Cherokee State BANK

Community Reinvestment Act (CRA) Public File

Updated: March 5, 2026 and September 1, 2026
Updated by: Heidi Gerstandt, CRA Officer

Memo

To: Public

From: Heidi Gerstandt, CRA Officer

Date: March 5, 2026

Re: Written Comments – Community Reinvestment Act

There have been no comments received from the public that specifically related to Cherokee State Bank's Community Reinvestment Act performance in current year or prior two calendar years.

PUBLIC DISCLOSURE

May 5, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Cherokee State Bank
Certificate Number: 951

212 West Willow Street
Cherokee, Iowa 51012

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

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

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

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

The following points summarize the bank's performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans reviewed were located inside the assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration among farms and businesses of different sizes.
- The institution has not received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

Cherokee State Bank is a privately owned financial institution located in Cherokee, Iowa. The institution received a Satisfactory rating at its previous FDIC performance evaluation dated July 8, 2019, using Interagency Small Examination Procedures.

Cherokee State Bank operates from a sole location in Cherokee, Iowa. The bank offers traditional credit products including agricultural, home mortgage, commercial, and consumer loans. Cherokee State Bank offers a variety of deposit products including checking, savings, individual retirement, and health savings accounts, as well as certificates of deposit. Alternative banking services include internet and mobile banking, electronic bill pay, remote deposit, and two ATMs.

As of the March 31, 2025 Reports of Condition and Income (Call Report), the bank reported total assets of $264.7 million, total loans of $172.4 million, and total deposits of $218.7 million. As shown in the following table, the loan portfolio is primarily comprised of agricultural and farmland lending, followed by commercial lending, which includes commercial and industrial loans and loans secured by nonfarm nonresidential properties. The lending concentration is consistent with the loan portfolio distribution at the prior evaluation.

Loan Portfolio Distribution as of 3/31/2025		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	6,016	3.5
Secured by Farmland	54,460	31.6
Secured by 1-4 Family Residential Properties	24,741	14.4
Secured by Multifamily (5 or more) Residential Properties	3,815	2.2
Secured by Nonfarm Nonresidential Properties	30,572	17.7
Total Real Estate Loans	**119,604**	**69.4**
Commercial and Industrial Loans	13,394	7.8
Agricultural Production and Other Loans to Farmers	37,531	21.8
Consumer Loans	1,711	1.0
Obligations of State and Political Subdivisions in the U.S.	70	>0.1
Other Loans	42	>0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	**172,352**	**100.0**
Source: Reports of Condition and Income *Due to rounding, totals may not add to 100.0*		

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

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Cherokee State Bank designated one assessment area that includes Cherokee County, Iowa. At the previous evaluation, the bank also included census tract 4904 in neighboring O'Brien County; however, the bank revised the boundaries of their assessment area in 2023 to be more representative of the bank's lending. In addition, the number of census tracts and income designations of some of the census tracts has changed since the previous evaluation, which utilized 2015 American Community Survey data, following the release of 2020 U.S. Census data. According to 2020 U.S. Census data, Cherokee County is composed of five census tracts, including two middle- and two upper-income census tracts as well as one moderate-income census tract.

Economic and Demographic Data

The following table illustrates select demographic characteristics of assessment area.

Demographic Information of the Assessment Area					
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**
Geographies (Census Tracts)	5	0.0	20.0	40.0	40.0
Population by Geography	11,658	0.0	25.6	31.4	43.0
Housing Units by Geography	5,734	0.0	27.6	34.3	38.1
Owner-Occupied Units by Geography	3,906	0.0	21.8	35.6	42.6
Occupied Rental Units by Geography	1,391	0.0	45.8	23.6	30.6
Vacant Units by Geography	437	0.0	21.3	56.5	22.2
Businesses by Geography	1,584	0.0	19.2	29.7	51.1
Farms by Geography	337	0.0	5.6	56.7	37.7
Family Distribution by Income Level	3,125	17.3	17.2	21.3	44.2
Household Distribution by Income Level	5,297	22.3	16.6	19.1	42.1
Median Family Income – Nonmetropolitan Iowa		$71,763	Median Housing Value		$116,738
			Median Gross Rent		$537
			Families Below Poverty Level		6.7%
Source: 2020 U.S. Census and 2024 D&B Data *Due to rounding, totals may not equal 100.0%.*					

The assessment area is rural in nature, and the economy is dependent on agriculture. According to the 2022 U.S. Census of Agriculture data, 814 farms generated $551.7 million in commodity sales in Cherokee County. The total number of farms fell by 49 farms from the 2017 U.S. Census of Agriculture figure of 863 farms. According to 2024 D&B data, the largest business segments in the assessment area include services at 24.7 percent; non-classifiable establishments at 19.1 percent; and agriculture, forestry, and fishing at 17.5 percent. In addition, farms and businesses within the assessment area are predominantly small, with 92.2 percent operating from a single location and 67.5 percent employing fewer than five employees.

Competition

Cherokee State Bank operates in a moderately competitive market for financial services. According to the 2024 FDIC Summary of Deposits data, five institutions operate eight branches within the assessment area. Of these institutions, Cherokee State bank ranked 1st with 41.2 percent of the deposit market share. Cherokee State Bank also faces competition for agricultural loans from Farm Credit Services, as well as non-traditional creditors and dealers.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying area credit needs. This information helps determine whether local financial institutions are responsive to those needs. It also shows what credit opportunities are available.

Examiners conducted a community contact interview with a representative from an economic development organization that serves Cherokee County. According to the contact, the economy in the assessment area is primarily agricultural, with some opportunities in manufacturing, food production, and distribution industries as well. Further, the contact stated that the local economy is strong, but the workforce is diminishing. Many businesses have had difficulty hiring as the area lacks enough working age individuals to meet demand. As such, the contact expressed the need for more projects dedicated to attracting employees to the area. The contact stated local banks participate in community development projects and willingly provide financing to meet

the credit needs of the assessment area. According to the contact, the primary credit needs are agricultural and commercial loans.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that agricultural loans, followed by commercial loans, are the primary credit needs of the assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated July 8, 2019, to the current evaluation dated May 5, 2025. Examiners used Interagency Small Institution Examination Procedures to evaluate the bank's CRA performance, which includes the Lending Test. Refer to the Appendices for a description of the criteria evaluated under the Lending Test.

Activities Reviewed

Cherokee State Bank's primary products are agricultural and commercial loans. Therefore, examiners reviewed small farm and small business loans to evaluate the bank's CRA performance. The products reviewed were based on the volume of loans originated, the loan portfolio composition, and the credit needs of the assessment area. Examiners placed more weight on small farm loans since agricultural lending makes up the largest percentage of the bank's loan portfolio.

Examiners selected calendar year 2024 as the review period. The lending focus and product make-up remained consistent throughout the evaluation period, and bank management indicated the review period was an accurate representation of the lending activity throughout the evaluation period. For Assessment Area Concentration, examiners reviewed all small farm and small business loans originated or purchased in 2024. For Geographic Distribution, examiners reviewed all small farm and small business loans made within the assessment area. Cherokee State Bank is not required to collect and report its small farm and small business loan data for CRA evaluation purposes and has not elected to do. As such, examiners reviewed a random sample of small farm and small business loans made within the assessment area to evaluate the bank's performance under the Borrower Profile criterion. D&B data from 2024 provided the standard of comparison. The following table provides details on the loans reviewed.

Loan Products Reviewed						
Loan Category	**Universe**		**Universe Inside Assessment Area**		**Borrower Profile Sample**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Small Farm	251	34,314	215	29,237	55	8,920
Small Business	79	13,448	46	5,891	30	3,758
Source: Bank Data						

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Cherokee State Bank demonstrated reasonable performance under the Lending Test. The bank's collective performance under the evaluated criteria supports this conclusion.

Loan-to-Deposit Ratio

Cherokee State Bank's net loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's net loan-to-deposit ratio calculated from Call Report data averaged 74.9 percent over the previous 24 quarters from September 30, 2019, to March 31, 2025. The average net loan-to-deposit ratio increased slightly since the previous evaluation where it was calculated at 71.9 percent.

Examiners compared Cherokee State Bank's average net loan-to-deposit ratio to three similarly situated financial institutions to evaluate the bank's performance. These institutions were selected based on their asset size, geographic location, and lending focus. As shown in the table below, Cherokee State Bank's loan-to-deposit ratio is comparable to all three institutions.

Loan-to-Deposit Ratio Comparison		
Bank	**Total Assets as of 3/31/2025 ($000s)**	**Average Net Loan-to-Deposit Ratio (%)**
Cherokee State Bank, Cherokee, Iowa	**264,683**	**74.9**
Savings Bank, Primghar, Iowa	288,808	85.4
The Citizens First National Bank of Storm Lake, Storm Lake, Iowa	253,793	62.4
United Community Bank, Milford, Iowa	276,476	87.5
Source: Reports of Condition and Income 9/30/2019 - 3/31/2025		

Assessment Area Concentration

Overall, Cherokee State Bank made a majority of small farm and small business loans within its assessment area. As shown in the following table, Cherokee State Bank made a majority of its small farm loans, by number and dollar volume, within the assessment area. The bank also made a majority of its small business loans by number within the assessment area; however, by dollar volume, the bank made a majority of small business loans outside of the assessment area. This was due to a small number of preexisting relationships that the bank has maintained outside of the assessment area. Although the majority of small business loans by dollar volume were outside of the assessment area, the bank's overall performance reflects a majority presence in its assessment area. In addition, the number of loans is a better indicator of the geographies served.

Lending Inside and Outside of the Assessment Area										
Loan Category	**Number of Loans**				**Total**	**Dollar Amount of Loans**				**Total**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**	**#**	**$(000s)**	**%**	**$(000s)**	**%**	**$(000s)**
Small Farm	215	85.7	36	14.3	251	29,237	85.2	5,077	14.8	34,314
Small Business	46	58.2	33	41.8	79	5,891	43.8	7,557	56.2	13,448
Total	**261**	**79.1**	**69**	**20.9**	**330**	**35,128**	**73.5**	**12,634**	**26.5**	**47,762**
Source: Bank Data *Due to rounding, totals may not equal 100.0%*										

Geographic Distribution

The geographic distribution of loans reflects reasonable distribution throughout the assessment area. Reasonable distribution of small farm and small business loans supports this conclusion. Examiners focused on small farm and small business lending in the singular moderate-income census tract in the assessment area.

Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion throughout the assessment area. As shown in the following table, the percentage of small farm loans, by number, made in the moderate-income census tract slightly lags the percentage of farms located in this tract. However, the performance is reasonably comparable when considering that there are few farms operating within this tract. According to 2024 D&B data, there are only 19 farms located in the moderate-income tract, limiting lending opportunities within this tract.

Geographic Distribution of Small Farm Loans					
Tract Income Level	**% of Farms**	**#**	**%**	**$(000s)**	**%**
Moderate	5.6	5	2.3	307	1.1
Middle	56.7	137	63.7	18,839	64.4
Upper	37.7	73	34.0	10,091	34.5
Totals	**100.0**	**215**	**100.0**	**29,237**	**100.0**
Source: 2024 D&B Data; Bank Data. *Due to rounding, totals may not equal 100.0%*					

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. As shown in the following table, the percentage of small business loans, by number, made in the moderate-income census tract is comparable to the percentage of businesses within the moderate-income tract.

Geographic Distribution of Small Business Loans					
Tract Income Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
Moderate	19.2	10	21.7	892	15.1
Middle	29.7	9	19.6	796	13.5
Upper	51.1	27	58.7	4,203	71.3
Totals	**100.0**	**46**	**100.0**	**5,891**	**100.0**
Source: 2024 D&B Data; Bank Data *Due to rounding, totals may not equal 100.0%.*					

Borrower Profile

The distribution of borrowers reflects reasonable penetration among farms and businesses of different sizes. Reasonable small farm and small business performance supports this conclusion. Examiners focused on the percentage of loans to farms and businesses with gross annual revenues of $1 million or less.

Small Farm Loans

The distribution of borrowers reflects reasonable penetration among farms of different sizes. As shown in the table below, the percentage of small farm loans, by number, made to farms with gross annual revenues of $1 million or less is slightly less than the percentage of farms reporting revenues in this category. The bank originated nearly 9 out of 10 sampled small farm loans to farms with revenues of $1 million or less, reflecting reasonable performance.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	**% of Farms**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	99.4	49	89.1	8,085	90.6
>$1,000,000	0.3	6	10.9	835	9.4
Revenue Not Available	0.3	0	0.0	0	0.0
Total	**100.0**	**55**	**100.0**	**8,920**	**100.0**
Source: 2024 D&B Data, Bank Data. *Due to rounding, totals may not equal 100.0%*					

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. As shown in the table below, the percentage of small businesses loans, by number, made to entities with gross annual revenues of $1 million or less is comparable to the percentage of businesses reporting revenues in this category.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	87.4	25	83.3	2,418	64.3
>$1,000,000	3.1	5	16.7	1,340	35.7
Revenue Not Available	9.5	0	0.0	0	0.0
Total	**100.0**	**30**	**100.0**	3,758	**100.0**
Source: 2024 D&B Data, Bank Data. *Due to rounding, totals may not equal 100.0%*					

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

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

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

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

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

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

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

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

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

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

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

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

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

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

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

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

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

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

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

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

Federal Housing Finance Agency
Community Support Statement

FHFA Form 060
OMB Number 2590-0005
Expires 04/30/2026

FHFA Federal Home Loan Bank (FHLBank) Member ID Number: 14795
Name of FHLBank Member Institution: Cherokee State Bank
Mailing Address: 212 West Willow Street
City: Cherokee **State:** IA **Zip Code:** 51012
Submitter Name: Leslie Todd **Title:** Executive Vice President
Work Email: ltodd@cherokeestatebank.com

Part I. Community Reinvestment Act (CRA) Standard:

Most recent CRA rating: Satisfactory
Year of most recent CRA rating: 2019

Part II. First-time Homebuyer Standard: *All Federal Home Loan Bank members must complete either Section A or B of this part, except that members with "Outstanding" federal CRA ratings need not complete this part. Members should use data or activities for the previous or current calendar year in completing this part.*

A. Complete the following two questions: *If your institution did not make, or did not track, mortgage loans to first-time homebuyers, you must complete Section B of this part.*

1. Number of mortgage loans made to first-time homebuyers	0
2. Dollar amount of mortgage loans made to first-time homebuyers	$0

B. Check as many as applicable:

1. Offer in-house first-time homebuyer program (e.g., underwriting, marketing plans, outreach programs)	Yes
2. Other in-house lending products that serve first-time homebuyers or low- and moderate-income homebuyers	Yes
3. Offer flexible underwriting standards for first-time homebuyers	Yes
4. Participate in nationwide first-time homebuyer programs (e.g., Fannie Mae, Freddie Mac)	Yes
5. Participate in federal government programs that serve first-time homebuyers (e.g., FHA, VA, USDA RD)	Yes
6. Participate in state or local government programs targeted to first-time homebuyers (e.g., mortgage revenue bond financing)	Yes
7. Provide financial support or technical assistance to community organizations that assist first-time homebuyers	Yes
8. Participate in loan consortia that make loans to first-time homebuyers	No
9. Participate in or support special counseling or homeownership education targeted to first-time homebuyers	Yes
10. Hold investments or make loans that support first-time homebuyer programs	Yes
11. Hold mortgage-backed securities that may include a pool of loans to low- and moderate-income homebuyers	Yes
12. Use affiliated lenders, credit union service organizations, or other correspondent, brokerage or referral arrangements with specific unaffiliated lenders, that provide mortgage loans to first-time or low- and moderate-income homebuyers	No
13. Participate in the Affordable Housing Program or other targeted community investment/development programs offered by the Federal Home Loan Bank	No
14. Other (attach description of other activities supporting first-time homebuyers; see instructions for Part II)	No
15. None of the above (attach explanation of any mitigating factors; see instructions for Part II)	No

If you checked Question 14 or 15, please explain below. If your explanation will exceed 300 characters, please upload a file containing your explanation and supporting documents:

Supporting documents:

Part III. Certification:

By submitting this Community Support Statement, I certify that I am a senior official of the above institution, that I am authorized to provide this information to FHFA, and that the information in this Statement and any attachments is accurate to the best of my knowledge.

Paperwork Reduction Act Statement: Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.

Memo

To: Public

From: Heidi Gerstandt, Community Reinvestment Act Officer

Date: September 1, 2026

Re: Branch Information

Cherokee Location – Full Service Branch
212 West Willow Street
Cherokee, Iowa 51012

Aurelia Location – Full Service Branch
112 ½ North Main Street
Aurelia, Iowa 51005

Branches – 2

Aurelia Branch was opened in December 2025.

ATM Locations
Cherokee - Lobby
212 West Willow Street
Cherokee, Iowa 51012

Cherokee State Bank is considered a small bank per 2026 Community Reinvestment Act (CRA) thresholds which went into effect January 1, 2026. Per CRA, a small bank or savings association will mean an institution that, as of December 31 of either of the past two years, had assets of less than $1.649 billion. An intermediate small bank or savings association will mean an institution with assets of at least $412 million as of December 31 of both of the prior two years, and less than $1.649 billion as of December 31 of either of the prior two years.

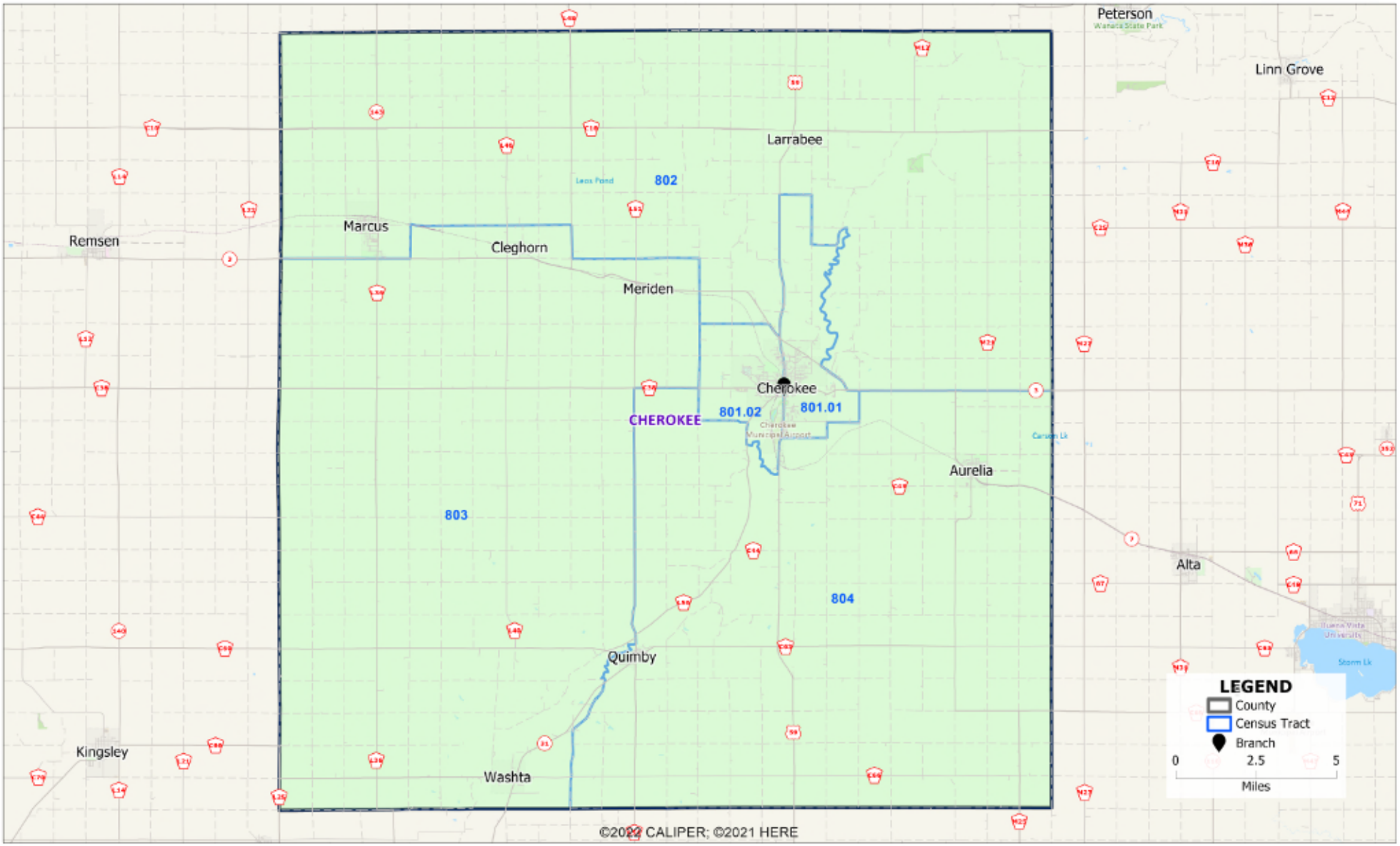
CherokeeState BANK

PRODUCTS & SERVICES

- ACH Services
- Agriculture Loans
- ATM
- Bill Pay
- Business Loans
- Cashier's Checks
- Certificates of Deposit (CD)
- Check Ordering
- Checking Accounts
- Coin Counting
- Consumer Loans - HELOCs
- Credit Cards – Consumer via TCM Bank
- Credit Cards – Business via United Bankers Bank
- Debit Cards
- Direct Deposit
- eStatements
- Funds Transfers
- Health Savings Accounts (HSA)
- Individual Retirement Accounts (IRA)
- Insurance – Life, Long Term Care, Credit Life/Accident-Health Disability, Crop & Hail
- Investment Services
- Merchant Capture
- Mobile Banking & Deposit
- Monetary Instruments
- Money Orders
- Mortgage Loans
- Online Banking
- Payment Processing/Merchant Services via Clover
- Positive Pay
- Safe Deposit Boxes
- Savings Accounts
- Switch Kit
- Trust Services – Scholarships, Student Loans
- Wire Transfers

More information provided on www.cherokeestatebank.com.

Cherokee State Bank
CRA Assessment Area



UBB COMPLIANCE SERVICES

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, information about our branches, such as their location and services provided at them; 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, FDIC, 1100 Walnut Street, Box #11, Kansas City, MO 64106, by phone at (816) 234-8000, or by fax at (816) 234-8182. You may send written comments about our performance in helping to meet community credit needs to Curtis Johnson, President & CEO, Cherokee State Bank, 212 West Willow Street, Cherokee, Iowa 51012-1857 and FDIC Regional Director. You may also submit comments electronically through the FDIC's website at *www.fdic.gov/ regulations/cra*. 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.

Cherokee State BANK

LOANS-TO-DEPOSITS

2025				
	3/31/2025	6/30/2025	9/30/2025	12/31/2025
Loans	$ 172,351,000	$ 173,037,000	$ 173,668,000	$ 183,734,000
Deposits	$ 218,674,000	$ 215,664,000	$ 212,556,000	$ 211,782,000
Loans-to-Deposits %	78.82%	80.23%	81.70%	86.76%

2024				
	3/31/2024	6/30/2024	9/30/2024	12/31/2024
Loans	$ 169,875,000	$ 166,491,700	$ 165,624,700	$ 170,973,500
Deposits	$ 216,884,000	$ 211,958,000	$ 217,276,000	$ 210,490,000
Loans-to-Deposits %	78.33%	78.55%	76.23%	81.23%

2023				
	3/31/2023	6/30/2023	9/30/2023	12/31/2023
Loans	$ 149,139,000	$ 154,171,000	$ 159,746,000	$ 166,773,000
Deposits	$ 215,629,000	$ 219,735,000	$ 222,995,000	$ 216,680,000
Loans-to-Deposits %	69.16%	70.16%	71.64%	76.97%

2022				
	3/31/2022	6/30/2022	9/30/2022	12/31/2022
Loans	$ 142,714,000	$ 130,524,000	$ 134,444,000	$ 143,856,000
Deposits	$ 193,435,000	$ 195,926,000	$ 204,984,000	$ 205,132,000
Loans-to-Deposits %	73.78%	66.62%	65.59%	70.13%

2021				
	3/31/2021	6/30/2021	9/30/2021	12/31/2021
Loans	$ 142,714,000	$ 142,691,000	$ 136,606,000	$ 136,477,000
Deposits	$ 193,435,000	$ 185,833,000	$ 188,614,000	$ 198,002,000
Loans-to-Deposits %	73.78%	76.78%	72.43%	68.93%

Updated by: Heidi Gerstandt, CRA Officer *3/5/2026*