



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

December 16, 2002

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**The First National Bank Of Albion
Charter Number 3960**

**103 South Fourth Street
Albion, NE 68620**

**Office of the Comptroller of the Currency
Omaha South Field Office
13710 FNB Parkway, Suite 110
Omaha, NE 68154-5298**

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.

INSTITUTION'S CRA RATING

This institution is rated Satisfactory.

- The First National Bank of Albion (FNB) has a satisfactory record of lending to farms of different sizes and individuals of different income levels.

The distribution of agricultural borrowers reflects reasonable penetration among farms of different sizes. Based on 20 borrowers sampled, the bank's distribution of loans to farms with different revenues was comparable to demographic information of the assessment area. Information was obtained from the U.S. Census Bureau's 1997 Census of Agriculture.

The distribution of consumer borrowers reflects adequate penetration among individuals of different income levels. Based on 20 borrowers sampled, the bank's distribution of loans to consumers reasonably compared to the breakdown of the percentage of households at low- and moderate-income levels. Information was obtained from the 1990 U.S. Census Bureau.

- The bank originated a majority of its loans in the assessment area.

FNB originated 85% by number and 88% by dollar amount within its assessment area for the agricultural and consumer loans sampled.

- The bank's quarterly average loan-to-deposit ratio since the last examination is reasonable.

FNB's average loan-to-deposit ratio over the past eighteen quarters met the standard for satisfactory performance. The bank's average ratio of 69% satisfactorily compares to ratios of similarly situated banks. The average loan-to-deposit ratio for similarly situated institutions in the assessment area was 77%.

- An analysis of the geographic distribution of loans was not applicable, as the assessment area did not have any low- or moderate-income geographies.
- FNB has not received any consumer complaints regarding its CRA performance during the evaluation period.
- An analysis of the 2000 and 2001 public comments and consumer complaint information was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted with the CRA evaluation this year.

DESCRIPTION OF INSTITUTION

FNB is a \$38 million institution located in northeast Nebraska. FNB received a "Satisfactory" rating at the last CRA examination, dated March 9, 1998. The bank's primary loan products are

agricultural and consumer loans. FNB has one full-service facility. There are no legal or financial factors that impede the bank's ability to help meet the credit needs of the assessment area.

Refer to FNB's CRA Public File for more information.

DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area encompasses all of Boone County. This assessment area is comprised of two middle-income block numbering areas. The assessment area does not arbitrarily exclude any low- or moderate-income areas.

Refer to FNB's CRA public file for more information.