

OFFICE OF THRIFT SUPERVISION

Order No. 95-173

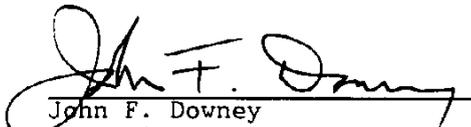
Date: September 7, 1995

Notice of Waiver to Repurchase Stock

HMN Financial, Inc., Spring Valley, Minnesota ("HMN"), has filed with the Office of Thrift Supervision ("OTS"), pursuant to 12 C.F.R. Section 563b.3(g)(3)(ii), a notice of waiver (the "Notice") to allow HMN to repurchase outstanding shares of common stock in an amount exceeding that specified in 12 C.F.R. § 563b.3(g)(3)(i). HMN has requested permission to repurchase up to 279,048 shares of its common stock.

The OTS has considered the factors set forth in 12 C.F.R. § 563b.3(g)(3)(i), and has determined that circumstances exist to support the repurchase of the shares of common stock. Accordingly, the OTS hereby approves the Notice.

By Order of the Director of the Office of Thrift Supervision, or his designee, effective September 7, 1995.


John F. Downey
Executive Director, Supervision