



## ANNUAL USE OF CAPITAL SURVEY - 2009

### NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Great River Holding Company

Person to be contacted regarding this report:	Paul Means	RSSD: (For Bank Holding Companies)	
UST Sequence Number:	1277	Holding Company Docket Number: (For Thrift Holding Companies)	H 3992
CPP Funds Received:	8,400,000	FDIC Certificate Number: (For Depository Institutions)	31063 and 27932
CPP Funds Repaid to Date:	0	City:	Baxter
Date Funded (first funding):	Jul 17, 2009	State:	Minnesota
Date Repaid <sup>1</sup> :	N/A		

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

*American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.*

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	Total loans have increased by \$3 million (net of the increase in other real estate and net charge offs) over the past six months. The bank charters have approximately \$15 million of excess lending capacity as of 12/31/09 based on the current capital position.
<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	The bank subsidiaries experienced an increase in residential mortgage loans and provided funding to two separate small businesses who are major employers in one of the key communities we serve along with seven SBA ARC loans to area businesses.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input checked="" type="checkbox"/>	Make other investments	Great River Holding Company continues to hold approximately \$2 million on deposit in a money market account held at RiverWood Bank as of 12/31/09.
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Net loans loss reserves increased by \$890 thousand from 6/30/09 to 12/31/09. Additional loan loss provisions were made as a result of the capital injections made by Great River Holding Company from the CPP funds.
<input checked="" type="checkbox"/>	Reduce borrowings	Great River Holding Company repaid a \$2 million short term loan that was outstanding at the time that the CPP funding was received.
<input checked="" type="checkbox"/>	Increase charge-offs	The bank subsidiaries recognized a total of \$2.2 million of net charge offs from 6/30/09 to 12/31/09. These charge offs were a result of a deteriorating economy which has adversely impacted some borrowers ability to repay loans and caused real estate values to decline.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	A total of \$4 million of capital has been injected into the bank subsidiaries of Great River Holding Company from the proceeds of the CPP program. Non-leveraged capital of the bank subsidiaries has increased by approx. \$1.2 million through 12/31/09 as a result of these capital injections.

What actions were you able to avoid because of the capital infusion of CPP funds?

The bank subsidiaries continued to meet the lending needs of their customer base and the local communities that they serve as a result of participating in this program. The banks continue to provide funding to credit worthy borrowers that they may not have been able to provide if they had not participated in the program.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

RiverWood Bank provided financing for two local businesses that employ a total of 350 people. In addition, the bank processed seven SBA guaranteed American Recovery Capital (ARC) Loan Program loans totalling \$245,000 to provide short term relief for viable small businesses facing immediate financial hardship to help ride out the current uncertain economic times and return to profitability. The bank also processed 228 residential real estate secondary market loans totalling over \$33 million for its customers from July through December of 2009.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.