KOLLING SUSAN K
Form 5
February 14, 2003

FORM 5

___ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b). ___ Form 3 Holdings Reported ___ Form 4 Transactions Reported	UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549 STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP 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	OMB APPROVAL OMB Number: 3235-0362 Expires: January 31, 2005 Estimated average burden hours per response. . . . 1.0

1. Name and Address of Reporting Person* Kolling Susan K (Last) (First) (Middle) 1016 Civic Center Drive NW (Street)	2. Issuer Name **and** Ticker or Trading Symbol HMN Financial, Inc. / HMNF		6. Relationship of Reporting Person(s) to Issuer (Check all applicable) x Director ___ 10% Owner x Officer (give title below) ___ Other (specify below) 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 5. If Amendment, Date of Original (Month/Day/Year)	7. Individual or Joint/Group Filing (Check Applicable Line) x Form filed by One Reporting Person ___

Rochester Minnesota 55901			Form filed by More than One Reporting Person
(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) Amount	(A) or (D)	Price	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)
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.

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. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and	6. Date Exerciseable 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. Num Derivat Securiti Benefic Owned Followi Reporte Transac (Instr. 4

						5)							
						(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
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

**Signature of Reporting Person

February 14, 2003

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