



Comptroller of the Currency
Administrator of National Banks

Central District Office
One Financial Place, Suite 2700
440 South LaSalle Street
Chicago, Illinois 60605

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

December 31, 1996

National City Bank of Columbus
Charter Number 5065
155 East Broad Street
Columbus, Ohio 43251-0070

NOTE: 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.

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **National City Bank of Columbus** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of **December 31, 1996**. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ABBREVIATIONS

The following abbreviations are used in this Public Evaluation:

ATM	-	Automated Teller Machine
CRA	-	Community Reinvestment Act
HMDA	-	Home Mortgage Disclosure Act
MSA	-	Metropolitan Statistical Area
NCBC	-	National City Bank of Columbus
NCC	-	National City Corporation
NCCDC	-	National City Community Development Corporation
SBA	-	Small Business Administration

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, this institution is rated:

Outstanding record of meeting community credit needs.

Evaluation Period - The bank's previous Public Disclosure is dated May 31, 1995. The current disclosure evaluates performance from June 1, 1995 to December 31, 1996.

National City Bank of Columbus (NCBC) manages its obligations under CRA as a distinct legal entity. It does not rely in any fundamental way on the lending activities of affiliated lenders in the evaluation of its performance, or for the rating contained in this Public Evaluation. It does rely on National City Community Development Corporation (NCCDC), an affiliate, for some of the community development activities discussed in this evaluation.

Bank Profile - NCBC is a wholly-owned subsidiary of National City Corporation (NCC), a multi-bank holding company headquartered in the City of Cleveland, Cuyahoga County, Ohio. NCC operates eleven (11) commercial banks in Ohio, Indiana, Kentucky, and Pennsylvania. As of December 31, 1996, NCC had assets of \$51 billion.

NCBC's primary lending focus is retail/consumer and middle-market business lending. Its loan to deposit ratio of 89% at year-end 1996 is the same as its peers. Table 1 shows pertinent financial information for the period under review.

Table 1. Year-end Assets, Income, and Return on Assets
\$(millions)

	1995	1996
Average Assets	\$6,295	\$6,124
Net Income	\$71	\$85
Return on Average Assets	1.13%	1.39%

Source: Consolidated Report of Income and Condition

Community Profile - NCBC delineates its local community based on geographical boundaries and branch locations. As of December 31, 1996, NCBC's community delineation includes twenty-seven (27) counties in Central, Eastern, and Southern Ohio. This delineation includes: Metropolitan Statistical Area (MSA) #1840 (Columbus -- Franklin, Delaware, Fairfield, Licking, Madison, and Pickaway Counties); portions of MSAs #1320 (Canton -- Carroll County), #2000 (Dayton/Springfield -- portions of Clark County), #3400 (Huntington, W.Va./ Ashland, Ky --

Lawrence County, Ohio), #4800 (Mansfield -- portions of Crawford County); and Coshocton, Guernsey, Harrison, Tuscarawas, Muskingum, Jackson, Ross, Scioto, Hocking, Perry, Marion, Knox, Clinton, Fayette, Hardin, Logan, and Union Counties, which are not in MSAs.

As of the 1990 census, median income for the entire delineated community was \$34,446. The community consists of 594 census tracts or block numbering areas, as follows:

Table 2. Census Tract Characteristics

Tract Characteristics	Number of Tracts	% of Total Tracts	% of Total Population	# of Housing Units
Low- and Moderate-income (<80% of Median)	200	33%	29%	291,999
Middle-income (80% to 120%)	303	51%	52%	491,028
Upper-income (>120%)	86	15%	19%	165,745
NA	5	1%	0%	7
Total	594	100%	100%	948,779

Source: 1990 U.S. Census

Table 3 shows additional demographic information for NCBC's delineated community.

Table 3. Demographic Information for NCBC's Delineated Community

	Totals
Population	2,339,561
# housing units	948,779
# occupied housing units	881,562
# owner-occupied housing units	571,178

Source: 1990 U.S. Census, MSA demographics

Table 3 shows that NCBC's delineated community includes a substantial level (92%) of occupied housing units and a moderate level (60%) of owner-occupied housing units.

During 1996, the average unemployment rate for NCBC's delineated area was 5.7%, which exceeds the State of Ohio unadjusted rate of 4.8%.

Columbus is the nation's 16th largest city and the 34th largest metropolitan area. It is the capital of the State of Ohio. It has a diverse employment base and has experienced steady growth over the past two decades through the annexation of surrounding rural areas as suburban development began. The major industry sectors are finance and insurance, real estate, education, and government. Numerous state governmental offices provide for a stable employment picture. Good highways and access to population have made Columbus a principal distribution center.

Population in the outlying counties is typically concentrated in the county seats. Light-to-medium industry complements a diverse employment base. The eastern- and southern-most counties also have significant resource extraction components (both coal and wood); these areas show significantly higher unemployment levels, up to 10.1%.

Community Credit Needs - Our evaluation included contacts with representatives from local community social services agencies. These contacts were used to identify community credit needs.

Community credit needs identified include:

- Loans for affordable single family and multifamily housing
- Versatile credit products for establishing or expanding small businesses, including small balance loans
- Technical assistance for small businesses and entrepreneurs

These needs have also been identified by NCBC. See Assessment Factor A for NCBC's responses to these credit needs.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - *Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.*

- **NCBC has established an effective program of outreach to its local communities, which enables it to be aware of credit needs on an ongoing basis.**

NCBC continues its strong commitment towards ascertaining the credit needs of the community. Management determines credit needs through a variety of means including a formal calling program, contacts with community group representatives, and data analysis. It maintains contacts with a wide variety of civic, small business, commercial and residential development groups, particularly those serving low- and moderate-income individuals. In addition, management pursues contacts with several government officials and area real estate professionals.

In 1995, NCBC held its fourth City Wide Town Meeting, which included leaders of civic organizations, non-profit groups, governmental agencies, and neighborhood housing groups. In 1996, to reach an audience even closer to the neighborhoods, management conducted local area meetings with leaders of the West Side, Franklinton, Hilltop, and Greater Linden areas.

Through its ascertainment process, NCBC has identified the following primary credit needs in its community: Affordable home loans; Home improvement loans; Assistance for applicants with damaged credit history; and Small business lending.

NCBC continues to offer the RIGHT Loan, CreditBuilder, and Fixer Upper Loan to meet these needs. Through its community relationships, it developed a partnership with Enterprise Development Corporation for a new initiative/program under the Small Business Administration (SBA) MicroLoan Program. The partnership is the first in the nation to complete a loan under this program.

Assessment Factor C - *The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.*

- **The Board of Directors takes an active role in the formulation of CRA policies and practices.**

CRA is an integral part of the Board and management planning process. A formal, written CRA program exists.

The CRA program includes policy statements, goals and objectives for each service area, and a CRA Officer. An effective annual self-assessment process is in place. The Board and senior management are apprised of the CRA program on an ongoing basis through periodic reports and the self-assessment program.

The Board of Directors has adopted the CRA policy developed by NCC. This policy is then customized to create the bank's CRA program. The Board and senior management are actively involved in the development of the CRA program through their respective committees, the Board Public Policy Committee and the Management Public Policy Committee. Both committees provide active oversight of the CRA program. The CRA program is reviewed and adopted by the full Board on an annual basis.

NCBC is in compliance with the technical requirements of CRA. The current CRA statement was approved by the Board of Directors in May, 1996.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B - *The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.*

- **NCBC makes a strong effort to ensure that its entire community is aware of the products and services it offers.**

NCBC develops a formal marketing plan annually. The plan is designed to promote products tailored to meet the particular credit needs ascertained in the community. NCBC uses a variety of media sources to ensure community awareness of its loan and deposit products.

Primary vehicles used in the advertising efforts include: targeted advertisements; involvement in housing expos and community events; direct mailings to real estate professionals, consumers, and small businesses; small business seminars and networking events; small business call program; and the distribution of the National City Bank Community Profiles Newsletter.

Marketing is done through the traditional media of newspaper, radio, magazines, publications, television, billboards, and transit, as well as an extensive network of community groups and realtors. Media selection is designed to inform the entire community and does not exclude any low- or moderate-income areas. Products are also marketed through its extensive branch network, point of sale posters, and alternative delivery vehicles such as the Telephone Banking Center and Business Hotline.

Targeted methods are used to market products designed to meet the needs of low- and moderate-income consumers. Media used in these instances are newspapers, local community publications such as the Call and Post and The Columbus Post, and radio. These advertisements highlight such

products as the RIGHT Loan, Fixer Upper Loan, Credit Builder Program, and FHA Loans. Additional information on the RIGHT and FixerUpper loan programs is provided is available at all branches. Bank personnel also provide counseling and assistance in home ownership, debt counseling, and the loan application process.

Assessment Factor I - *The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans and small business loans.*

- **NCBC’s level of origination of mortgage, home improvement, and small business loans within its community reflects a strong level of responsiveness to identified credit needs.**

NCBC offers a variety of consumer and commercial loan products to meet identified credit needs. The current CRA Statement correctly lists the following credit products which are readily available throughout the community:

- Residential: Purchase money mortgage loans, home improvement loans, home equity loans and lines of credit
- Consumer: Installment loans, lines of credit, credit cards, and education loans
- Commercial: Term loans, lines of credit, and working capital loans

Table 4 shows significant mortgage loan activity generated within NCBC’s delineated community over the last two years. This table includes the RIGHT loans that are detailed below. Table 4 also indicates that there was nearly a 50% increase in the number and dollar amount of loans originated between 1995 and 1996. Based on 1995 HMDA data, NCBC is the number three lender of housing-related loans to low- and moderate- income census tracts in the delineated community, among nearly 400 providers of such loan products.

Table 4. Housing-Related Loan Originations

	1995		1996	
	#	\$(millions)	#	\$(millions)
Mortgage	2,269	\$170	2,862	\$254
Home Improvement	1,574	\$22	2,889	\$34
Total	3,843	\$192	5,751	\$288

Source: Internal bank reports

The RIGHT loan is NCBC's affordable home purchase mortgage loan program. RIGHT loan applicants must meet certain income limitations. Benefits of this program include no down payments and flexible approval guidelines. Table 5 details RIGHT loans originations during the last two years. These loans represent over 12% of total mortgage loan originations.

Table 5. RIGHT Loan Originations

	# of loans	\$(millions)
1995	320	15,669
1996	313	16,275

Source: Internal bank reports

A substantial volume of the commercial loans originated by NCBC are to either small businesses or small farms, which are generally defined as those with annual revenues of less than \$1 million. The following two tables show the breakdown of small business and small farm loans originated in 1996. Comparable numbers are not available for 1995. These figures show that NCBC is making small loans to small businesses and small farms in its market, as 69% of the small business and 82% of the small farm loans were for amounts of less than \$100,000. The average small business loan was for \$125,000. It should be noted that there were only 17 small loans to farms originated during 1996 which may distort the meaning of the percentage described above.

Table 6. 1996 Small Business Loan Originations

Loan Amounts	# of Loans	\$(000)
<\$100,000	1,444	\$40,932
>\$100,000 & <=\$250,000	308	\$54,601
>\$250,000	316	\$164,031
Total	2,068	\$259,564

Source: Internal bank reports

Table 7. 1996 Small Farm Loan Originations

Loan Amounts	# of Loans	\$(000)
<\$100,000	14	\$381
>\$100,000 & <=\$250,000	3	\$370
> \$250,000	0	\$0
Total	17	\$751

Source: Internal bank reports

Assessment Factor J - *The institution's participation in government insured, guaranteed or subsidized loan programs.*

- **NCBC's participation in government programs is strong considering the opportunities available.**

NCBC participates in loan programs through the SBA and the Ohio Linked Deposit Program. These two governmentally-related loan programs assist in financing small business. As of December 31, 1996, NCBC held 118 of these loans with outstanding balances of \$14,222,000.

The bank originated 32 SBA loans in 1995 for a total of \$6million and 39 loans during 1996 totaling \$12.2million. The bank only generated 6 loans under the Ohio Linked Deposit Program over the last two years with four of those six originating in 1996.

Participation in other government programs for businesses and housing related loans is limited because the bank has its own competitive products designed to meet these needs.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

NCBC's delineated area, as defined previously in the evaluation, is reasonable and does not arbitrarily exclude low- and moderate-income areas.

Assessment Factor E - *The geographic distribution of the institution's credit extensions, credit applications, and credit denials.*

- **The geographic distribution of NCBC's credit extensions, credit applications, and denials is adequate. NCBC has received applications and has extended credit throughout the delineated community.**

The following tables show the distribution of various residential mortgage products that are reported on Home Mortgage Disclosure Act Loan Application Registers (HMDA-LAR). Market share information is based on number of loans originated by nearly 400 providers of mortgage products within those portions of the several MSAs in NCBC's delineated community.

Numbers of loans, rather than the dollar amount of those loans, are used for this analysis. They are most meaningful for comparison purposes as they are more indicative of the number of borrowers being served.

Census tract characteristics were identified under the Community Profile section of this report.

Table 8 shows that NCBC's overall loan distribution within lower income census tracts was significantly higher than its distribution within higher income census tracts and NCBC's overall market share. This was primarily the result of the success of the RIGHT loan in meeting the needs of low- and moderate-income customers.

Our market share analysis focuses on 1995. Market share data for 1996 is not yet available.

Table 8. 1995 Market Share by Tract Characteristics

	Low/Mod	Mid	Upper	Total
Purchase Money Applications	8.76%	2.72%	2.31%	2.81%
Purchase Money Loans	12.02%	3.33%	2.88%	3.51%
Home Improvement Applications	14.26%	8.68%	7.44%	8.06%
Home Improvement Loans	15.03%	8.84%	7.41%	8.18%
Total Applications	4.22%	3.96%	2.94%	3.73%
Total Loans	10.56%	4.70%	3.56%	4.44%

Source: 1995 HMDA data

Also considered in this evaluation is the total number of HMDA-reportable loans that NCBC originated within various census tracts and to borrowers of various income levels. In 1995, this distribution was available only for loans originated within MSAs. NCBC originated an additional

1,491 loans outside of MSAs in 1995, which are not included in the analysis below. The 1996 tables include all of the delineated community.

Tables 9 thru 12 illustrate a significant level of loan distribution across both census tracts and income levels of borrowers. Income levels of borrowers and families are irrespective of where they live within the community. These tables show that the bank is reasonably addressing the needs in low/mod areas when compared with the housing opportunities available. The tables also disclose the fact the bank is reasonably serving the low/mod population when compared with the demographics of the area.

Table 9. 1995 Loan Originations by Tract Characteristics

	Low/Mod	Mid	Upper	Total
Number of Loans	505	1,271	576	2,352
% of Loans Originated	21%	54%	25%	
% of Total Tracts	33%	51%	15%	
% of Housing Units	31%	52%	17%	

Source: HMDA-LAR

Table 10. 1995 Loan Originations by Borrower Income Characteristics

	Low/Mod	Mid	Upper	Total
Number of Loans	872	522	878	2,322*
% of Loans Originated	37%	22%	38%	
% of Families	39%	24%	36%	

Source: HMDA-LAR

*Includes 80 loans without income information.

Table 11. 1996 Loan Originations by Tract Characteristics

	Low/Mod	Mid	Upper	Total
Number of Loans	1,307	3,292	1,233	5,832
% of Loans Originated	22%	56%	21%	
% of Total Tracts	33%	51%	15%	
% of Housing Units	31%	52%	17%	

Source: HMDA-LAR

Table 12. 1996 Loan Originations by Borrower Income Characteristics

	Low/Mod	Mid	Upper	Total
Number of Loans	1,842	1,578	2,309	5,832*
% of Loans Originated	32%	27%	40%	
% of Families	39%	24%	36%	

Source: HMDA-LAR

*Includes 103 loans where income information was not given.

NCBC performs a distribution analysis of its consumer deposit and loan portfolios among various census tracts. Table 13 shows the results of the distribution analysis for 1996. This analysis represents number of accounts and percentage of total accounts. The analysis is based on loans outstanding as of year-end 1996, and does not reflect loans that may have been sold to third parties. The table shows that the distribution of loans is comparable to the distribution of deposits.

Table 13. 1996 Distribution Analysis

	Low/Mod		Mid		Upper	
	#	%	#	%	#	%
CONSUMER DEPOSITS	86,244	22%	202,241	51%	108,039	27%
Consumer Mortgage Loans	2,193	18%	5,975	48%	4,295	34%
Other Consumer Loans	33,561	18%	95,020	51%	56,807	31%
TOTAL LOANS	35,754	18%	100,995	51%	61,102	31%

Source: Internal bank reports

Assessment Factor G - *The institution's record of opening and closing offices and providing services at offices.*

- **NCBC's branch offices are reasonably accessible and have a good record of providing services to all segments of the community.**

NCBC has 111 full service locations throughout the community. Ninety of these offices have Automated Teller Machines (ATM) and nine have drive-in service. There are three separate drive-in facilities and 17 freestanding ATM stations. Thirty-seven offices are in low- and moderate-income census tracts. Most offices are open six days per week, with extended hours on Friday and limited hours on Saturday. Ten offices also have Sunday hours.

During the review period, NCBC closed ten offices and opened three. Office closings included six offices located in low- and moderate-income census tracts. The deposit accounts from most of the closed offices were transferred to NCBC offices within two miles. The Lancaster East Main deposit accounts were transferred to Lancaster Plaza Office five miles away. The Lancaster Main Office three miles away can also assist and service customers. Several of these locations retained ATMs. Banking services were modified from full service to teller only or drive-in only at seven offices, including two offices in low- and moderate-income census tracts. These two offices retained deposit accounts and became drive-in only facilities. An ATM remained at one location.

In each case, NCBC complied with the NCC branch closing policy, which requires detailed analysis of the effect of the closings on the customer base of the branch. The institution's record of closing offices has not had an adverse impact on its local community.

The bank increased customer accessibility with the opening of four new offices in middle-income and upper-income census tracts. The branches are located in shopping centers in newly developed and fast growing communities in Dover, Dublin, and Columbus.

In addition to the branch network available to provide banking services to its community, NCBC offers a 24-hour bank by phone program.

NCBC offers a low-cost lifeline checking product for customers with limited banking needs. As of December 31, 1996, NCBC had 17,415 of these accounts with an average balance of \$682. Thirty-three percent of these accounts were held by individuals living in low- and moderate-income areas.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - *Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).*

- **NCBC does not discourage credit applicants on a prohibited basis.**

NCBC affirmatively solicits credit applications from all segments of its community, including low- and moderate-income areas. Policies, procedures, and intense training promote fair lending. NCBC's policy on non-discrimination in lending states that NCBC is committed to full compliance with the letter and the spirit of all regulations governing fair lending.

Training in fair lending laws and principles is provided to all applicable employees. NCBC has implemented procedures, such as second review of denied loan applications, in order to detect and address potential discriminatory practices.

Assessment Factor F - *Evidence of prohibited discriminatory or other illegal credit practices.*

- **NCBC is in compliance with fair lending and fair housing laws and regulations. No violations or illegal practices were noted.**

Our examination included testing for compliance with the Equal Credit Opportunity Act and the Fair Housing Act. We performed a review of direct home improvement loan applications, testing for illegal discrimination based on race of the applicant. We compared a sample of denied applications from black applicants to a sample of approved applications from white applicants, testing for non-discriminatory application of the bank's credit scoring system. All of these loan applications were received by NCBC during the second half of 1996. Our review found no evidence of illegal discrimination.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - *The institution's participation, including investments, in local community development and redevelopment projects or programs.*

- **NCBC is a significant participant in community development projects both in its own right and through its community development affiliate, NCCDC.**

During the review period, NCCDC financed projects totaling \$3,125,000. These projects included:

- YMCA Housing Limited Partnership: NCCDC invested in tax credits totaling almost \$900,000 to provide 400 Single Room Occupancy apartments in downtown Columbus. In addition to the provision of downtown housing, this project also revitalized a historic building.
- Concord Investors Limited Partnership: This is also an NCCDC tax credit investment totaling \$250,000 resulting in the construction of 50 units of low-income housing.
- St. Luke's Limited Partnership: This is an investment of \$100,000 to build three homes in a distressed area of Columbus.
- Clubview Apartments Limited Partnership: This is another tax credit investment of \$1,000,000 in a project totaling \$3,036,000 to build 56 units of affordable housing.

During the same period, NCBC's community development loans, investments, and contributions totaled approximately \$57,140,000. Some of the more significant loans included:

- \$3,050,000 to Delaware Joint Vocational School. This school trains low- and moderate- income underemployed citizens.
- \$970,000 to Community Development Company to construct 70 single family homes for moderate-income families in the Langley Subdivision.
- \$2,297,191 to Settlers Ridge Limited Partnership to construct 64 low-income apartments.
- \$5,500,000 to Community Housing Network to support a letter of credit in the refinance of housing revenue bonds for housing mentally handicapped clients.
- \$4,060,000 to Gahanna Care Center/National Church Residences to support a letter of credit for the construction of a nursing care facility for low- and moderate-income individuals.

Assessment Factor K - *The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.*

- **There are no financial impediments which inhibit NCBC's efforts to help meet the credit needs of its delineated community.**

NCBC participates in CRA activities commensurate with its size and financial capacity. The Community and Bank profiles detailed earlier provide further information on the financial trends of the institution and the local economy.

Assessment Factor L - *Any other factors that, in the regulatory authority's judgement, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.*

- **None noted.**