



2026

FARMERS BANK
COMMUNITY REINVESTMENT ACT STATEMENT

The primary area served by Farmers Bank, Wendell Office shall encompass Block Numbering Areas 9601 and 9602 as defined by the U.S. Department of Commerce, Bureau of the Census' Tract and Block Numbering Area Reports. These blocks include the Bliss/Gooding Division and the Wendell/Hagerman Division of Southern Idaho. The primary communities within this service area are Bliss, Gooding, Hagerman and Wendell.

Farmers Bank will accept and review applications for single-unit or multi-unit conventional real estate loans, interim construction loans, commercial loans, community development loans, SBA loans, FSA affiliated loans, home improvement loans, agricultural loans and personal loans. Applications will be reviewed in light of the Bank's written loan policy, credit worthiness, availability of funds and current economic conditions without regard to race, religion, age, sex, national origin, handicap, familial status or economic status.

Farmers Bank has extended real estate purchase loans in the past that are within the limits of existing loan policy. Farmers Bank has received and reviewed requests for multi-unit construction financing. The Bank has extended credit to assist with the formation of additional rental housing and single-family dwellings in the Bank's service area. All offices of the Bank desire to assist with the financing of low and low to moderate income rental properties in the Bank's service area. Farmers Bank's mortgage loan division has expanded lending criteria that allows credit extensions on manufactured homes and credit extensions to potential customers that do not have a social security number but hold an ITIN. The Bank's real estate division has no funding limits on these ITIN loans allowing Farmers Bank to service a wide range of the workforce in the Bank's agricultural market. The Bank's real estate division has made a strong effort to provide credit opportunities in surrounding communities with little or no banking services. Farmers Bank has booked 23 loans across 15 different communities that had zero or one bank in the community. The Bank has extended multiple loans to New Innovate Properties, LLP from 2018 through 2023. These loans allowed for the infrastructure and initial development of a new Gooding subdivision, the purchase of multiple lots, and the construction of multiple homes designed to be affordable starter homes in the Bank's service area. The Bank also extended a loan in 2022 to Homefront Enterprises to allow for renovations to an existing motel in Gooding. The remodeling allowed for the conversion of these units to long term rental units that expanded affordable rental options in Gooding. The Bank would review any future requests within the scope of the existing loan policy. The Bank currently extends approximately 85% of all credit within our defined service area.

Tax-free loans remain in the loan portfolio at low rates of interest. Currently, a total of 13 tax-free loans are booked across all offices of the Bank. The Wendell Office extended a new tax-free loan to the Bliss Rural Fire District in 2025. This loan allowed the fire district to purchase a 2001 International fire truck and expand their ability to service the Bliss area. The Wendell office extended a tax-free loan to the County of Gooding in 2021. This loan allowed for the purchase of a building adjacent to the current Gooding County offices. Gooding County utilized this building for additional county office space. The Wendell Office would review any future opportunities to bid and attempt to book loans of this nature within the scope of the existing loan policy.

The Bank has reviewed agricultural development, business development, agricultural expansion, business expansion, and construction loans as presented in an effort to promote community development. The Wendell Office has financed new businesses and business expansion within the Bank's service area. One loan of note in 2025 was made to River Bliss Venue LLC. This loan allowed for the construction of a multi-purpose venue along the Snake River between Hagerman and Bliss. This venue will be used for weddings, corporate and family parties, and various community related events. A loan extended in 2025 to Cristone Countertops, LLC allowed for the startup of a countertop fabrication business south of Wendell. The Bank financed the construction of a large shop and some of the fabrication equipment for this startup. The two owners and an additional two employees will be employed at inception. A loan extended in 2024 was made to the owners of the El Tapatio Mexican restaurant in Wendell. This loan allowed for the construction of an addition to this downtown Wendell business. El Tapatio was able to expand their hours of operation with the addition and increase employment numbers. A loan made in 2022 to a local couple allowed for the construction of Kelsey's Kids Childcare. This new building allowed for a larger day care facility in Wendell. The Bank worked with SBA and their 504 program to finalize this credit extension. A 2019 loan was made to the Wood River Mennonite Church to allow for the construction of a new church in Wendell. This loan allowed 12 families to have a formal church. The Bank has continued to assist with several trucking startups and expansions in the Wendell service area.

Farmers Bank has been active in SBA and FSA affiliated loans, agricultural loans, commercial loans and personal loans. SBA loans and FSA affiliated loans have been extended at office locations of Farmers Bank. Farmers Bank does not currently have any SBA loans booked. The Bank does have seven FSA guaranteed loans active. Four new FSA guarantee loans were booked in 2025. Farmers Bank was very active throughout the Coronavirus pandemic with the origination of 413 Paycheck Protection Program (PPP) loans in 2020 that totaled over \$36,600,000. The Bank extended an additional 251 PPP loans in 2021 that totaled over \$9,120,000. The Bank has assisted with all aspects of this Federal program until all PPP loans were cleared from the Bank's portfolio. Currently, agricultural loans account for 25% of the current loan portfolio. Generally, this percentage of the loan portfolio will peak at a higher percentage during the summer operating months. Commercial loan extensions currently account for 28% of the Bank's loan portfolio. Real estate and agricultural real estate loans continue to be a larger portion of the loan mix and currently account for 44% of the loan portfolio. Consumer loans and tax-free loans account for the final 3% of the portfolio. These loans are addressed within the limits of the Bank's loan policy and, like all credit applications, without regard to race, age, sex, national origin, handicap, familial, or economic status.

Farmers Bank continues to hold a portfolio of bank qualified, Idaho municipal bonds. These issues have included school district bonds in Gooding, Jerome, Lincoln, and Twin Falls counties and counties throughout the state. Farmers Bank has not had the opportunity to purchase local school district bonds for several years. The investment portfolio includes over \$2,100,000 in Idaho municipal bond issues. All prior issues located in the Bank's service area matured in 2025.

Farmers Bank will continue to be a corporate citizen and maintain a close business relationship with the Bank's service area. The Bank will provide quality services at competitive prices. The Bank will make every effort to provide affordable deposit accounts and meet the needs of the senior citizens in our communities. The Bank has been active and will remain active in promoting direct deposit of Social Security payments to citizens in our service area. The Bank will assist with the negotiation of Social Security loaded value cards at no service charge.

Farmers Bank offers very affordable checking accounts that will allow for basic transactions and record receipts. The Bank continues to provide checking account options for both senior citizens and consumer account holders who are not yet 50 years of age. These accounts offer no service charge options as well as benefits that include free personal checks, free cashier's checks, a no annual fee VISA credit card and a rewards program product. The Bank's "e Banking" checking account option continues to be in demand. This account provides a low to no cost transaction account to our customers while encouraging e Statements, check card activity, and electronic banking options. The Bank has continued to expand electronic banking options and online banking options. The Bank will continue to review banking services to accommodate all segments of our customer base. Each Farmers Bank office houses at least one 24-hour ATM facility. Farmers bank offices currently maintain Attorney Trust Account (IOLTA) Certification. The Wendell office would be willing to accommodate these types of accounts as needed in the future. The Bank will continue to address customer privacy issues, anti-terrorism issues, and general bank security issues to best accommodate our customers.

Farmers Bank and the employees of the Bank have and will continue to offer professional and financial assistance to programs in the Bank's service area that are designed to assist educational opportunities, community development, and those children and families with limited opportunities due to their level of income. Bank employees have participated in or offered expertise to a number of organizations. These include, but are not limited to, civic offices, Valley Vista Village, Rotary International, Kiwanis International, Gem Community Teams and local school boards. Employees have been active in the Idaho Small Business Administration Board and Loan Committee, the Wendell Chamber of Commerce, the Magic Valley Dairy Days program, the Wendell Senior Center, the Gooding County Youth Diversion Board, the Gooding County Cemetery Board, the Idaho Society of Rural & Farm Appraisers, the Idaho Total Beef Council, the University of Idaho Dairy Committee, the Idaho Bankers Agricultural Committee and in numerous church and social functions. The Bank has been a consistent supporter of local 4H and FFA programs as well as an annual buyer at the Gooding, Jerome, Lincoln, and Twin Falls County Fairs Animal Sales that support these programs.

Farmers Bank will be an active member of the community with financial support to worthwhile projects and personnel involvement in community activities that facilitate a higher quality of life within the Bank's service area. Program sponsorships are but a portion of this commitment. Past sponsorships and donations of record include, but are not limited to, "Racing for Charity", Christmas in the Nighttime Sky's/Toys for Tots, the Idaho Livestock Hall of Fame, the Magic Valley Shriner's Patient Travel Fund, the Magic Valley Cattleman's Association, the Twin Falls County Fair and Rodeo, local Chambers of Commerce, local QRU units, local senior citizen groups, local schools and a variety of local events, facilities and causes.

For nine years, Farmers Bank was very active in the sponsorship and support of the “Festival of Giving”. This annual event brought numerous Magic Valley based businesses and individuals together in an effort to raise money for a variety of local charitable/non-profit entities. The Bank consistently contributed direct financial sponsorship along with producing Christmas trees and wreaths for the event auction. The “Festival of Giving” Board of Directors discontinued this event in 2020. The Bank moved our support to “Racing for Charity” in 2021 with a \$25,000 sponsorship. The Bank continued to support this cause in 2022, 2023, and 2024 with an additional \$25,000 sponsorship each year. For four years, “Racing for Charity” provided annual support to numerous local charitable/non-profits. Farmers Bank was one of this event’s major sponsors that extend both financial support and business expertise to the “Racing for Charity” Board of Directors. The “Racing for Charity” Board of Directors has elected to suspend this event in 2025. The Bank will consider future support for an event of this type in the future.

Donations of special note include, but are not limited to, \$2,500 to Twin Falls Business Plus for projects throughout the Magic Valley, \$2,000 to the Gooding County Fair Animal Sale, \$1,500 to the Lincoln and Camas County Fair Animal Sale, \$1,000 to Wendell High School, \$1,000 to Gooding High School, \$1,000 to the Magic Valley Shriners Patient Travel Fund, \$1,000 to the College of Southern Idaho Foundation, \$1,000 to the University of Idaho Foundation, \$1,000 to the Wellness Tree Community Clinic, \$1,000 to the Fifth Judicial District CASA Program, \$1,000 to the Wendell Fireworks fund, \$650 to the Wendell Senior Center, \$650 to the Gooding Senior Center, \$550 to the Hagerman Senior Center, \$500 to Safe House, \$500 to Jubilee House, \$500 to the USO, \$500 to the Gooding Volunteer Group, \$500 to the Wendell High School FFA Chapter, \$500 to Helping Hearts and Hands, \$500 to the Gooding High School FFA Chapter, \$500 to Habitat for Humanity, \$500 to Interlink Volunteer Caregivers, \$500 to Valley House Homeless Shelter, \$400 to the Walker Center, \$400 to Loaves and Fishes, \$300 to the Bliss School District, \$300 to the American Red Cross, \$300 to the Gooding District Library, and \$250 to the Wendell Quick Response. With the exception of two Covid cancellations, the Bank has participated in the Christmas in the Nighttime Sky’s/Toys for Tots program with an annual donation of \$1,000 in toys. For a number of years, the Bank has provided new automated U.S. Flags to selected local school districts in the Magic Valley. New flags have been installed at Camas County High School and the Twin Falls Christian Academy in 2023.

Farmers Bank will review our efforts on an annual basis to determine the direction of this statement. Employees will be kept abreast of the Bank's efforts to best serve our trade area. The Bank’s marketing and advertising programs will support this effort and attempt to emphasize the Bank's service strengths and commitment to our communities. The Bank will attempt to expand our customer base while becoming more aware of the needs and desires of our communities.

FARMERS BANK BRANCH LOCATIONS

Buhl Branch
914 Main Street
Buhl, ID
(1917)
Census Tract 9804

Wendell Branch
160 South Idaho
Wendell, ID
(1972)
Census Tract 9602

Twin Falls Branch
890 Shoshone Street E
Twin Falls, ID
(1989)
Census Tract 9811

Twin Falls Branch
1097 Blue Lakes Blvd N
Twin Falls, ID
(1997)
Census Tract 9808

Twin Falls Branch
317 Pole Line Road
Twin Falls, ID
(2008)
Census Tract 9807

Jerome Branch
1441 South Lincoln
Jerome, ID
(1998)
Census Tract 9704

No branch closings in the Bank's history

HOURS OF OPERATION

All Branches open their lobbies at 9:00 Monday through Friday

All Branches close their lobbies at 5:00 Monday through Friday

All Branches open their ITM facilities at 8:30 Monday through Friday

All Branches close their ITM facilities at 6:00 Monday through Friday

All Branches have their ITM facilities open from 9:00 to 2:00 on Saturday

11/07/2025