	25.00	0	0	0	0	0	0	6.42	16.82	47.11	29.53

