

PUBLIC DISCLOSURE

February 21, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Bozeman
Certificate Number: 57952

875 Harmon Stream Blvd
Bozeman, Montana 59718

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

1100 Walnut St, 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 (AA), including, low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs. The following points summarize the bank's performance.

- The loan-to-deposit (LTD) ratio is reasonable, given the institution's size, competitive factors, financial condition, and AA credit needs.
- The bank made a majority of its small business and home mortgage loans within the AA.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among businesses of different revenue sizes and individuals of different income levels.
- The institution has not received any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Bank of Bozeman (BOB) is wholly-owned by Bozeman Bancorp, Inc., a one-bank holding company. The bank has three affiliate banks located in North Dakota: First National Bank & Trust Co. of Williston, Williston, North Dakota; The Citizens State Bank at Mohall, Mohall, North Dakota; and State Bank & Trust of Kenmare, Kenmare, North Dakota. The institution received a "Satisfactory" rating at its previous Federal Deposit Insurance Corporation (FDIC) Performance Evaluation, dated April 13, 2018, based on the Interagency Small Bank Examination Procedures. BOB did not have any branch openings, closings, or merger/acquisition activity since the previous evaluation.

BOB offers traditional lending and deposit products to consumer and commercial customers through its sole office in Bozeman, Montana. The bank's primary lending focus is commercial and residential real estate lending; however, it offers a variety of loan products including commercial, agricultural, home mortgage, and consumer loans. The institution provides a variety of deposit services including checking, savings, money market deposit accounts, and certificates of deposit. Alternative banking services include online and mobile banking, electronic bill pay, and four automated teller machines.

As of the December 31, 2023 Consolidated Reports of Condition and Income (Call Report), BOB reported \$109.1 million in total assets, \$90.8 million in total deposits, and \$79.3 million in total loans. The loan portfolio is illustrated in the following table.

Loan Portfolio Distribution as of 12/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	10,175	12.8
Secured by Farmland	1,623	2.0
Secured by 1-4 Family Residential Properties	28,874	36.4
Secured by Multifamily (5 or more) Residential Properties	1,556	2.0
Secured by Nonfarm Nonresidential Properties	25,818	32.5
Total Real Estate Loans	68,046	85.7
Commercial and Industrial Loans	9,908	12.5
Agricultural Production and Other Loans to Farmers	797	1.0
Consumer Loans	586	0.7
Obligations of State and Political Subdivisions in the U.S.	-	-
Other Loans	1	0.0
Lease Financing Receivable (net of unearned income)	-	-
Less: Unearned Income	-	-
Total Loans	79,338	100.0
<i>Source: 12/31/2023 Call Report. Due to rounding, totals may not equal 100.0%</i>		

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

DESCRIPTION OF ASSESSMENT AREA

Bank of Bozeman has delineated its AA as Gallatin County, Montana. Gallatin County is the third most populated county in Montana and borders the following counties in Montana: Fremont County, Idaho, Broadwater County, Jefferson County, Madison County, and Meagher County. The following sections discuss demographic and economic information for the bank's AA.

Economic and Demographic Data

The AA includes 26 census tracts (CTs). These CTs reflect the following income designations, according to the 2020 U.S. Census data:

- 0 low-income tracts;
- 4 moderate-income tracts;
- 8 middle-income tracts; and
- 14 upper-income tracts.

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)	26	0.0	15.4	30.8	53.8	0.0
Population by Geography	118,960	0.0	12.4	32.3	55.3	0.0
Housing Units by Geography	51,011	0.0	11.7	31.4	57.0	0.0
Owner-Occupied Units by Geography	27,693	0.0	5.2	32.5	62.3	0.0
Occupied Rental Units by Geography	17,594	0.0	23.4	30.4	46.2	0.0
Vacant Units by Geography	5,724	0.0	7.0	28.8	64.2	0.0
Businesses by Geography	31,588	0.0	10.7	23.1	66.2	0.0
Farms by Geography	1,239	0.0	6.8	18.1	75.1	0.0
Family Distribution by Income Level	26,238	10.7	14.3	20.0	55.0	0.0
Household Distribution by Income Level	45,287	17.4	12.7	17.3	52.7	0.0
Median Family Income Non-Metropolitan - MT		\$70,967	Median Housing Value			\$411,471
			Median Gross Rent			\$1,120
			Families Below Poverty Level			4.1%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

D&B data for 2023 indicates that service industries represent the largest portion of businesses in the AA at 33.7 percent; followed by non-classifiable establishments at 27.7 percent; and finance, insurance, and real estate at 11.4 percent. In addition, 63.6 percent of area businesses have 4 or fewer employees, and 96.6 percent operate from a single location.

The Federal Financial Institutions Examinations Council (FFIEC) provides updated median family incomes (MFI) that are used to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the AA MFI.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
AA Median Family Income				
2023 (\$81,600)	<\$40,800	\$40,800 to <\$65,280	\$65,280 to <\$97,920	≥\$97,920
Source: FFIEC				

Competition

According to the June 30, 2023 FDIC Deposit Market Share Report, BOB faces strong competition from 14 other institutions operating 41 offices within the AA. BOB ranks ninth and holds 1.8 percent of the total deposit market share within the AA. The top five institutions control approximately 77.2 percent of the AA's deposit market share with a combined \$3.7 billion in deposits.

Community Contacts

As part of the evaluation process, examiners reviewed a community contact from the FFIEC Community Contact System database to assist in identifying credit and community development needs. Examiners leveraged an existing community contact based in the Bozeman area. The contact interviewed is a representative from an economic development organization that serves the AA.

The contact described the area's economy as prospering, primarily due to its outdoor recreational tourism opportunities. The contact noted that the economic area served by Bozeman is much greater than the city itself, as Bozeman is the largest city within two hours. Therefore, residents of the surrounding counties often come to Bozeman for services, shopping, and recreation. The area is home to Montana State University and many students choose to stay upon graduation. The contact stated that Bozeman has seen an increase in population in all age groups, especially due to the COVID-19 pandemic, which brought many retirees, entrepreneurs, and remote workers to the Bozeman area.

However, the contact felt that the area has somewhat struggled with the impacts of such rapid growth. The contact noted an increase in high wealth individuals purchasing property around Bozeman and Big Sky, which has contributed to inflated housing prices. The median listing home price in Gallatin County increased 76.7 percent from \$412,500 in January 2020 to \$729,000 in December 2022. The contact further stated that investors are purchasing many of the affordable homes in the area for short-term rentals. New home construction is lagging as developers are building luxury homes in Big Sky and the Yellowstone Club. The contact noted that these heightened housing prices have contributed to difficulties in recruiting and retaining individuals working in public service and public education since the wages do not cover the purchase or rental of housing in Bozeman. Overall, the contact stated that there is a significant shortage of housing across all income levels.

Credit Needs

Considering area demographics, economic data, and conversations with institution management and a community contact, examiners determined that small business lending and affordable housing are the most significant credit needs in the AA. Although affordable housing represents a critical need of the AA, opportunities are limited due to low supply.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated August 13, 2018, to the current evaluation as of February 21, 2024. Examiners used Interagency Small Institution CRA Examination Procedures to evaluate performance. The appendices include the examination procedures criteria.

Activities Reviewed

Based on the bank's business strategy, discussions with management, demographic data, and the number and dollar volume of loans originated during the evaluation period, examiners determined that the bank's major product lines were small business and home mortgage loans. Small farm loans were not reviewed as they do not represent a major product line or lending focus for the bank.

Examiners used full-scope procedures to analyze BOB's lending performance in Gallatin County from January 1, 2023, through December 31, 2023. In 2023, BOB's universe of small business loans was 29 loans totaling \$10.0 million, and the universe of home mortgage loans was 12 loans totaling \$7.0 million. The universe of small business and home mortgage loans are considered to be representative of the institution's performance during the evaluation period. These universes were analyzed and presented in this evaluation.

Small business lending performance received more weight in the Lending Test analysis based on the institution's business strategy and the number of small business loans originated during the review period, followed by home mortgage performance. Bank records indicate that the lending focus and product mix remained consistent throughout the evaluation period.

Given that the AA does not contain any low-income CTs, and four moderate-income CTs, greater weight was given to the borrower profile performance, followed by the geographic distribution performance, AA concentration, and the average net LTD ratio.

The 2020 U.S. Census data is presented for comparative purposes in the analyses of the borrower profiles and the geographic distribution of home mortgage loans showing percentages of families by borrower income level and percentages of owner-occupied housing units by tract income level in the institution's AA.

The 2023 D&B data is provided for comparative purposes in the analyses of the borrower profile and geographic distribution of commercial loans in the institution's AA. The data is based on geographic location using the 2020 U.S. Census data boundaries for the total number of businesses within the AA, and the reported gross annual revenues (GAR) of those businesses.

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

In addition, management requested that examiners review the institution's record of CRA qualified investments, donations, and services during the evaluation period.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

BOB demonstrated satisfactory performance under the Lending Test. The bank's reasonable performance under the evaluated criteria supports this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable (considering seasonal variations and taking into account lending related activities) given the institution's size, financial condition, and credit needs of the AA. BOB's net LTD ratio, calculated from Call Report data, averaged 84.2 percent over the previous 22 calendar quarters, from September 30, 2018, to December 31, 2023. The ratio ranged from a low of 66.7 percent as of March 31, 2022, to a high of 98.2 percent as of January 31, 2019.

BOB's LTD ratio falls above similarly-situated institutions. The following table illustrates BOB's average net LTD ratio since the previous CRA evaluation along with similarly-situated institutions considering the asset size, loan portfolios, and product offerings.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2023 (\$000s)	Average Net LTD Ratio (%)
Bank of Bozeman	109.1	84.2
Similarly-Situated Institution #1	255.1	65.1
Similarly-Situated Institution #2	261.3	61.1
<i>Source: Reports of Condition and Income 9/30/2018 - 12/31/2023</i>		

Assessment Area Concentration

BOB made a majority of small business and home mortgage loans by number, and a majority of its small business loans by dollar volume within its AA. Although the majority of home mortgage loans by dollar volume was outside the AA, examiners emphasized the number of loans as it is a stronger indicator of the number of individuals served. The following table shows the distribution of small business home mortgage loans by both number and dollar volume during the evaluation period.

Lending Inside and Outside of the Assessment Area										
	Number of Loans					Dollar Amount of Loans				
Loan Category	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$
Small Business										
2023	22	75.9	7	24.1	29	8,837,970	88.3	1,168,610	11.7	10,006,580
Home Mortgage										
2023	8	66.7	4	33.3	12	2,982,700	44.6	3,709,700	55.4	6,692,400
Source: Bank Data Due to rounding, totals may not equal 100.0% Dollar amounts for Small Business and Home Mortgage loans are multiplied by 1000.										

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the AA given the demographics and level of competition in the area. This is supported by a reasonable dispersion for small business and home mortgage loans.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. The bank's performance in moderate-income CTs shows the bank has made loans in line with the percentage of businesses located in the moderate-income geographies.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate					
2023	10.7	2	9.1	1,946	22.0
Middle					
2023	23.1	5	22.7	509	5.8
Upper					
2023	66.2	15	68.2	6,384	72.2
Totals					
2023	100.0	22	100.0	8,838	100.0
Source: 2023 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%					

Home Mortgage Loans

The geographic dispersion of home mortgage loans reflects reasonable dispersion throughout the AA. The following table illustrates that no home mortgage loans were made in the moderate-income geographies. Although the bank did not originate any home mortgage loans in moderate-income CTs, the percentage of owner-occupied housing in those geographies represents only 5.2

percent of owner-occupied housing units in the AA. This indicates that there is limited opportunity to originate loans in the moderate-income geographies. Three of the four moderate-income geographies are located in proximity to Montana State University. Management indicated that students attending the university have limited capacity to borrow and typically rent as opposed to purchase a home. The fourth moderate-income geography has affordable housing units for rent and is located in a semi-industrial area. This limits the available housing for purchase.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Moderate					
2023	5.2	0	0.0	0	0.0
Middle					
2023	32.5	1	12.5	210	7.0
Upper					
2023	62.3	7	87.5	2,773	93.0
Totals					
2023	100.0	8	100.0	2,983	100.0
<i>Source: 2020 U.S. Census and Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

Overall, the distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels, including LMI individuals, and businesses of different sizes. The bank's reasonable performance of home mortgage and small business lending in the AA supports this conclusion.

Small Business Loans

The distributions of borrowers reflects, given the demographics of the AA, reasonable penetration among businesses of different sizes. In 2023, the percentage of loans that went to businesses with GARs of \$1 million or less was in line with the percentage of businesses in the AA with GARs of \$1million or less.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2023	94.1	17	77.3	4,698	53.2
>\$1,000,000					
2023	1.9	5	22.7	4,140	46.8
Revenue Not Available					
2023	4.0	0	0.0	0	0.0
Totals					
2023	100.0	22	100.0	8,838	100.0
Source: 2023 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%					

Home Mortgage Loans

The distributions of borrowers reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels. While the bank's performance is below the percentage of moderate-income families, the performance of lending to low-income families significantly exceeds demographics.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2023	10.7	3	37.5	335	11.2
Moderate					
2023	14.3	0	0.0	0	0.0
Middle					
2023	20.0	1	12.5	127	4.3
Upper					
2023	55.0	3	37.5	1,912	64.1
Not Available					
2023	0.0	1	12.5	609	20.4
Totals					
2023	100.0	8	100.0	2,983	100.0
Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%					

Response to Complaints

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

QUALIFIED INVESTMENTS AND SERVICES

In addition to the Small Institution Examination Procedures criteria, the institution requested to have its qualified investments and services in the AA considered as part of the evaluation. During the performance evaluation period the institution made a qualified investment of \$50,000, which helped to provide affordable housing in the AA. Although the investment qualifies under CRA, this investment alone is not enough to help support an “Outstanding” overall rating. Additionally, BOB provided a list of service hours for examiners to consider; however, there were not enough qualified service hours to help support an “Outstanding” rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

BOB’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, 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.

Bank of Bozeman

location:

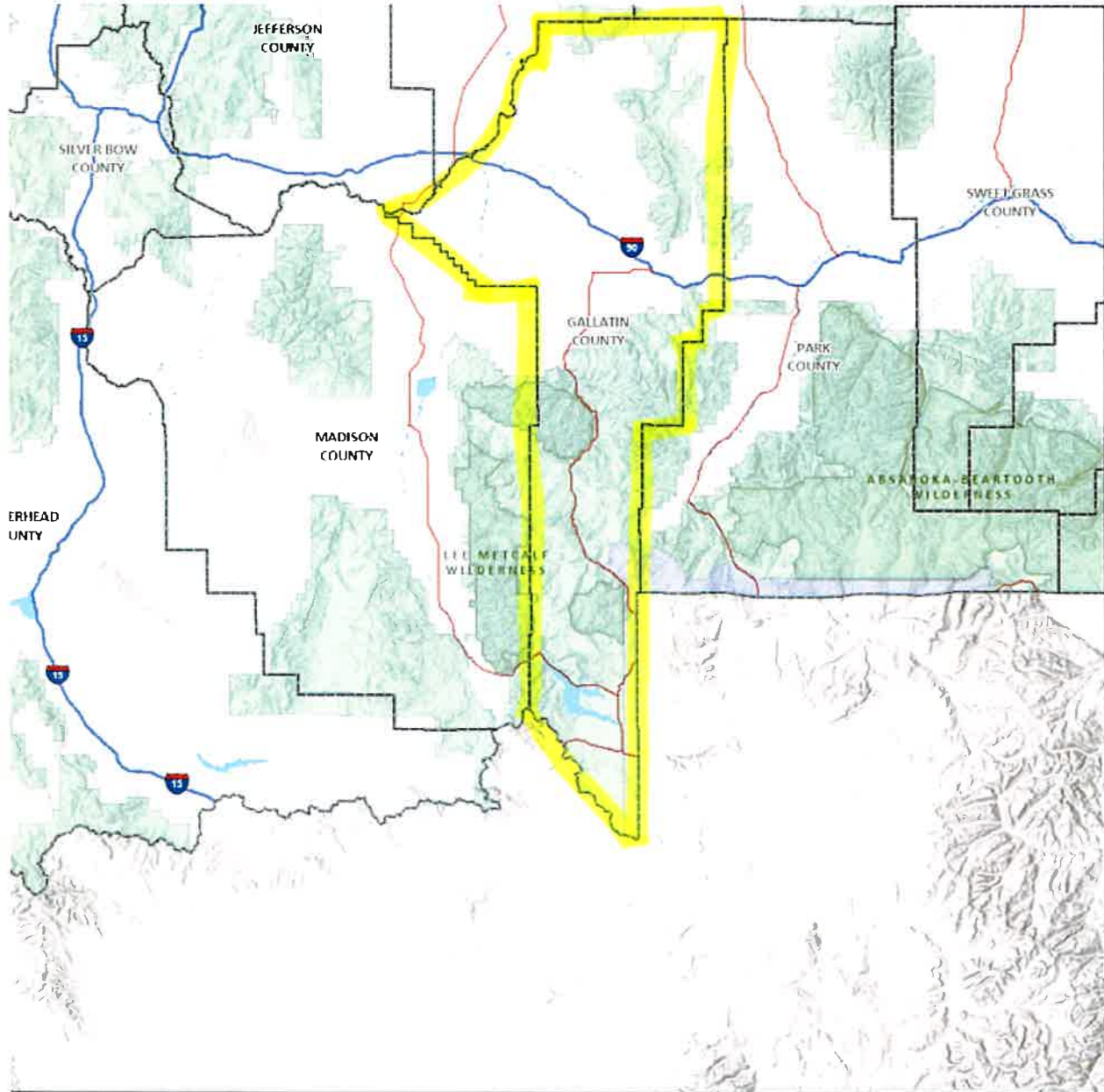
875 Harmon

Stream Blvd.

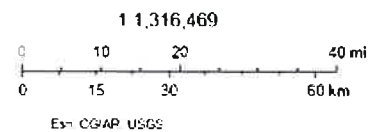
Bozeman, MT

59718

**Bank of Bozeman
CRA Map Assessment Service Area
Gallatin County Montana**



2/10/2025 10:43:02 AM



Census Tracts: Montana State code: 30, Gallatin County: 031. County Tract codes: 1.01, 1.04, 1.05, 2.01, 2.02, 3.00, 4.00, 5.02, 5.04, 5.05, 5.06, 5.07, 6.00, 7.01, 7.03, 7.04, 8.00, 9.00, 10.01, 10.02, 11.01, 11.02, 12.00, 15.00, 16.00, 17.00.

Hours of Operation

- Monday through Thursday bank Lobby hours are 9:00 a.m. to 4:00 p.m.
- Monday through Friday Drive-up hours are 8:00 a.m. to 5:00 p.m.
- Friday bank Lobby hours are 9:00 a.m. to 5:00 p.m.
- Saturday and Sunday the bank Lobby is closed.
- Saturday Drive-up hours are 9:00 a.m. to 1:00 p.m.
- Sunday the Drive-up is closed.
- The bank is closed on Holidays

ATM Locations

ATM at Belgrade

305 East Main Street
Belgrade, Montana

ATM at Main Branch

895 Harmon Stream Blvd.
Bozeman, Montana

Member of Money Pass Network

Providing Surcharge Free ATM's Nationwide

Personal Deposit Products:

- **Simple Checking-** Your checking account made simple. \$100.00 opening deposit, no monthly fees, nationwide ATM network, Online Banking and statements are available.
- **Green Checking-** For life on the go. \$100.00 opening deposit, online banking & electronic statements required, up to \$10/statement cycle reimbursement for out of network ATM charges that we charge, \$1/check after 3/statement cycle.
- **Interest Checking-** All the benefits of Simple Checking, while earning interest. \$1000.00 opening deposit, \$1000.00 minimum balance required to avoid \$10 service charge/statement cycle.
- **50+ Checking-** Account that offers discounts and earns interest for our 50+ clients. \$100.00 opening deposit, interest-bearing, discounts on Bank of Bozeman checks and safe deposit box rental.
- **Money Market Account –** Our tiered interest-bearing account. \$1000.00 opening deposit, \$1000.00 minimum balance to avoid \$10 service charge/statement cycle.
- **Montana Medical –** Helping MT taxpayers save on medical expenses. \$100.00 opening deposit, competitive interest rates, visa debit card.

Personal Savings Products:

- **Personal Investor Savings-** Making saving easy with tiered interest rates. \$100.00 opening deposit, \$100.00 minimum balance required to avoid \$2 service charge/statement cycle.
- **Health Savings-** We offer Individual and Family HSAs. Help cover out-of-pocket medical expenses if you are enrolled in a HDHP. \$100.00 opening deposit, interest-bearing, visa debit card.

Personal Investment Products: (CD is meant to be in Savings & Investment)

- **Certificate of Deposit-** Make your money work for you. \$1500.00 opening deposit, greater returns on longer terms, competitive interest rates, multiple term options, early withdrawal penalty may apply.
- **IRA- Individual Retirement Account-** We offer both Roth or Traditional IRA's. \$1500.00 opening deposit, competitive interest rates, multiple term options, early withdrawal penalty may apply.

Personal Online Banking Services:

- **Online Banking Enrollment-** Go to www.bankofbozeman.com and select “Enroll” to begin the online banking enrollment process.
 - Enter your first-time user information. You will need your account number and email address to complete enrollment. *Please use the last four digits of your Social Security Number for the PIN.* Select ‘Enroll’ and proceed to the next step.
 - You will be presented with our Online Banking Service Agreement and have the option to download as a PDF for your records. After select ‘I Agree’ you will be prompted to establish your credentials.
 - You will then be prompted to create a new username and password.
 - Select and answer three security questions. Please note special characters cannot be used. Make sure to record your answers.
 - Once online banking enrollment is complete, you will be prompted to enroll in eStatements.
- **Electronic Statement Enrollment-** Select the ‘eStatements’ bullet under ‘Delivery Method’ for all accounts.
 - Click on the hyperlink for ‘electronic statements terms and conditions’, which will open a new window. Please read the disclosure and NOTE THE FOUR DIGIT CONFIRMATION CODE BEFORE CLOSING THE WINDOW.
 - Check the box confirming you have read and accepted the disclosure.
 - Enter your confirmation code and click ‘Save’.
 - Make sure to enroll prior to the end of the month to avoid the Paper Statement Fee of \$5/account/statement cycle.

If you have previously enrolled in online banking, but wish to enroll in eStatements at this time, select the ‘Profile’ tab within your online banking, then select Electronic Statements. Select ‘Edit’ next to ‘Electronic Statements’ and instructions will appear.

- **Account Notifications**

One of the perks of online and mobile banking is the ability to set up alerts when certain activities occur on your account.

Notification types include

- Security – alerts if someone changes your information or is trying to gain access to your online banking.
- Balance – Alerts you when your account hits a certain amount.
- Transaction – Alerts when deposits, checks or withdrawals post to your account.

Notifications can be set up through mobile and online banking. Once you have logged into your account, select ‘Alerts’ on your desktop, or if you are using the mobile app press ‘Manage Live Updates’ to set your preferences.

- **Bill Pay Enrollment**

Visit www.bankofbozeman.com, log in to your online banking and select the ‘Bill Pay’ tab on the top right. Review and accept the Terms and Conditions which apply to Bill Pay, Zelle, and Bank transfers.
Take care of your bills in three easy steps!

- Pick the bill you want to pay.
- Enter the info from your bill.
- Choose the amount and date of the payment.

Download our App – Bank of Bozeman – BoBMobile – Available on both the app store and google play store.

What else can I do? If you do not want to set up payees right away, click ‘What Else Can I Do’ to skip to the Payment Center. This is where all of the other options are located:

- Activity – Shows any past payments, reminders and sent requests.
- Zelle – Allows you to send money directly between almost all of U.S. bank accounts with just an email address or mobile phone number.
- Transfer Money - Allows you to link your account at another financial institution
- Accounts – If you need additional accounts added to Bill Pay, contact your Financial Service Representative for assistance.
- Profile – Allows you to view and update settings.
- Help Center – provides answers to FAQs!

*Fees may apply

Business Deposit Products:

- **Simple Checking-** Your checking account made simple. \$100.00 opening deposit, online banking, cash management services, Visa debit card, and nationwide ATM network, average minimum balance of \$100/statement cycle required to avoid \$10 service charge, 500 items/statement cycle included and \$0.20/item over 500 items.
- **Checking with Interest –** Make your money work for you. \$10,000.00 opening deposit, average minimum balance of \$10,000.00/statement cycle to avoid \$10 service charge, 500 items/statement cycle included and \$0.20/item over 500.
- **IOLTA (Interest on Lawyers Trust Account) –** For participating lawyers and firms. \$100.00 opening deposit, online services. Competitive interest rates.
- **Money Market –** All the benefits of Simple Business Checking, while earning interest. \$5,000.00 opening deposit, \$5,000.00 minimum balance required to avoid \$10 service charge/statement cycle

Business Savings Products:

- **Simple Savings-** Take advantage of our tiered interest savings account. \$100.00 opening deposit, online banking and cash management services, \$2 service charge if balance drops below \$100.00/statement cycle
- **(CD) Certificate of Deposit-** Get a great return on your money when you invest with a longer term. \$1,500.00 opening deposit, competitive interest rates, multiple term options, early withdrawal penalties may apply

Online services are not listed because we chose to list them in a separate insert.



Loan and Deposit Analysis
As of December 31, 2024

Totals Loans: \$75,303,871
Total Loans in Assessment Area: \$58,962,551
Total Loans out of Assessment Area: \$16,341,320

Lending within Assessment Area: 78.30%

Total Deposits: \$82,997,830
Total Deposits in Assessment Area: \$78,539,268
Total Deposits outside Assessment Area: \$12,982,421

Loan (Loans in Assessment Area) to Deposit ratio: 71.04%

Loan to Deposit Ratio

2024	Loans	Deposits	Ratio
Q1	\$76,719,055	\$94,228,934	81.42%
Q2	\$76,063,584	\$89,730,892	84.77%
Q3	\$77,201,173	\$89,663,140	86.10%
Q4	\$75,303,871	\$82,997,830	90.73%