



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

December 9, 2002

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**MidAmerica National Bank
Charter Number 13838**

**100 West Elm Street
Canton, IL 61520**

**Comptroller of the Currency
ADC-North Central Illinois & East Iowa
111 West Washington Street Suite 300
East Peoria, IL 61611**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

INSTITUTION'S CRA RATING.....	2
DESCRIPTION OF INSTITUTION.....	2-3
DESCRIPTION OF MIDAMERICA NATIONAL BANK ASSESSMENT AREAS.....	3-5
CONCLUSIONS ABOUT PERFORMANCE CRITERIA.....	5-9

INSTITUTION'S CRA RATING

This institution is rated “Satisfactory”.

- The bank’s record of lending to borrowers of different income levels, including low- and moderate-income individuals, is reasonable.
- The number and dollar volume of loans originated to small farms and small business within the Assessment Area satisfactorily demonstrate the bank’s commitment to the communities.

DESCRIPTION OF INSTITUTION

- MidAmerica National Bank (MNB) is headquartered in Canton, Illinois, approximately 25 miles southwest of Peoria, Illinois. The bank is a \$262 million institution with offices in Canton, Cuba, Lewistown, Macomb, Moline and Peoria, all in Illinois. In addition to an office in each community, MNB has two more branches in both Canton and Macomb. Deposit gathering ATMs are located at the Main and Chestnut offices and at the Northside ATM in Canton; at the West office and at the Kiljordan ATM in Macomb, and at the Cuba, Lewiston, Peoria and Moline Offices. Cash dispensing ATMs are located at Main bank and at Western Illinois University in Macomb and at the HyVee branch in Canton.
- The bank is a subsidiary of MidAmerica National Bancshares, Inc., Canton. Total assets of the holding company were \$268 million at December 31, 2001. Since the previous examination, the bank has opened and relocated the Moline and Peoria branches.
- Net loans comprise 56% of the bank’s assets.
- The loan portfolio consists of the following types of credits:

Residential Real Estate	26%
Commercial Credit	19%
Consumer Credit	11%
Commercial Real Estate	32%
Agricultural Production	5%
Farmland	7%
	100%

Source: Bank MIS

- MNB offers a full range of services, including asset management; commercial, agricultural and consumer loans, and deposit products, including all traditional products of a full-service bank.
- There are no legal, financial or other factors impeding the bank's ability to help meet the

credit needs in its Assessment Areas (AA's).

- The last CRA examination dated July 13, 1998, resulted in a “Satisfactory” rating

DESCRIPTION OF MIDAMERICA NB ASSESSMENT AREAS

The bank's AA includes portions of four counties, of which Rock Island County and Peoria County are in Metropolitan Statistical Areas (MSA's) and are designated as Census Tracts (CT's). Fulton County and McDonough County are designated by Block Numbering Areas (BNA's).

Income Level	Canton AA	Macomb AA	Quad Cities AA	Peoria AA
Low	0	2	4	4
Moderate	1	1	11	6
Middle	7	5	17	11
Upper	0	3	3	10
Total AA/BNA	8	11	35	31

Source: Census Data

Tract Numbers and Income Levels:

Fulton County Moderate: 9535

Fulton County Middle: 9529, 9532, 9533, 9534, 9536, 9537, 9538

McDonough County Low: 105, 108

McDonough County Moderate: 106

McDonough County Middle: 101, 102, 109, 110, 111

McDonough County Upper: 103, 104, 107

Quad Cities MSA Low: 223, 226, 234, 236

Quad Cities MSA Moderate: 206, 207, 210, 219, 224, 227, 233, 235, 237, 244, 243

Quad Cities MSA Middle: 208, 209, 211, 212, 213, 214, 215, 216, 217, 220, 221, 222, 228, 229, 232, 241.02, 242

Quad Cities MSA Upper: 218, 230, 231

Peoria MSA Low: 9, 12, 13, 14

Peoria MSA Moderate: 15, 16, 18, 21, 25, 35, 43

Peoria MSA Middle: 17, 22, 23, 24, 26, 27, 28, 30, 42, 44

Peoria MSA Upper: 11, 19, 20, 29, 31.01, 31.02, 32, 33, 34.01, 34.02

Community Information:

Canton – is located 25 miles southwest of Peoria in Fulton County. The population is approximately 14,000. Canton is the retail and commercial center of the area, and is also home to a number of small industries. The median family income is \$44,900.

Macomb – is located 80 miles southwest of Peoria, in McDonough County. It is the home of Western Illinois University, its largest employer. Other major employers are manufacturers and McDonough District Hospital. The median family income is \$44,900.

Moline – located on the Mississippi River, Moline is one of the Quad Cities of Iowa and Illinois. The city and surrounding areas employ more than 30,000 people in manufacturing.. There are 112 manufacturing establishments in Moline, including farm equipment, elevators and escalators, machine tools, heavy machinery, foundry equipment and metal products. The largest employer is Deere & Co. The population is approximately 44,000. The median family income is \$52,700. Moline is in Rock Island County.

Peoria – is located in central Illinois, equidistant from Chicago, Illinois, and St. Louis, Missouri. The world headquarters for Caterpillar, Inc., its largest employer, Peoria County has lately begun to diversify its economy with InfoTech industries. The population is approximately 115,000. Median family income is \$55,000.

All of the bank’s offices face substantial competition from other financial institutions, including large credit unions.

We talked to an individual familiar with community development in Canton to determine whether there were any unmet credit needs in the community. She indicated all the financial institutions in Canton are active in financing projects, and that MidAmerica and its officers are active in supporting local projects.

- The AA meets the requirements of the regulation.
- The AA’s are not entire MSA's or counties, but are adjusted to reflect the market area of the bank within Canton, Peoria and the Quad Cities. Of the non-MSA AA’s, the Macomb AA includes all of McDonough County.
- The bank requested we consider the bank’s participation in several projects in the determination of the CRA rating:

Fulton County Community Development Corporation (CDC) – MNB is the most active participant in the CDC, which promotes economic development to retain and create jobs. The bank has a \$70M investment in the CDC, and services CDC loans at no charge. Many of the CDC participants also have loans with MNB. A bank officer serves as Treasurer/Secretary.

Western Illinois CDC – The bank made a \$10,600 investment in the CDC, which also promotes economic development. MNB services the loans at no charge and a bank officer sits on the board of directors.

Quad City CDC – The bank committed \$50M to the new CDC, formed to encourage

business expansion. A bank officer serves on the board of directors. The Quad City Development Group is the only non-bank member of the CDC. Director Myron Scheibe sits on the board, and will serve as chairman in 2003.

Rebuilding Together – Formerly known as Christmas in April, Rebuilding Together is a national program to rehabilitate homes for low-income, elderly and disabled persons. The Canton affiliate was formed in 1999 under the guidance of the bank’s president. The bank sponsors a home each year. Various bank officers serve in leadership positions.

Canton Area Development Corp. – The corporation was formed in 2002 to provide input and funding for economic development. The bank has made a financial commitment and provides an officer for the board.

Central Illinois Ag Coalition – The organization was formed in 2001 to promote agriculture and the development of markets and industries for agricultural products and services. MNB made a financial contribution to the coalition. A former MNB officer took a leadership role in forming the organization, then left the bank to become the general manager of Central Illinois Energy, the operating entity of a new ethanol plant to be constructed near Canton.

- The bank has also been lender on a number of projects which benefit low- and moderate-income individuals or which contributed to the redevelopment of low- and moderate-income neighborhoods.

CONCLUSIONS ABOUT PERFORMANCE CRITERIA

The bank’s CRA performance is satisfactory, as supported by the following data:

Loan-to-Deposit Ratio

- The bank’s loan-to-deposit ratio is reasonable and meets the standard for satisfactory performance.
- MNB’s loan-to-deposit ratio of 72 percent is the second highest among the nine banks in Fulton County. Their ratios range from 51 percent to 80 percent.
- Over the past few years, the bank’s loan-to-deposit ratio rose significantly from 46 percent on May 31, 1999 to 72 percent on June 30, 2002.

Lending in Assessment Area

- The bank has originated a majority of its loans within the bank's AA's. Performance under this criterion meets the standard for satisfactory performance. Since the previous CRA rating, the bank's lending performance has been as follows:

Lending in non-MSA Assessment Area										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
1-4 Family R/E	1,928	30%	218	16%	2,146	74,841,928	43%	9,319,987	22%	84,161,915
Commercial	781	12%	142	11%	923	51,364,015	29%	18,919,463	45%	70,283,478
Consumer	3,091	49%	791	58%	3,882	31,764,402	18%	9,202,831	22%	40,967,233
Agriculture	550	9%	201	15%	751	17,625,204	10%	4,868,480	11%	22,483,684
Totals	6,350	100%	1,352	100%	7,702	175,595,549	100%	42,310,761	100%	217,896,310

Source: Bank MIS, Census data.

Lending in Quad Cities Assessment Area										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
1-4 Family R/E	6	8%	3	17%	9	184,250	2%	36,000	1%	220,250
Commercial	59	82%	11	65%	70	9,141,442	97%	2,725,100	93%	11,866,542
Consumer	7	10%	2	12%	9	70,272	1%	37,074	1%	107,346
Agriculture	0	0%	1	6%	1	0	0%	135,000	5%	135,000
Totals	72	100%	17	100%	89	9,395,964	100%	2,933,174	100%	12,329,138

Source: Bank MIS, Census data.

Lending in Peoria Assessment Area										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	

1-4 Family R/E	35	19%	25	21%	60	1,344,826	3%	1,108,184	10%	2,453,010
Commercial	120	66%	58	49%	178	43,135,329	96%	9,375,855	85%	52,511,184
Consumer	26	14%	34	29%	60	256,942	< 1%	266,743	3%	523,685
Agriculture	2	1%	1	1%	3	364,100	< 1%	242,000	2%	606,100
Totals	183	100%	118	100%	301	45,101,197	100%	10,992,782	100%	56,093,979

Source: Bank MIS, Census data

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

- The bank's performance under this criterion meets the standard for satisfactory performance.
- We used both sampling and HMDA data to document the bank's residential real estate lending.
- We used loan size as a proxy for farm and business size.

Borrower Distribution of Residential Real Estate Loans in Non-MSA Assessment Areas								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of Number	% of AA Families	% of Number	% of AA Families	% of Number	% of AA Families	% of Number	% of AA Families
Purchase	9%	20%	24%	19%	27%	26%	40%	36%
Home Imp.	12%	20%	24%	19%	29%	26%	35%	36%
Refinance	7%	20%	21%	19%	29%	26%	43%	36%

Source: Bank MIS, Census data. Note: a substantial majority of the bank's residential real estate lending is in the non-MSA AA's.

Distribution of Loans to Businesses by Loan Size in MNB Assessment Areas				
Loan Size	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$49,999	786	67%	\$8,844,650	6%
\$50,000- - \$149,999	194	17%	\$17,764,282	14%
\$150,000 - \$499,999	117	10%	\$31,094,931	22%
\$500,000 - \$999,999	39	3%	\$24,110,664	17%
> \$1,000,000	31	3%	\$57,453,155	41%

Source: Bank MIS

Distribution of Loans to Farms by Loan Size in MNB Assessment Areas				
Loan Size	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$49,999	610	81%	\$5,344,680	23%
\$50,000 - \$149,999	104	14%	\$8,598,820	37%
\$150,000 - \$499,999	34	5%	\$8,078,283	35%
Over \$500,000	2	< 1%	\$1,213,000	5%

Source: Bank MIS

Geographic Distribution of Loans

The bank's performance under this criterion meets the standard for satisfactory performance, as supported by the following data. There are no conspicuous gaps in lending patterns in the AA.

Distribution of Residential Real Estate Loans in Non-MSA Assessment Area								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of Number	% of AA Owner Occupied Housing	% of Number	% of AA Owner Occupied Housing	% of Number	% of AA Owner Occupied Housing	% of Number	% of AA Owner Occupied Housing
Permanent Loan	0%	< 1%	29%	9%	41%	11%	29%	19%
Home Equity	0%	< 1%	12%	9%	77%	11%	11%	19%

Source: Bank MIS, Census data, and a sample of 100 permanent real estate loans. Note: the low-income BNA's are on the Western Illinois University campus where there are few lending opportunities.

Table 3 – Distribution of Residential Real Estate Loans in Quad Cities MSA Assessment Area								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of Number	% of AA Owner Occupied Housing	% of Number	% of AA Owner Occupied Housing	% of Number	% of AA Owner Occupied Housing	% of Number	% of AA Owner Occupied Housing
Permanent Loan	0%	2%	0%	18%	66%	64%	33%	16%
Home Equity	0%	2%	20%	18%	60%	64%	20%	16%

Source: Bank MIS, Census data

Table 3 – Distribution of Residential Real Estate Loans in Peoria MSA Assessment Area								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of Number	% of AA Owner	% of Number	% of AA Owner	% of Number	% of AA Owner	% of Number	% of AA Owner

		Occupied Housing		Occupied Housing		Occupied Housing		Occupied Housing
Permanent Loan	0%	6%	22%	10%	22%	50%	56%	34%
Home Equity	0%	6%	0%	10%	24%	50%	76%	34%

Source: Bank MIS, Census data

Responses to Complaints

FNB has not received any complaints about its performance in helping to meet assessment area credit needs.

Fair Lending Review

Based on its analysis of available information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. Previous fair lending examinations have not identified any violations of the substantive provisions of the anti-discrimination laws and regulations.