

Grand Marais State Bank

Community Reinvestment Act Statement For 2022

Main office: Grand Marais State Bank
211 East Highway 61
PO Box 100
Grand Marais, MN 55604

Hours: 9-4 Monday – Friday Lobby
8-6 Monday – Friday Drive-Up
8-12 Saturday – Drive-Up

Tofte Branch: Grand Marais State Bank
Tofte Branch
4 Johannes Lane
PO Box 2145
Tofte, MN 55615

Hours: 9-4 Monday – Friday Lobby
8-5 Monday – Friday Drive-Up

The Grand Marais State Bank's "local community service area" is all of Cook County, Minnesota. We serve Grand Marais (55604), Grand Portage (55605), Hovland (55606), Lutsen (55612), Schroeder (55613) and Tofte (55615). Each of these communities has its own zip code that we use to track loan and deposit products. Loan and deposit comparisons are done on a quarterly basis. Ask the CRA officer for the most recent breakdowns. See the map enclosed for location of each community.

Due to the 2020 Census; Census Tract number 4801.00 has now been split in half. The west side is now 4801.02 and the east side is now 4801.01. The main office remains located in Grand Marais in Census Tract 4802.00. The Tofte branch is now located in Census Tract 4801.02.

The bank's preparedness to extend credit is subject to legal restrictions, prudent lending practices, availability of funds and the safe and sound operation of the bank. General credit and economic conditions may exist from time to time that makes it temporarily impossible for the Bank to offer the listed credits.

Grand Marais State Bank will accept loans outside the normal lending area as stated provided that the lending activity does not impair the Bank's ability to provide and administer acceptable lending activity in its stated lending area.

We have a ready source to over-line larger requests for credit when needed. Associated Mortgage is a secondary source for real estate loans.

Quarterly or semi-annual reports are generated to monitor the Bank's efforts in meeting community credit needs. Loans and denials by geographic distribution are monitored. The 439 new loans made in 2021 totaled \$35.6 million. Real estate loans in 2021 totaled \$14 million. Due to the COVID-19 pandemic we did 103 Paycheck Protection Program (PPP) loans for a total of \$6.2 million in 2021.

Grand Marais State Bank helps meet the credit needs of our "local community service area" consistent with the safe and sound operation of the Bank and extends the following types of credit to its community:

Residential loans for 1-4 family units on privately owned lands-construction, purchase, refinance or raw land purchase.

Consumer loans-single pay or installment and Ready Reserve (overdraft protection).

Commercial loans-operating lines, inventory, machinery & equipment and business acquisition. In addition, participation in state and regional loan programs to promote commercial lending: Cook County Revolving Loan Fund and Northland Foundation.

Commercial real estate-purchase or refinance.

Governmentally insured, guaranteed or subsidized programs for housing and small business-SBA, Rural Development Housing loans.

The Grand Marais State Bank has a total of four ATMs located throughout Cook County serving the needs of customers and visitors. Grand Portage has two ATMs serving Grand Portage and Hovland. Tofte bank's drive-up ATM is open 24 hours and serves Tofte, Lutsen, and Schroeder. Grand Marais has one 24-hour drive-up ATM.

The Grand Marais State Bank advertises regularly in the local paper: the "Cook County News Herald". The Bank maintains regular contact with community leaders through various boards and community organizations, such as the Grand Marais Chamber of Commerce Board of Directors, Cook County Higher Education Board of Directors and other organizations. Regular communication is maintained with leaders of the Grand Portage Indian Reservation.

Report prepared and submitted January 7, 2022 by:

Donna Paine
CRA Officer
Assistant Vice President