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Comptroller of the Currency  
Administrator of National Banks

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## **PUBLIC DISCLOSURE**

November 3, 1997

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Fisher National Bank  
Charter #14757**

**108 South Third Street  
Fisher, Illinois 61843**

**Office of the Comptroller of the Currency  
2009 Fox Drive, Suite B  
Champaign, Illinois 61820**

**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

*The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.*

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **The Fisher National Bank** prepared by **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **November 3, 1997**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

The last evaluation of the bank's CRA performance was November 28, 1994.

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**.

This rating is based on the fact that the bank has a reasonable average loan-to-deposit ratio, and a majority (79% of the number and 81% of the dollar volume) of loans reviewed were to borrowers located within the bank's assessment area. Additionally, the distribution of borrowers reflects excellent penetration among individuals of different incomes and businesses and farms of different sizes.

## **DESCRIPTION OF INSTITUTION**

The Fisher National Bank is a \$28 million bank situated in Fisher, Illinois, population 1,514. Fisher is located in the northeast corner of Champaign County, approximately 20 miles north of Champaign, Illinois. The bank is independently owned. This institution serves the needs of the community by offering a variety of loan products. These loan products include commercial and agricultural loans (operating, equipment, and real estate), residential loans (construction, purchase, refinance, and home improvement), and consumer installment loans (new and used autos and trucks, debt consolidation, unsecured, and credit cards).

The following represents the bank's loan portfolio mix (\$ volume) as of June 30, 1997:

Residential Real Estate Loans	36%
Commercial Loans	30%
Agricultural Loans	18%
Consumer Loans	16%

The bank does not have any financial or legal impediments restricting it from meeting the credit needs of the community.

## **DESCRIPTION OF ASSESSMENT AREA**

The bank's assessment area consists of Census Tract #105 in Metropolitan Statistical Area (MSA) #1400 in Champaign County. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. Census Tract #105 is middle income. There are no low- or moderate-income census tracts within the assessment area. The following demographic information on the bank's assessment area is based on 1990 census data:

- Housing Stock - 89% of the housing units are 1-4 family.
- Occupancy - 71% owner occupied, 22% renter occupied, and 5% vacant.
- Home Values - The Median Home Value is \$62,500
- Age of Homes - The Median Year of Homes Built is 1963.
- Income Levels - 13% of the families are low-income, 12% are moderate-income, 22% are middle-income, and 53% are upper-income.

The local economy is stable and is driven by agriculture and small manufacturing. The largest employers include the following small manufacturing companies: Vesuvius (steel mill gates), Design and Manufacturing Ltd. (motion picture film plates), and Bowsher Inc. (bicycle assessories) with 134, 70, 45 employees respectively. Unemployment is in line with state and national averages. Many residents commute to Champaign to work. The bank's closest competition consists of Dewey State Bank in Dewey, Illinois which is located within the assessment area. Other competition for banking services is provided by financial institutions in Champaign, Mahomet, Rantoul, and Gibson City, Illinois.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

### LOAN-TO-DEPOSIT RATIO

The bank's loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's average loan-to-deposit ratio for 11 quarters ended June 30, 1997 was 50.18%. This ratio shows an increasing trend, ranging from a low of 43.36% to a high of 60.41%. There are no similarly situated banks in the assessment area for comparison.

### LENDING IN ASSESSMENT AREA

A majority of the loans being originated are within the bank's assessment area. Based on a sample of loans originated between November 28, 1994 and October 20, 1997, 79% of the number of loans and 81% of the dollar amount of loans were made within the bank's assessment area. The following table details the bank's lending within and outside the assessment area by dollar volume and number of loans based on the loan sample reviewed.

Type of Loan	Within Assessment Area		Outside Assessment Area	
Residential Real Estate	\$2,218M	71%	\$896M	29%
	52	75%	17	25%
Consumer	\$289M	64%	\$159M	36%
	91	74%	32	26%
Business	\$2,844M	89%	\$347M	11%
	39	91%	4	9%
Farm	\$3,280M	83%	\$653M	17%
	69	84%	13	16%
Total	\$8,631M	81%	\$2,055M	19%
	251	79%	66	21%

\*The dollar amounts are rounded to the nearest thousand dollars.

### LENDING TO BORROWERS OF DIFFERENT INCOMES AND TO BUSINESSES OF DIFFERENT SIZES

The bank's record of lending to borrowers of different incomes and to businesses of different sizes is excellent. Both the residential real estate loan and consumer loan distributions significantly exceed the income characteristics of the assessment area. Although there are no low- or moderate-income census tracts within the bank's assessment area, 25% of the population is in the low- and moderate-income categories.

The following tables detail the bank's residential real estate and consumer lending record to borrowers of different incomes in the assessment area based on a sample of loans originated between November 28, 1994 and October 20, 1997. Income levels for loans originated are based off the 1997 median family income for MSA #1400 of \$46,600.

#### Residential Real Estate Loans

Income Level	# of Loans	%	\$ of Loans* (000's)	%
Low - Income Less than 50% of Median	8	15%	\$508M	23%
Moderate - Income 50% to less than 80% of Median	14	27%	\$575M	26%
Middle - Income 80% to less than 120% of Median	14	27%	\$610M	27%
Upper - Income 120% or more of Median	16	31%	\$525M	24%
<b>Total Sample</b>	<b>52</b>	<b>100%</b>	<b>\$2,218M</b>	<b>100%</b>

\*The dollar amounts are rounded to the nearest thousand dollars.

Based upon our sample, the bank has made 49% of the dollar amount and 42% of the number of residential real estate loans to low- and moderate-income people.

#### Consumer Loans

Income Level	# of Loans	%	\$ of Loans* (000's)	%
Low - Income Less than 50% of Median	57	63%	\$138M	48%
Moderate - Income 50% to less than 80% of Median	19	21%	\$60M	21%
Middle - Income 80% to less than 120% of Median	15	16%	\$91M	31%
Upper - Income 120% or more of Median	0	0%	\$0M	0%
<b>Total Sample</b>	<b>91</b>	<b>100%</b>	<b>\$289M</b>	<b>100%</b>

\*The dollar amounts are rounded to the nearest thousand dollars.

Based upon our sample, the bank has made 84% of the number and 69% of the dollar volume of consumer loans to low- and moderate-income people.

The bank's record of lending to businesses and farms of different sizes is good. The following table details the distribution by revenue size of a sample of loans made between November 28, 1994 and October 20, 1997 to businesses and farms located within the assessment area.

#### Business and Farm Loans

Gross Revenues	# of Loans	%	\$ of Loans* (000's)	%
Less than \$100,000	19	17%	\$559M	11%
\$100,000 - \$250,000	46	43%	\$2,274M	46%
\$250,000 - \$500,000	29	27%	\$1,671M	10%
\$500,000 - \$1,000,000	0	0%	\$0M	0%
More than \$1,000,000	14	13%	\$1,620M	33%
<b>Total Sample</b>	<b>108</b>	<b>100%</b>	<b>\$6,124M</b>	<b>100%</b>

\*The dollar amounts are rounded to the nearest thousand dollars.

The following table details the distribution by loan size of a sample of loans made between November 28, 1994 and October 20, 1997 to businesses and farms located within the assessment area.

## Business and Farm Loans

Loan Size	# of Loans	%	\$ of Loans* (000's)	%
Less than \$25,000	45	42%	\$551M	9%
\$25,000 - \$100,000	42	39%	\$2,117M	34%
\$100,000-\$250,000	19	17%	\$2,788M	46%
More than \$250,000	2	2%	\$668M	11%
<b>Total Sample</b>	<b>108</b>	<b>100%</b>	<b>\$6,124M</b>	<b>100%</b>

\*The dollar amounts are rounded to the nearest thousand dollars.

The bank has demonstrated a willingness to make loans of both small and large amounts to businesses and farms of different sizes.

### **GEOGRAPHIC DISTRIBUTION OF LOANS**

Because only one middle-income Census Tract makes up the bank's assessment area, a geographic distribution analysis of the bank's loan originations would not be meaningful, and is not considered in the overall CRA rating.

### **RESPONSE TO COMPLAINTS**

No complaints have been received since the prior examination.

### **COMPLIANCE WITH FAIR LENDING LAWS**

Fisher National Bank is in compliance with the substantive provisions of the fair lending laws and regulations. There is no evidence of discriminatory lending practices or disparate treatment of customers. The bank generally solicits credit applications from all segments of its assessment area, including low- and moderate-income areas.