



Community Reinvestment Act

Last updated: February 7, 2025

Public File – Contents

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Date: January 27, 2025
For: CRA Public File
Subject: Written Comments

Partners Bank has not received any written comments from the public for the current year and two previous years.

Bank Responses to written comments: N/A

PUBLIC DISCLOSURE

August 16, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Partners Bank of Wisconsin
Certificate Number: 12513

907 North Central
Marshfield, WI 54449

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

300 South Riverside Plaza, Suite 1700
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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 loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and the assessment area (AA) credit needs.
- A majority of home mortgage and small business loans are in the AAs.
- The AAs do not include any low- or moderate-income geographies; therefore the Geographic Distribution performance was not analyzed during this evaluation and did not affect the rating.
- The distribution of borrowers reflects, given the demographics of the AAs, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of various sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Partners Bank of Wisconsin (PB) is a full-service financial institution headquartered in Marshfield, Wisconsin. PB also conducts business from two branch locations in Spencer, Wisconsin and Stratford, Wisconsin. The institution is wholly owned by Stratford Bancshares Inc., a one-bank holding company. PB received a Satisfactory rating at its previous FDIC CRA Performance Evaluation dated February 17, 2015, based on Interagency Small Institution Examination Procedures.

PB's primary business focus continues to be commercial and residential real estate lending. The bank offers various loan products including mortgage, commercial, agriculture, and consumer loans. During the review period, PB also offered commercial loans through the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The PPP loans assist small businesses in keeping their workforce employed during the COVID-19 pandemic and are forgivable under SBA guidelines. In 2020, the bank originated 151 PPP loans totaling \$9.6 million. PB also provides a variety of deposit services such as checking, savings, certificates of deposit, individual retirement accounts, and health savings accounts. Alternative banking services include wire transfers, electronic bill-pay, online banking, and mobile banking.

As of June 30, 2021, PB held total assets of approximately \$247 million, total deposits of \$194 million, and total loans of \$142 million. Assets have grown since the prior evaluation; however, the business focus and loan portfolio distribution has remained largely consistent. The following table shows a more detailed breakout of the loan portfolio.

Loan Portfolio Distribution as of 06/30/2021		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	11,102	7.8
Secured by Farmland	16,905	11.9
Secured by 1-4 Family Residential Properties	37,889	26.7
Secured by Multifamily (5 or more) Residential Properties	2,251	1.6
Secured by Nonfarm Nonresidential Properties	30,583	21.5
Total Real Estate Loans	98,730	69.5
Commercial and Industrial Loans	30,706	21.6
Agricultural Production and Other Loans to Farmers	5,961	4.2
Consumer Loans	3,955	2.8
Obligations of State and Political Subdivisions in the U.S.	2,665	1.9
Other Loans	6	0.0
Lease Financing Receivable (net of unearned income)	-	-
Less: Unearned Income	-	-
Total Loans	142,023	100.0
<i>Source: Reports of Condition and Income</i>		

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

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs within which examiners will evaluate its CRA performance. PB has designated two contiguous AAs consisting of 13 census tracts (CTs) located in Clark, Marathon, and Wood counties in Wisconsin. Since the previous evaluation, the bank added one CT in Clark County, and four in Marathon County. Marathon County is located in the Wausau-Weston, WI Metropolitan Statistical Area (MSA) and Clark and Wood counties are located within the Non-MSA portion of the state. The following table shows the offices, counties, and CTs within each AA.

Description of Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Wausau-Weston WI MSA	Marathon	5	2
Non-MSA	Clark, Wood	8	1
<i>Source: Bank Data</i>			

There are no low- or moderate-income CTs located in the AAs. The sections below provide further information related to each AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated February 17, 2015, to the current evaluation dated August 16, 2021. Examiners used the Interagency Small Intuition Examination Procedures to evaluate the institution's performance. These procedures consider CRA performance based on the bank's LTD ratio, AA concentration, geographic distribution, borrower profile, and response to CRA-related complaints.

Examiners conducted a full scope review of both AAs. Equal weight was given to the Wausau-Weston, WI MSA AA and the Non-MSA AA based on loan distribution and office locations.

Activities Reviewed

Residential mortgage and small business loans continue to represent the major product lines. This conclusion is based on the bank's business strategy, Call Report data, and the number and dollar volume of loans originated during the evaluation period. Agriculture and consumer loans were not reviewed during the evaluation period, as they are not a business focus and do not represent a substantial portion of the bank's loan portfolio. For this evaluation, more weight and consideration was given to small business loans based on the loan portfolio composition and business focus of the bank.

Examiners reviewed 2019 home mortgage data pursuant to the Home Mortgage Disclosure Act (HMDA) data collection requirement. The bank's real estate mortgage originations fell below reporting thresholds after 2019. Consequently, the bank was not required to and did not report HMDA data in 2020. A sample of home mortgage loans was analyzed and presented for the 2020 calendar year. The 2019 HMDA aggregate data and 2015 US Census data was used to compare and assess the bank's performance. More weight was placed on the bank's performance relative to the aggregate performance as this is indicative of all reporting lenders and prevailing market conditions in the AAs.

Examiners also reviewed a sample of small business loans originated in 2020. D&B data for 2020 provides a standard of comparison for small business loans. The following provides additional review details.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Home Mortgage				
2019	66	6,242	66	6,242
2020	166	22,351	51	7,271
Small Business				
2020	317	33,848	58	5,002
<i>Source: Bank Data</i>				

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

A “Satisfactory” rating is assigned under the Lending Test. This conclusion is supported by the LTD ratio, AA concentration, and borrower profile analyses. Performance was consistent in both AAs.

Loan-to-Deposit Ratio

PB’s LTD ratio is reasonable given the institution’s size, financial condition, and AA credit needs. The bank’s LTD ratio averaged 81.6 percent over the last 26 quarters from March 31, 2015 to June 30, 2021. The LTD ratio has remained relatively stable during the evaluation period with a low of 71.9 percent as of June 30, 2021 and a high of 94.6 percent as of June 30, 2016. PB maintained an average LTD ratio that was in line with similarly-situated institutions as shown in the following table. Examiners selected comparable intuitions based on their asset size, geographic location, and lending focus.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 06/30/2021 (\$000s)	Average Net LTD Ratio (%)
Partners Bank of Wisconsin	247,651	81.6
Intercity State Bank	242,114	91.7
Marathon Bank	213,858	74.7
The Portage County Bank	182,693	71.5
Community First Bank	111,131	64.2
<i>Source: Reports of Condition and Income 03/31/2015 – 06/30/2021</i>		

Assessment Area Concentration

The bank made a majority of home mortgage and small business loans inside their AAs. Details are provided in the following table.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2019	46	69.7	20	30.3	66	4,148	66.5	2,094	33.5	6,242
2020	34	66.7	17	33.3	51	4,607	63.4	2,664	36.6	7,271
Subtotal	80	68.4	37	31.6	117	8,755	64.8	4,758	35.2	13,513
Small Business	45	77.6	13	22.4	58	4,124	82.4	878	17.6	5,002
<i>Source: Bank Data Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

As noted previously, the bank’s AAs do not include any low- or moderate-income CTs. Therefore, an analysis of data under the Geographic Distribution criterion would not be meaningful and was not completed.

Borrower Profile

The distribution of loans to borrowers reflects, given the demographics of the AAs, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes. Performance is consistent throughout the equally weighted AAs.

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and Equal Credit Opportunity Act. Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution’s overall CRA rating.

WAUSAU-WESTON, WI MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE WAUSAU-WESTON, WI MSA AA

The Wausau-Weston, WI MSA AA consists of five CTs located in the south-west corner of Marathon County.

Economic and Demographic Data

The following table illustrates demographic characteristics of the AA.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.0	0.0	80.0	20.0	0.0
Population by Geography	25,827	0.0	0.0	79.4	20.6	0.0
Housing Units by Geography	10,648	0.0	0.0	77.2	22.8	0.0
Owner-Occupied Units by Geography	8,316	0.0	0.0	77.4	22.6	0.0
Occupied Rental Units by Geography	1,565	0.0	0.0	88.0	12.0	0.0
Vacant Units by Geography	767	0.0	0.0	52.2	47.8	0.0
Businesses by Geography	1,310	0.0	0.0	80.5	19.5	0.0
Farms by Geography	202	0.0	0.0	78.2	21.8	0.0
Family Distribution by Income Level	7,247	16.4	18.0	24.7	41.0	0.0
Household Distribution by Income Level	9,881	20.0	15.8	18.8	45.4	0.0
Median Family Income MSA - 48140 Wausau-Weston, WI MSA		\$65,079	Median Housing Value			\$158,623
			Median Gross Rent			\$655
			Families Below Poverty Level			4.8%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

There are over 10,000 housing units in the AA of which 78 percent are owner-occupied, 15 percent are occupied rental units, and 7 percent are vacant.

The FFIEC-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle- and upper-income categories are displayed in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Wausau-Weston, WI MSA Median Family Income (48140)				
2019 (\$70,100)	<\$35,050	\$35,050 to <\$56,080	\$56,080 to <\$84,120	≥\$84,120
2020 (\$74,600)	<\$37,300	\$37,300 to <\$59,680	\$59,680 to <\$89,520	≥\$89,520

Source: FFIEC

Data obtained from the U.S. Bureau of Labor Statistics indicates that the unemployment rates in the MSA AA have improved during the evaluation period until an increase in unemployment in 2020. The COVID-19 pandemic has impacted employment opportunities and explains the increased unemployment rates in 2020. As noted in the following table, unemployment rates for this AA have been slightly lower than the corresponding state-wide rates throughout the evaluation period.

Unemployment Rates					
Area	2016	2017	2018	2019	2020
	%	%	%	%	%
Wausau-Weston, WI MSA	3.5	2.9	2.7	2.8	5.0
Wisconsin	3.9	3.3	3.0	3.3	6.3

Source: Bureau of Labor Statistics

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by gross annual revenue (GAR) level. According to 2020 D&B data, there were 1,235 businesses operating in the AA. A summary of business GARs located in the AA are shown below.

- 78.6 percent have GARs of \$1 million or less
- 8.5 percent have GARs of more than \$1 million
- 12.9 percent have unknown revenues

Service industries represent the largest portion of businesses at 31 percent; followed by agriculture, forestry and fishing (15 percent); and retail trade (12 percent). In addition, 68 percent of area businesses have four or fewer employees, and 88 percent operate from a single location. The demographic data demonstrates small businesses represent a significant portion of overall businesses in the AA.

Competition

Many banks compete to offer financial services in the AA. According to the FDIC Deposit Market Share data as of June 2020, there were 22 financial institutions that operate 62 full service branches in the Wausau-Weston, WI MSA. Of these institutions, PB ranked 10th with a deposit market share of 2.57 percent. Home mortgage lending is a focus for many of these competing banks, credit unions, and non-depository mortgage lenders. In 2019, 118 lenders reported a total of 1,036 residential mortgage loans originated or purchased in the AA. The three most prominent home mortgage lenders accounted for 19 percent of the total market share.

Community Contact

As part of the evaluation process, examiners contact a third party active in the Marshfield area to assist in identifying credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs and shows what credit and community development opportunities are available.

A representative from a non-profit business collective in the MSA provided information on the economic conditions and opportunities in the AA. According to the contact, there is a significant percentage of the population that is over 50, many of whom are on fixed incomes. The contact noted that although the existing housing stock is in good condition, there is significant demand for new housing. The contact also noted that the lack of industrial parks to accommodate businesses in manufacturing and healthcare has limited new business formation and growth as much as the pandemic-related pressures in filling employment positions.

Credit Needs

Based on discussion with the community contact and local economic conditions, there is a need for housing and small business lending. The limited housing stock, competitive market, and increasing housing values support the need for affordable housing and lending to create affordable housing stock. Many small businesses have struggled financially within the last 12-20 months due to strains from the COVID-19 pandemic. PPP lending, which the bank has heavily embraced, has assisted in meeting small business lending needs in 2020.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE WAUSAU- WESTON, WI MSA AA

LENDING TEST

PB demonstrates reasonable performance under the Lending Test in the MSA AA. The Borrower Profile performance for home mortgage and small business lending supports this rating.

Geographic Distribution

The Geographic Distribution was not analyzed as the AA is homogenous, and reviews would not result in meaningful conclusions.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels including low- and moderate-income individuals and businesses of different sizes.

Home Mortgage

The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels including low- and moderate-income individuals.

The following table shows the percentage of loans originated to low-income borrowers closely compares to aggregate performance in 2019; however the bank's performance lags the demographic comparator by 9.7 percentage points. The bank's performance in 2020 also trails the total percentage of low-income families. This lag is partially attributable to the percentage of low-income families that generate incomes below the poverty level (4.8 percent). Impoverished individuals generally do not qualify for traditional home mortgage loans absent substantial subsidies. Aggregate data provides a better picture of the potential lending opportunities, and therefore, the bank's performance compared to aggregate carries more weight and supports reasonable performance.

The bank's performance in the moderate-income segment exceeds the aggregate in 2019 and exceeds the demographic comparator by more than eight percentage points in 2020.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2019	16.4	7.3	1	6.7	24	1.9
2020	16.4	--	1	6.7	85	3.4
Moderate						
2019	18.0	18.1	3	20.0	129	10.3
2020	18.0	--	4	26.7	630	25.3
Middle						
2019	24.7	22.2	2	13.3	190	15.3
2020	24.7	--	4	26.7	581	23.3
Upper						
2019	41.0	39.7	2	13.3	169	13.6
2020	41.0	--	6	40.0	1,198	48.0
Not Available						
2019	0.0	12.7	7	46.7	731	58.8
2020	0.0	--	0	0.0	0	0.0
Totals						
2019	100.0	100.0	15	100.0	1,243	100.0
2020	100.0	--	15	100.0	2,494	100.0

Source: 2015 ACS; Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of \$1 million or less. The following table shows the bank's percentage of loans originated to small businesses with GARs \$1 million or less closely compares to the demographic data. This level of lending reflects reasonable performance.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	79.5	18	78.3	521	44.3
>\$1,000,000	8.0	5	21.7	654	55.7
Revenue Not Available	12.5	0	0.0	0	0.0
Total	100.0	23	100.0	1,175	100.0
<i>Source: 2020 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%</i>					

NON-MSA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NON-MSA AA

The Non-MSA AA consists of two CTs located in the northeast corner of Clark County and six CTs located in the northwest corner of Wood County. The AA does not include any low- or moderate-income CTs.

Economic and Demographic Data

The following table illustrates demographic characteristics of the AA.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	8	0.0	0.0	75.0	25.0	0.0
Population by Geography	34,279	0.0	0.0	71.8	28.2	0.0
Housing Units by Geography	14,938	0.0	0.0	71.3	28.7	0.0
Owner-Occupied Units by Geography	9,807	0.0	0.0	70.5	29.5	0.0
Occupied Rental Units by Geography	4,237	0.0	0.0	72.4	27.6	0.0
Vacant Units by Geography	894	0.0	0.0	74.8	25.2	0.0
Businesses by Geography	1,955	0.0	0.0	65.4	34.6	0.0
Farms by Geography	180	0.0	0.0	70.6	29.4	0.0
Family Distribution by Income Level	9,048	18.0	18.0	22.9	41.0	0.0
Household Distribution by Income Level	14,044	23.3	16.5	17.6	42.6	0.0
Median Family Income Non-MSAs - WI		\$60,742	Median Housing Value			\$135,754
			Median Gross Rent			\$588
			Families Below Poverty Level			8.5%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

There are over 14,000 housing units in the AA, of which 66 percent are owner-occupied, 28 percent are occupied rental units, and 6 percent are vacant.

The FFIEC-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle- and upper-income categories are shown in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
WI NA Median Family Income (99999)				
2019 (\$65,900)	<\$32,950	\$32,950 to <\$52,720	\$52,720 to <\$79,080	≥\$79,080
2020 (\$68,000)	<\$34,000	\$34,000 to <\$54,400	\$54,400 to <\$81,600	≥\$81,600

Source: FFIEC

Data obtained from the U.S. Bureau of Labor Statistics indicates that the unemployment rates in the Non-MSA AA have improved during the evaluation period until an increase in unemployment in 2020. The COVID-19 pandemic has impacted employment opportunities and explains the increased unemployment rates in 2020. The following table shows the unemployment rates of Clark County have been slightly lower than Wisconsin statewide rates; however, Wood County unemployment rates are higher than statewide rates.

Unemployment Rates					
Area	2016	2017	2018	2019	2020
	%	%	%	%	%
Clark County	3.8	3.0	2.9	3.2	4.0
Wood County	4.6	3.7	3.5	3.7	6.7
Wisconsin	3.9	3.3	3.0	3.3	6.3

Source: Bureau of Labor Statistics

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by GAR level. According to 2020 D&B data, there were 1,982 businesses operating in the AA. A summary of AA business' GARs are shown below.

- 76.3 percent have GARs of \$1 million or less
- 9.1 percent have GARs of more than \$1 million
- 14.6 percent have unknown revenues

Service industries represent the largest portion of businesses at 40 percent; followed by retail trade (12 percent); and agriculture, forestry and fishing (8 percent). In addition, 62 percent of area businesses have four or fewer employees, and 85 percent operate from a single location. The demographic data demonstrates small businesses represent a significant portion of overall businesses in the AA.

Competition

The AA is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 2020, there were 17 financial institutions that operate 40 full service branches in Clark and Wood Counties. Of these institutions, PB ranked 12th with a deposit market share of 2.16 percent.

There is competition for home mortgage loans among several banks, credit unions, and non-depository mortgage lenders. In 2019, 116 lenders reported a total of 1,039 residential mortgage loans originated or purchased. The three most prominent home mortgage lenders accounted for 25 percent of the total market share.

Community Contact

As part of the evaluation process, examiners contacted a representative from an economic development entity in the Non-MSA to assist in identifying credit needs and gather information on the economic conditions and opportunities. According to the contact, the existing housing stock is in fair condition but there is significant demand and substantial median price increases. Housing sales frequently occur above asking price. In the more rural areas; however, the lack of high speed internet provides downward sales pressure. Workforce housing and affordable housing needs are the most pressing in the Non-MSA.

Strong established businesses generally are able to obtain financing. Start-ups are having more difficulty obtaining credit. All area businesses appear to be struggling to retain workers. Businesses compete fiercely for skilled workers within a half hour commute. The lack of affordable housing near established towns and cities creates additional barriers to obtaining and retaining a workforce.

Credit Needs

Based on information from the community contact, market data from the realtors association, and D&B data, there is material housing and small business lending demand in the AA. The limited housing stock and increasing median housing value in the area support the need for mortgage lending in the AA. Due to the COVID-19 pandemic, many small businesses have struggled financially and are seeking funding to pay employees and continue operations. PPP lending has assisted in meeting the needs of area businesses in 2020.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE NON-MSA AA

LENDING TEST

PB demonstrates reasonable performance under the Lending Test in the Non-MSA AA. The Borrower Profile performance for home mortgage and small business lending support this rating.

Geographic Distribution

The Non-MSA AA does not include any low- or moderate-income geographies, and a review of the Geographic Distribution criterion would not result in meaningful conclusions. Therefore, this criterion was not evaluated.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels including low- and moderate-income individuals and businesses of different sizes.

Home Mortgage

The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels including low- and moderate-income individuals.

The bank's originations to low-income borrowers exceeds aggregate performance in 2019 and closely compares to the demographic in 2020 (or exceeds by 6.3 percentage points after adjusting for the 8.5 percentage of impoverished families in the low-income borrower segment). As noted previously, impoverished individuals generally do not qualify for traditional home mortgage loans absent substantial subsidies.

The bank did not originate mortgage loans to moderate-income borrowers in 2019, significantly trailing both the demographic and aggregate performance. However, the bank's performance improved substantially in 2020 exceeds the demographic by 8.3 percentage points. Overall, home mortgage lending performance is reasonable.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2019	18.0	7.9	3	9.7	194	6.7
2020	18.0	--	3	15.8	151	7.1
Moderate						
2019	18.0	19.6	0	0.0	0	0.0
2020	18.0	--	5	26.3	355	16.8
Middle						
2019	22.9	21.3	9	29.0	778	26.8
2020	22.9	--	5	26.3	917	43.4
Upper						
2019	41.0	32.9	11	35.5	842	29.0
2020	41.0	--	6	31.6	690	32.7
Not Available						
2019	0.0	18.3	8	25.8	1,091	37.5
2020	0.0	--	0	0.0	0	0.0
Totals						
2019	100.0	100.0	31	100.0	2,905	100.0
2020	100.0	--	19	100.0	2,113	100.0

Source: 2015 ACS; Bank Data, 2019 HMDA Aggregate Data. "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of \$1 million or less. The following table shows the bank's percentage of loans originated to small businesses with GARs \$1 million or less lags demographic data by 7.9 percentage points. While slightly trailing, this level of lending reflects reasonable performance.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	76.1	15	68.2	1,290	43.7
>\$1,000,000	9.0	7	31.8	1,659	56.3
Revenue Not Available	15.0	0	0.0	0	0.0
Total	100.0	22	100.0	2,949	100.0

Source: 2020 D&B Data, Bank Data.
Due to rounding, totals may not equal 100.0%

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 institution'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 institution 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.

Appendix B: List of Products and Services*

The Bank offers, but not limited to, the following:

- Home Mortgage Loans
- Farm Service Agency Loans
- Home Rehabilitation and Home Improvement Loans
- Construction Loans
- Home Equity Loans
- Mobile Home Loans
- Consumer and Personal Loans
- Overdraft Protection Loans
- Credit Card Loans through Elan Financial Services
- Agricultural Loans
- Business Loans
- Community Development Loans
- Municipal Loans
- Private Mortgage Insurance for home loans with high Loan to Value
- Paycheck Protection Program (PPP loans) through SBA for Covid-19
- CARE (Community Affordable Real Estate) for low to moderate income mortgage loans through Associated Bank.
- Direct Deposit Accounts
- Check cashing privileges to low and moderate income customers
- ACH originations for customers
- Wire transfers
- Cashing Government checks for bank customers
- Offering several savings plans
- Offering no fee or low fee checking accounts
- Establishing payroll deduction plans for local companies
- 24 hour access through
 - Dial-A-Bank
 - Online Banking
 - Mobile Banking
- Banking by mail
- Automated Teller Machines (ATMs)
- Notary Services

*The public file must also include bank locations, hours of operation, & transaction fees.



907 North Central Ave
P.O. Box 730
Marshfield, WI 54449
Phone: 715.384.4005
Fax: 715.384.5224

201 West Clark Street
P.O. Box 137
Spencer, WI 54479
Phone: 715.659.2430
Fax: 715.659.5455

213100 State Hwy 97
P.O. Box 13
Stratford, WI 54484
Phone: 715.687.2411
Fax: 715.687.4441

For CRA File as of January 27, 2025

Branch Locations

907 N Central Ave
PO Box 730
Marshfield, WI 54449
Phone: 715-384-4004
Fax: 715-384-5224

201 W Clark St
PO Box 137
Spencer, WI 54479
Phone: 715-659-2430
Fax: 715-659-5455

213100 State Highway 97
PO Box 13
Stratford, WI 54484
Phone: 715-687-2411
Fax: 715-687-4441

Deposit-taking remote service facilities: None

Website: www.partnersbankwi.com

Hours of Operation

Monday – Thursday
Friday
Saturday

Lobby

8:30am to 4:30pm
8:30am to 6:00pm
Closed

Drive-up

8:00am to 5:00pm
8:00am to 6:00pm
Closed



907 North Central Ave
P.O. Box 730
Marshfield, WI 54449
Phone: 715.384.4005
Fax: 715.384.5224

201 West Clark Street
P.O. Box 137
Spencer, WI 54479
Phone: 715.659.2430
Fax: 715.659.5455

213100 State Hwy 97
P.O. Box 13
Stratford, WI 54484
Phone: 715.687.2411
Fax: 715.687.4441

Date: January 27, 2025
For: CRA Public File
Subject: Branch Openings/Closings

Partners Bank has not opened or closed any branches for the current year and two previous years.

Partners Bank of Wisconsin

List of Products and Services

for CRA File as of 1/27/2025

The Bank offers, but not limited to, the following:

- Home Mortgage Loans
- Farm Service Agency Loans
- Home Rehabilitation and Home Improvement Loans
- Construction Loans
- Home Equity Loans
- Mobile Home Loans
- Consumer and Personal Loans
- Overdraft Protection Loans
- Credit Card Loans through Elan Financial Services
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- Municipal Loans
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- Offering several savings plans
- Offering no fee or low fee checking accounts
- Establishing payroll deduction plans for local companies
- 24 hour access through
 - Dial-A-Bank
 - Online Banking
 - Mobile Banking
- Banking by mail
- Automated Teller Machines (ATMs)
- Notary Services

Schedule of Fees



www.partnersbankwi.com

Telephone Banking
855.687.3440

Effective: 3/19/2024

Marshfield Office

907 North Central Avenue, Suite 1
P.O. Box 730
Marshfield, Wisconsin 54449-0730
Phone: (715) 384-4005
Fax: (715) 384-5224

Spencer Office

201 West Clark Street
P.O. Box 137
Spencer, Wisconsin 54479-0137
Phone: (715) 659-2430
Fax: (715) 659-5455

Stratford Office

213100 State Highway 97
P.O. Box 13
Stratford, Wisconsin 54484-0013
Phone: (715) 687-2411
Fax: (715) 687-4441



ATM/DEBIT CARD REPLACEMENT

Card..... \$6.00/each

AUTOMATIC TRANSFERS/OVERDRAFT PROTECTION \$5.00/transfer

CASHIER'S CHECKS..... \$5.00/each

CHECK CASHING - Non-customer..... \$5.00/each

CHECK IMAGES - (included with monthly statements) \$5.00/month

CHECK PRINTING (Check printing fees vary depending on the style of check, design, and quantity.)

CHECKBOOK RECONCILIATION..... \$30.00/hr

COPIES (including check images)..... \$.25/copy

FAX MACHINE (Incoming or Outgoing) \$5.00/each

FOREIGN CURRENCY..... \$15.00/each order

GARNISHMENT / ATTACHMENT / LIENS/ LEVIES..... \$60.00/each item

IRA/HSA custodial transfer (outgoing)..... \$25.00/each transfer

MONEY ORDERS..... \$3.00/each

OVERDRAFT FEE* \$30.00/per item (\$120 max/day)

*Fee applies to overdrafts created by check, in-person withdrawal, ACH, or other electronic means as applicable.

READY RESERVE\$25.00/year

RECORD SEARCH (customer request)\$30.00/hr

RETURN DEPOSITED ITEM..... \$10.00/each item

SAFE DEPOSIT BOXES*

2 x 4 x 15..... \$15.00/annually

2 x 4 x 21..... \$15.00/annually

3 x 5 x 21..... \$20.00/annually

5 x 5 x 21..... \$30.00/annually

2 x 10 x 21.....\$30.00/annually

3 x 10 x 21.....\$35.00/annually

4 x 4 x 21..... \$25.00/annually

4 x 9 x 21..... \$35.00/annually

5 x 10 x 21.....\$50.00/annually

10 x 10 x 21..... \$80.00/annually

Replacement Key.....\$50.00/each

Drill Box Fee & Replacement Lock Fee....

\$330.00/each box

REQUESTED STATEMENT.....\$3.00/each

STATEMENT RETURNED

(undeliverable)..... \$5.00/one-time fee, after 3 months of consecutive undeliverable statements

STOP PAYMENT.....\$25.00/each

TELEPHONE TRANSFERS.....\$2.00/each

WIRE TRANSFER (customer only)

Domestic \$25.00/out

Foreign \$45.00/out

*Sizes vary at each location



SMALL BUSINESS CHECKING

Designed for businesses with low account balances and activity. There is no minimum balance and no monthly service charge. To avoid activity costs, the account will have fewer than 50 debit (checks and other debits) transactions per month.

Business Service Charges:

Monthly Service Charge	None
Activity Cost per unit over 50	.30

For other services and fees, please refer to our current Schedule of Fees.

BUSINESS VALUE CHECKING

Designed for businesses with moderate account balances and activity. The monthly Service Charge is waived provided an average daily balance of \$1,500 is maintained. To avoid activity costs, the account will have fewer than 200 debit (checks and other debits) transactions per month.

Business Service Charges:

Monthly Service Charge	\$10.00
Waived with average daily balance of \$1,500	
Activity Cost per unit over 200	.30

For other services and fees, please refer to our current Schedule of Fees.

BUSINESS VALUE CHECKING WITH INTEREST

Designed for businesses with moderate account balances and activity that want to earn interest. The monthly Service Charge is waived provided an average daily balance of \$2,500 is maintained. To avoid activity costs, the account will have fewer than 200 debit (checks and other debits) transactions per month.

Business Service Charges:

Monthly Service Charge	\$10.00
Waived with average daily balance of \$2,500	
Activity Cost per unit over 200	.30

For other services and fees, please refer to our current Schedule of Fees.

BUSINESS CHECKING

Designed for businesses with high account balances and activity. We calculate an earnings credit based on the collected balance maintained during the month, less a 5.50% reserve. This credit is used to offset the Business Service Charges identified below.

Business Service Charges:

Monthly Service Charge	\$10.00
Charge per deposit or credit	.20
Charge per check or debit	.20
On Us items deposited	.06
Non On Us Items deposited	.07

For other services and fees, please refer to our current Schedule of Fees.

BUSINESS CHECKING WITH INTEREST

Designed for businesses with high account balances and activity. We calculate interest based on the collected balance maintained during the month, less a 5.50% reserve. This interest is used to offset the Business Service Charges identified below.

Business Service Charges:

Monthly Service Charge	\$10.00
Charge per deposit or credit	.20
Charge per check or debit	.20
On Us items deposited	.06
Non On Us items deposited	.07

For other services and fees, please refer to our current Schedule of Fees.



www.partnersbankwi.com

Partners Bank of Wisconsin

Loan Fee Schedule

As of 2/7/2025

Type	Admin/Processing Fee	Extension/Renewal	Annual Fee
Consumer Loans	\$50		
HELOC	\$75		
Residential RE	\$500		
Residential RE 2 nd Mtg	\$500		
Residential Construction	\$650		
Loan Modifications	\$300		
Partial Release of Mortgage	\$175		
Mortgage Subordination	\$175		
Agricultural - Farmland	\$500	\$75	
Agricultural – Construction	\$650		
Agricultural – Livestock/Equip	\$75	\$75	
Business/Commercial RE	\$500	\$75	
Commercial RE Construction	\$650	\$75	
Vacant Land	\$500		
Equipment/Operation Loans	\$75	\$75	
Commercial Lines of Credit ≤ \$100,000			\$100
\$100,001 TO \$499,999			\$200
≥\$500,000			\$350
Letter of Credit	1.0% of Letter Amount, \$100 minimum, annually		

Map Configuration Settings

Income as % of MSA Med
(# of Tracts in Range)



- Outline
- Place
- Tract 2015
- County 2016
- Water

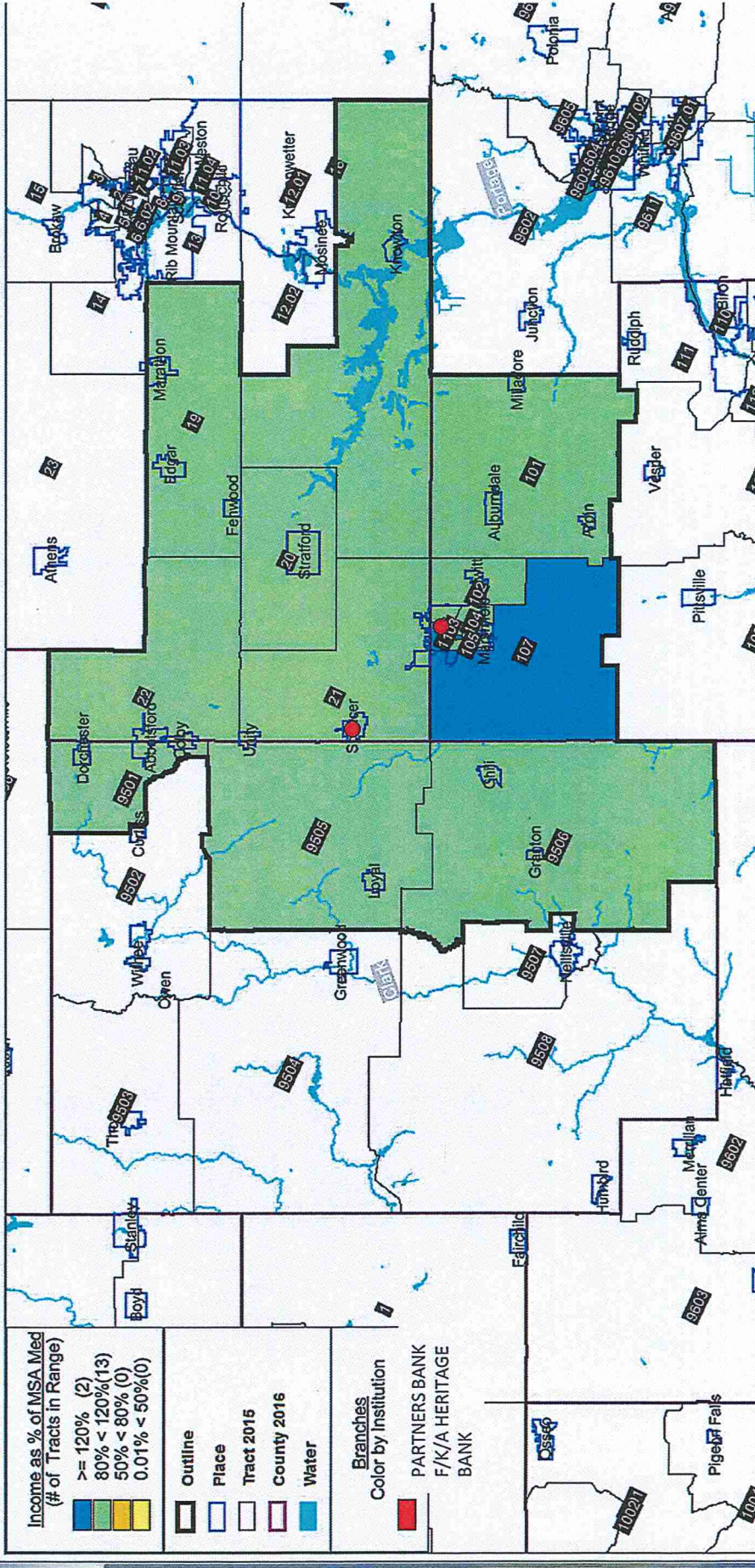
Branches
Color by Institution

- PARTNERS BANK
- F/K/A HERITAGE BANK

Map Layer Control

Plot an Address

Customize View



State	MSA	County	Census Tract
55	48140	73	18
55	48140	73	19
55	48140	73	20
55	48140	73	21
55	48140	73	22
55	99999	19	9501
55	99999	19	9505
55	99999	19	9506
55	99999	141	101
55	99999	141	102
55	99999	141	103
55	99999	141	104
55	99999	141	105
55	99999	141	106
55	99999	141	107



HOME MORTGAGE DISCLOSURE ACT NOTICE

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age, and income of applicants and borrowers; and information about loan approvals and denials. These data are available online at the Consumer Financial Protection Bureau's Web site (www.consumerfinance.gov/hmda). HMDA data for many other financial institutions are also available at this Web site

PARTNERS BANK
FOR CRA FILE

REPORT DATE	LOAN TO DEPOSIT RATIO	TOTAL DEPOSITS (in 1,000s)	NET LOANS (in 1,000s)	TOTAL ASSETS (in 1,000s)
12/31/24	82.40%	211,307	174,114	276,284
09/30/24	76.54%	226,235	173,149	292,821
06/30/24	80.50%	214,851	172,958	281,254
03/31/24	77.77%	218,005	169,537	282,127
12/31/23	84.64%	202,629	171,496	272,471
09/30/23	85.21%	198,970	169,534	264,313
06/30/23	79.51%	204,840	162,863	262,775
03/31/23	77.79%	207,694	161,563	261,922
12/31/22	78.59%	210,145	165,154	269,088
09/30/22	76.51%	215,102	164,574	265,834
06/30/22	76.86%	206,268	158,542	260,840
03/31/22	70.47%	211,863	149,298	259,389
09/30/21	69.59%	207,077	144,113	259,874
06/30/21	71.94%	194,438	139,872	247,651
03/31/21	73.06%	192,958	140,966	245,713
12/31/20	76.78%	186,376	143,093	238,983
09/30/20	77.74%	185,455	144,173	237,786
06/30/20	80.20%	178,215	142,924	229,061
03/31/20	78.67%	169,678	133,494	214,018
12/31/19	78.96%	172,905	136,527	215,940
09/30/19	81.74%	170,445	139,325	214,538
06/30/19	82.13%	170,272	139,842	213,588
03/31/19	82.80%	171,604	142,086	214,367
12/31/18	80.63%	175,113	141,194	216,513
09/30/18	82.28%	167,787	138,051	212,130
06/30/18	82.44%	171,304	141,224	214,892
03/31/18	78.43%	174,100	136,551	215,306