

KOLLING SUSAN K
 Form 5
 February 14, 2003

FORM 5

OMB
 APPROVAL

Check this box if
 no longer subject
 to Section 16.
 Form 4 or Form 5
 obligations may
 continue. See
 Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE
 COMMISSION
 Washington, D.C. 20549

 STATEMENT OF CHANGES IN BENEFICIAL
 OWNERSHIP

OMB Number:
 3235-0362

Expires: January
 31, 2005

Form 3
 Holdings Reported

Filed pursuant to Section 16(a) of the Securities
 Exchange Act of 1934, Section 17(a) of the Public
 Utility Holding Company Act of 1935 or Section 30(h)
 of the Investment Company Act of 1940

Estimated
 average burden
 hours per
 response. . . . 1.0

Form 4
 Transactions
 Reported

1. Name and Address of Reporting Person* Kolling Susan K (Last) (First) (Middle)	2. Issuer Name and Ticker or Trading Symbol HMN Financial, Inc. / HMNF		6. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <input type="checkbox"/> Senior Vice President
	3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)	4. Statement for Month/Day/Year December 31, 2002	
1016 Civic Center Drive NW (Street)	5. If Amendment, Date of Original (Month/Day/Year)	7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person	

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Rochester Minnesota 55901		Form filed by More than One Reporting Person
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(City) (State) (Zip) **Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at the end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock							20,117	D	
Common Stock	12/31/02		A	382	A	\$10.00	9,111#	I	ESOP Allocation
Common Stock							3,652*	I	401(k)

If the form is files by more than one reporting person, see instruction 4(b)(v).
 #Number of ESOP shares reflects the 2002 allocation.
 *Number of shares reported in 401(k) is estimated based on cash value of individual's account and stock price at 12/31/02.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr.3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)

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				5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
				(A)	(D)					
Option to Buy	\$9.21									36,2
Option to Buy	\$16.13									9,1

Explanation of Responses:

Reflects the grant of options to purchase shares of restricted stock under the HMN Financial, Inc. 1995 Stock Option and Incentive Plan.

^ Reflects the grant of options to purchase shares of restricted stock under the HMN Financial, Inc. 2001 Omnibus Stock Plan. The options accelerate vesting provided HMN's ROE for 2002 equals or exceeds 11%.

/s/ Timothy Johnson POA for Susan Kolling

February 14, 2003

**Signature of Reporting Person

Date

Reminder: ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 or 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure