



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **PUBLIC DISCLOSURE**

**January 18, 2011**

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

First National Bank Alaska  
Charter Number: 12072

101 West 36th Avenue  
Anchorage, AK 99503

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San Francisco Field Office  
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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, and should not 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.

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# Overall Community Reinvestment Act (CRA) Rating

**Institution's CRA Rating:** This institution is rated Outstanding.

The following table indicates the performance level of **First National Bank Alaska (FNBA)** with respect to the lending, investment, and service tests:

Performance Levels	First National Bank Alaska Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- An excellent distribution of Home Mortgage Disclosure Act (HMDA) lending by geography and borrower income in the Anchorage Metropolitan Statistical Area (MSA).
- An adequate distribution of small loans to businesses by borrower income.
- An excellent level of community development lending responsive to the needs of the bank's assessment area.
- An excellent level of community development investment.
- FNBA's branches are readily accessible to geographies and individuals of all income levels. Their range of services, products, and business hours do not vary in ways that inconvenience their customers, including low- and moderate-income (LMI) individuals.
- An excellent level of community development service.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 C.F.R. § 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing, and one-to-four family dwellings other than manufactured housing.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less, and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less, and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings, and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Description of Institution

First National Bank Alaska (FNBA) is the largest independently owned bank in Alaska. The bank has no holding company. It is an intrastate bank that has no affiliates. The bank is headquartered in Anchorage, with a significant amount of its business activity and facilities concentrated in that MSA.

The bank was founded in 1922 and operates as a full service bank, providing a variety of financial services within its ten assessment areas (AAs). These areas are spread throughout Alaska and include a substantial portion of the Anchorage MSA which includes the Anchorage Borough and Matanuska-Susitna Borough, as well as nine full or partial boroughs. These boroughs consist of Bethel, Denali, Fairbanks, Haines, Juneau, Kenai Peninsula, Kodiak Island, Sitka, and Valdez-Cordova. FNBA operates 30 branches and 32 ATMs in these boroughs, including a new branch in the Denali Borough opened since the last examination.

Services offered by the bank include a variety of deposit account products, loan products, safe deposit boxes, night depositories, drive-up facilities, remote deposit capture and an internet site. The bank also offers Trust and Private Banking services. FNBA continues to enhance its products and services to help meet the diverse needs of the communities it serves. There was no merger or acquisition that affected the scope of the bank's operations during the evaluation period. For a more detailed description of products and services, please refer to the Service Test part of this Performance Evaluation.

As of September 30, 2010, FNBA reported total assets of \$2.8 billion. Total loans were \$1.2 billion, total deposits were \$1.7 billion, and net Tier One Capital was \$403 million. It is important to note that FNBA's capital is almost twice the average for peer banks, and its earnings are significantly above peer group averages. These financial indicators show a good capacity for CRA performance. However, the bank's extremely high amount of capital distorts any comparison of Community Development (CD) loans and investments to its net Tier One capital by making the percentage of loans and investments seem low in relation to other banks. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its assessment areas.

The primary focus of FNBA is to become the number one small business bank in Alaska. This focus on commercial lending is reflected in the breakdown of FNBA's loan portfolio. About 41% of gross loans are secured by commercial real estate; 20% are construction and development loans; 19% are commercial and industrial loans; 9% are credit card, home equity, or individual loans; 7% are secured by 1-4 family residential real estate; 3% are secured by multifamily; and 1% are agricultural loans.

FNBA, along with other banking institutions operating in Alaska, faces a major obstacle in serving its customers. This obstacle is the state's geography. The unique geographic characteristic of Alaska has contributed to high transportation and communication expenses, particularly in the more remote rural areas. Adding to this problem is the lack of infrastructure, fragmented population, and weak economic conditions that rural Alaska faces. This situation presents FNBA with difficult challenges in its efforts to provide all of its customers with ready access to banking services as it would be impractical to establish branches in most of the remote towns and villages scattered throughout the state.

FNBA was last examined under the CRA using performance information through January 28, 2008, and was rated “**Outstanding.**”

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

This evaluation assesses the bank’s performance from January 1, 2007, through December 31, 2010. HMDA and CRA reportable lending activity from January 1, 2007, through December 31, 2009, was evaluated. We considered all Community Development (CD) Loans, Investment Test, and Service Test information from January 1, 2008 through December 31, 2010. Home purchase, home refinance, small business, and CD loans were reviewed in conjunction with the Lending Test. Additionally, any special loan programs offered by the bank were included in our analysis to the extent appropriate. The Investment Test focused on a review of qualifying investments, grants, and donations. Community development services, retail banking locations, and retail banking services were reviewed in connection with the Service Test. The bank did not submit optional consumer loan information for consideration, so optional Table 13 was not included in Appendix D. For more information about the scope of this evaluation please refer to Appendix A.

### **Data Integrity**

We reviewed the bank’s system of internal controls to ensure the integrity of its loan reporting process. The review found that FNBA’s internal controls, which include extensive loan data testing procedures, are satisfactory. The bank’s publicly reported HMDA and CRA loan data is accurate. The accuracy of FNBA’s investment, service, and community development data was verified during this CRA examination.

### **Selection of Areas for Full Scope Review**

FNBA operates primarily in ten AAs in Alaska. One AA is comprised of parts of the Anchorage MSA which consists of the Municipality of Anchorage and the Matanuska-Susitna Borough. Another AA consists of parts of the Fairbanks MSA. The other eight AAs are noncontiguous full or partial boroughs in rural Alaska. We selected the Anchorage MSA for a full scope review and the nine non-MSA areas for a limited scope review. The Anchorage AA is the most important AA to the bank’s operations. The majority of FNBA’s loans and deposits are derived from the Anchorage AA. FNBA’s CRA performance in Anchorage is substantially representative of its overall performance. To provide a better understanding of the scope of FNBA’s AAs, please refer to the Market Profiles for the State of Alaska in Appendix C for detailed demographics and other performance context information for the Anchorage AA.

In conjunction with this CRA examination, we conducted one community contact interview with a representative from a housing organization. The representative commented that although there are many assistance programs for those who make about 80% of the median household income, there are very few assistance programs for households making 30-50% of the median income. Possible solutions would be various subsidies for these families since the Department of Housing and Urban Development (HUD) is not providing further assistance in this area. It was noted that Alaska is a very conservative state, and assistance to this situation has been

difficult. The contact stated that there are a number of financial institutions who are members of the association helping to serve/solve the housing needs.

## **Ratings**

The bank's overall rating is based primarily on those areas that received full scope reviews. In general, the performance in each AA is weighted according to the percentage of loans and deposits in that area. Therefore, FNBA's performance to the Anchorage AA carries the most weight in developing the overall conclusions for the bank.

## **Fair Lending or Other Illegal Credit Practices Review**

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

# LENDING TEST

## Conclusions for Areas Receiving Full Scope Reviews

The bank's performance under the lending test is rated Outstanding. Based on full scope reviews, the bank's performance in the Anchorage MSA AA is excellent.

### Lending Activity

Overall, FNBA's lending activity in HMDA and CRA reportable loans is considered good. FNBA reported a 21.62% market share of deposits in June 2010. FNBA's share of home purchase loans is 2.50% by number and 2.61% by dollar amount of lending in the AA, both of which are significantly below its deposit market share. FNBA's share of home improvement loans is 16.32% by number and 21.54% by dollar amount of lending in the AA, both of which are near to its deposit market share. And FNBA's share of refinance loans is 3.38% by number and 3.18% by dollar amount of lending in the AA, both of which are significantly below its deposit market share. However, these are mitigated by the fact that there are 69 home purchase lenders, 33 home improvement lenders, and 134 refinance lenders competing in the market, and only four other depository financial institutions. FNBA ranked seventh in the home purchase market and only two other depository financial institutions have a greater market share. They ranked third in the home improvement market and only one other depository financial institution has a greater market share. They ranked sixth in the refinance market and only one other depository financial institution has a greater market share.

FNBA's market share of small business loans is 5.18% by number and 25.36% by total dollars ranking them fifth in the market. Most of the reporting institutions with larger market shares by number of loans are issuers of business credit cards. The percentage by number would indicate poor performance and the percentage by dollar would indicate excellent performance when compared to the bank's deposit market share of 21.62%. We consider the overall performance good because FNBA is the fifth highest ranking small business lender in the Anchorage AA and there are 36 other small business lenders in the market.

Considering the large numbers of lenders operating in the market without a branch or deposit taking presence, the bank consistently ranks in lending equal to its ranking in deposit share. In addition to its level of HMDA and small business loans, consideration was given to the exceptionally high volume of CD loans originated in the AA totaling more than \$59.5 million. This overall level of lending activity had a positive effect upon our overall conclusion about the bank's performance under the Lending Test.

## **Distribution of Loans by Income Level of the Geography**

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4 and 5 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### ***Home Purchase***

Home purchase lending in the Anchorage AA is excellent. The percentage of FNBA's loans in low- and moderate-income CTs each exceeds the demographics for those tracts. The bank's market share in low- and moderate-income CTs exceeds its overall market share.

### ***Home Improvement***

Home improvement lending in the Anchorage AA is adequate. Home improvement lending volumes in low-income CTs were too low in the bank and among all lenders for analysis of market shares and lending versus demographics.

The percentage of FNBA's loans in moderate-income CTs is somewhat lower than demographics. FNBA's market share in these CTs exceeds its overall market share.

### ***Refinance***

Home mortgage refinance lending in the Anchorage AA is adequate. Home mortgage refinance lending in low-income CTs is too low in the bank for analysis of market shares and lending versus demographics.

The percentage of FNBA's loans in moderate-income CTs is somewhat lower than the demographics. The market share in those tracts significantly exceeds its overall market share.

### ***Multifamily***

Multifamily mortgage lending in the Anchorage AA is excellent. The percentage of FNBA's multifamily loans in low-income CTs significantly exceeds the demographics of those tracts. The bank's market share in low-income CTs significantly exceeds its overall market share.

The percentage of FNBA's multifamily loans in moderate-income CTs exceeds the demographics of those tracts. The bank's market share in moderate-income CTs is below its overall market share.

### ***Small Loans to Businesses***

Refer to Table 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations/purchases of small loans to businesses.

The geographic distribution of small loans to business in the Anchorage AA is excellent. The bank's small loans to businesses in the low-income CTs significantly exceeds the area demographics and in moderate-income CTs is near to the area demographics of those tracts.

The bank's market share in low- and moderate-income CTs significantly exceeds its overall market share.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The bank is not a significant lender of small loans to farms.

### ***Lending Gap Analysis***

Maps and reports detailing FNBA's lending activity over the evaluation period for small loans to businesses, home purchase loans, and home refinance loans were reviewed to identify gaps in the geographic distribution. No unexplained conspicuous gaps were identified. Two moderate-income geographies were not penetrated by small business, small farm, and HMDA loans. Both of those geographies are comprised primarily of military bases with virtually no owner-occupied housing, small businesses, or farms, and therefore there is little demand for such loans. The absence of unexplained gaps in the bank's lending had a positive effect on our conclusion about the geographic distribution of FNBA's lending activity.

### ***Inside/Outside Ratio***

Virtually all of the applicable loans originated or purchased by FNBA during the evaluation period were within its AAs. The bank's excellent performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography. Ninety-seven percent of the HMDA loans (home purchase, home improvement, refinance, and multifamily), 96% of the small loans to businesses and farms, and 100% of CD loans were made to borrowers within FNBA's AAs, or within the State of Alaska.

## **Distribution of Loans by Income Level of the Borrower**

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### ***Home Purchase***

FNBA's distribution of home purchase loans to borrowers of different income levels in the Anchorage AA is adequate. The bank's loans to low-income borrowers is lower than the demographics for those borrowers. Loans to moderate-income borrowers significantly exceeds the demographics for those borrowers. FNBA's market share of loans to low- and moderate-income borrowers is below the bank's overall market share.

### ***Home Improvement***

Home improvement lending to borrowers of different income levels in the Anchorage AA is adequate. The bank's loans to low-income borrowers is significantly lower than the

demographics for those borrowers. Loans to moderate-income borrowers significantly exceeds the demographics for those borrowers. FNBA's market share of loans to low- and moderate-income borrowers substantially meets the bank's overall market share.

### ***Home Mortgage Refinance Loans***

FNBA's distribution of home mortgage refinance loans to borrowers of different income levels in the Anchorage AA is good. The bank's percentage of loans to low-income borrowers is significantly lower than the demographics. The bank's percentage of loans to moderate-income borrowers exceeds the demographics.

The bank's market share of loans to low-income borrowers is below its overall market share and to moderate-income borrowers exceeds its overall market share for each of these income levels.

### ***Small Loans to Businesses***

Refer to Table 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

FNBA's distribution of small loans to businesses by the income of the borrower in the Anchorage AA is poor. The bank's percentage of loans to businesses with revenues of less than \$1 million is lower than the percentage of those businesses in the AA.

The bank's market share of loans to businesses with revenues of less than \$1 million significantly exceeds its overall market share.

### ***Small Loans to Farms***

Refer to Table 12 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

The bank is not a significant lender of small loans to farms.

## **Community Development Lending**

Refer to Table 1 Lending Volume in Appendix D for the facts and data used to evaluate the bank's level of community development (CD) lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

FNBA made an excellent amount of CD loans during the evaluation period. The bank's total CD loans were over 48% of allocated net Tier One capital, indicating a significant commitment of funds to meet community needs, particularly in light of the bank's high capital levels. For perspective, it must be noted that FNBA's capital levels are almost twice the average level of its peers. The level of community development lending is very responsive to the needs of the community. This had a positive effect upon our conclusions about the bank's performance under the Lending Test.

The bank has risen to be a leader in community development lending with a total dollar volume of qualified loans during the evaluation period of over \$194 million. These 56 loans to 31 different organizations or projects represented 48% of FNBA's Tier One Capital, and provided funds for community service projects, revitalization of low- and moderate-income geographies, economic development, and numerous housing units for low- and moderate-income individuals. Twenty-one loans, totaling \$60 million, were originated in the Anchorage Mat-Su MSA. Ten loans, totaling \$53 million, were originated in the AAs outside of the Anchorage Mat-Su MSA. The remaining 25 loans, totaling \$82 million, were for projects within the state of Alaska that are outside of the bank's delineated AA. Because the bank sought to identify AAs that were of a reasonable size, given the physical locations of their branches, there are huge sparsely populated geographical areas that are not part of the bank's AA, but nevertheless are served by the bank. These loans are not included in the tables, but are given the same weight as loans within the AA.

Many of the loans were considered complex due to the nature of the collateral and the structure of the financing. Projects were responsive to identified needs of the communities. Descriptions of projects representative of FNBA's community development lending follow:

- Two loans to build apartment complexes for teachers in rural, subsistence-living villages. Although these are not low-income apartments, they do provide a community service to these moderate-income areas by allowing the areas to attract teachers and support a school system.
- Several loans to provide financing to a flight company that brings much needed medical equipment and supplies to low- and moderate-income individuals throughout rural Alaska. This flight service is also usually these villages' only connection to the outside world and their source of all outside services. These loans allow for the on-going operation of this company.
- A loan to a for profit retailer which is the wholly owned subsidiary of a local nonprofit organization, whose mission is to protect and improve the quality of lives of low-income Alaskans.
- A loan to a nonprofit organization focused on developing and maintaining quality affordable housing in the Anchorage area.

It should be noted, that in addition to the loans mentioned and several other community development loans reported, FNBA continues to provide loans that support the spirit of community development, but are reported within its small business lending numbers. These include loans for affordable housing, support of community services, and revitalization of low- and moderate-income geographies.

## **Product Innovation and Flexibility**

FNBA uses numerous flexible-lending practices, in a safe and sound manner, to address the credit needs of low- and moderate-income persons and geographies. These practices enhance the bank's lending performance.

FNBA has developed a reputation within the state of Alaska and the nation as a bank that can provide housing in remote rural communities to low- and very low-income individuals. Several of the bank's reportable loans were focused on this program. Most of these projects were outside of the bank's designated AA. However, they still provide benefit to impoverished communities in a broader statewide or regional area that includes the bank's AAs. Many of these projects are considered in the Investment Test. Most of these loans focus on housing in rural Alaska, including housing for village public safety officers and teachers in remote villages inaccessible by roadways. Other loans support small native village organizations in providing community services, including energy, health services, and public welfare programs. FNBA received a national Community Partnership Award for their work in rural Alaska. The bank also received the Community Impact Award from Fannie Mae, as well as recognition at the National CRA Conference and from the American Bankers Association for programs focused on bringing banking to unbanked, and/or underserved, populations.

FNBA made 337 loans, totaling over \$40 million, to low- and moderate-income families throughout Alaska during the period of January 1, 2008 through September 30, 2010, using a combination of affordable housing programs, which include AHFC Housing Choice Voucher Program, AHFC's Tax-Exempt First Time Homebuyer Program, AHFC's Rural Program, AHFC's Affordable Housing Enhanced Loan Program (AHELP), Cook Inlet 2<sup>nd</sup> Deed of Trust Program, RD Insured 1<sup>st</sup> Deed of Trust Program, AHFC's Interest Rate Reduction for Low Income Borrowers (IRRLIB), AnCHOR 2<sup>nd</sup> Deed of Trust, My Community Mortgage, Keaitze Salamatof Housing, and many others.

The bank also participates in several business lending programs which support small businesses in the state of Alaska. They include loans supported through the Small Business Administration, Bureau of Indian Affairs, Alaska Industrial Development and Export Authority, Rural Development Initiative Fund, Rural Development (USDA), and Title VI loan programs tied to NAHASDA. FNBA made 78 loans totaling over \$62 million from January 1, 2008 through December 31, 2010, using the following programs: AIDEA Participation Loans, Bureau of Indian Affairs Guaranty Loan Program, SBA Loans, and Title VI NAHASDA Loan Program.

## **Conclusions for Areas Receiving Limited Scope Reviews**

Based on limited scope reviews, the bank's performance under the lending test in the Fairbanks MSA and the Bethel, Denali, Haines, Juneau, Kenai, Kodiak, Sitka and Valdez-Cordova nonmetropolitan AAs is not inconsistent with the bank's overall Outstanding rating. Refer to Tables 1 through 11 of Appendix D for the facts and data that support these conclusions.

# INVESTMENT TEST

## Conclusions for Areas Receiving Full Scope Reviews

The bank's performance under the investment test is rated Outstanding. Based on full scope reviews, the bank's performance in the Anchorage AA is excellent. Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

FNBA's performance under the Investment Test is rated Outstanding with total prior period and current investments and donations in FNBA's AAs, and within the bank's trade area in the state of Alaska, totaling \$62 million and representing over 15% of the bank's Tier One capital. The bank's performance in the Anchorage AA is good based on the number and dollar volume of investments relative to available opportunities, community needs, and positive impact in the AA.

During the evaluation period, the bank made one qualifying investment, plus numerous grants and donations in the Anchorage AA, totaling over \$23.4 million. In addition to current period investments, the bank had \$9.7 million in investments on the books that were made during prior CRA evaluation periods. Total current and prior period investments and donations represented 8.19% of Tier One capital.

In addition to investments in the Anchorage AA, the bank made significant investments in areas that benefit residents throughout the state of Alaska. Because the bank sought to identify AAs that were of a reasonable size given the physical locations of their branches, there are huge sparsely populated geographical areas that are not part of the bank's AA, but nevertheless are served by the bank. Since investments in these areas directly impact their customers, we have included them in the investments for evaluation. The bank made 142 investments and numerous grants and donations totaling \$11 million in the areas outside of the AAs, but within the State of Alaska. The bank also had \$7.5 million in prior period investments on the books that, in addition to the current period investments and donations, represented 4.5% of Tier One capital.

FNBA's current period investment exhibits good responsiveness to the credit and CD needs of the AA. In the Anchorage AA, the bank invested \$23 million in a large utility to help refinance existing debt and fund a new joint, more efficient, combined-cycle power plant that will include up to 250 construction jobs to municipal residents, including those residing in moderate-income tracts adjacent to the infill property development. The power plant is intended to provide base-load generation for years to come, as well as offer a significant portion of savings to the cooperative and its ratepayers.

## Conclusions for Area Receiving Limited Scope Reviews

Based on limited scope reviews, the bank's performance under the investment test in the Fairbanks MSA and the Bethel, Denali, Haines, Juneau, Kenai, Kodiak, Sitka and Valdez-Cordova non-metropolitan AAs is not inconsistent with the bank's overall Outstanding rating. Refer to Table 14 of Appendix D for the facts and data that support this conclusion.

# **SERVICE TEST**

## **Conclusions for Areas Receiving Full Scope Reviews**

FNBA's performance under the Service Test is rated Outstanding. Based on a full scope review, the bank's performance in the Anchorage AA is excellent.

## **Retail Banking Services**

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

FNBA's branches are readily accessible to geographies and individuals throughout the Anchorage AA. FNBA's distribution of branches in low- and moderate-income CTs exceeds the percentage of the population living in both low- and moderate-income tracts, thus providing convenient accessibility to most residents in those tracts. No branches were opened or closed in the Anchorage AA during the evaluation period. Lobby hours are reasonable, and there are no significant differences in hours or services for branches in low- and moderate-income geographies compared to those in middle- and upper-income geographies. The bank's business hours are structured to accommodate customers' needs. Seven of the twelve Anchorage branches have Saturday hours (15 total branches throughout the state offer Saturday hours), and rural branches accommodate clients by appointment, traveling to hub areas for service as needed.

FNBA provides bilingual services at several offices and via phone. These languages include Arabic, American Sign Language, Chinese (Mandarin), Czech, French, German, Greek, Hindi, Hmong, Italian, Japanese, Korean, Laotian, Portuguese, Russian, Samoan, Spanish, Tagalog, Thai, Tamil, Ukrainian, and Vietnamese. The bank advertises in some communities in one form or another of these languages to address specific community needs.

## **Alternative Delivery Systems**

Providing banking services throughout the state of Alaska offers unique challenges for banks in the state. Populations are spread out over vast areas that encompass many towns and villages. FNBA has made strides to serve these areas by providing Bank by Mail service, BusinessLink, Direct Deposit services, Bank on Line, and an extensive ATM network. In addition, many of FNBA's staff fly or boat to villages to provide services, particularly in the Bethel area. Every effort is made to accommodate clients who are in hub cities infrequently, including extended hours by appointment, if necessary. It is not unusual for bank managers to use boats, planes and snowmobiles to meet with clients in the greater Alaska service area. In the past, the bank has provided pre-paid envelopes with the intent of easing access to banking services for rural Alaskans. However, during the examination period, it came to management's attention that the majority of these pre-paid envelopes were being used within Anchorage, and thus were not truly serving the rural Alaskans for whom they were intended. Because of this, management decided to stop providing this service. The bank has found this has had minimal impact on rural Alaskans, as they have begun offering Remote Deposit Capture (RDC) as an alternative.

The bank provides 32 ATM locations for use throughout the state of Alaska. Twenty-nine of these ATMs provide expanded services. These ATMs allow FNBA cardholders to make the following transactions: process payment transfers on loan and credit card accounts and transfer funds between deposit accounts. For both FNBA cardholders and non-FNBA cardholders, they will process withdrawals from deposit accounts, provide cash advances, and provide balance information on deposit accounts. For non-FNBA cardholders, expanded service ATMs will allow transfers between deposit accounts if the cardholder provider allows this service. In addition, the bank provides two special service ATMs located at the AAFES Elmendorf Air Force Base. These special service ATMs accept payments by transfer for FNBA cardholders. For FNBA cardholders and non-cardholders, these ATMs process withdrawals from deposit accounts, cash advances, transfers between deposit accounts, and provide balance information on deposit accounts.

Because the towns and villages outside of the Anchorage MSA serve as hubs for a widely dispersed population, the branches and ATMs in the middle- and even upper-income CTs are considered accessible to the population. Because of the concentration of income in the villages and towns, the only areas suitable for a branch and ATM location may be the middle- or upper-income census tracts.

The incomes of customers using these alternative delivery systems are not tracked; therefore we could not place significant weight on the alternative delivery systems when drawing conclusions about the Service Test.

## **Community Development Services**

FNBA offers a very high level of services that are specific to a majority of people and organizations within the Anchorage AA. They have focused their CD services on building the capacity and infrastructure necessary to support economic development and affordable housing throughout its AAs and the state as a whole.

FNBA completed 855 hours of CD services throughout the Anchorage AA. The following are some of the organizations FNBA provided CD services to:

- Anchorage Neighborhood Housing Services, a program designed to assist low- and moderate-income homebuyers find funds, and prepare for the process of applying for, and maintaining the home they intend to purchase.
- AASC Housing Inc., a housing program designed for low-income individuals experiencing disabilities.

The bank also contributes many service hours to various organizations that benefit the rest of the state. The financial or technical services directly related to qualifying organizations that met identified community credit needs totaled 2,198 hours over the evaluation period.

## **Conclusions for Areas Receiving Limited Scope Reviews**

Based on limited scope reviews, the bank's performance under the service test in the Fairbanks MSA and the Bethel, Denali, Haines, Juneau, Kenai, Kodiak, Sitka and Valdez-

Cordova nonmetropolitan AAs is not inconsistent with the bank's overall Outstanding rating. Refer to Table 15 in Appendix D for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full scope”) and those that received a less comprehensive review (designated by the term “limited scope”).

<b>Time Period Reviewed</b>	<b>Lending Test (excludes CD Loans): (01/01/07 to 12/31/09)</b> <b>Investment and Service Tests and CD Loans: (01/01/08 to 12/31/10)</b>	
<b>Financial Institution</b>		<b>Products Reviewed</b>
First National Bank Alaska (FNBA) Anchorage, Alaska		HMDA, Small Loans to Businesses and Farms, Community Development Loans, Services and Investments
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	None	None
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Anchorage MSA	Full Scope	
Bethel	Limited Scope	
Denali		
Fairbanks		
Haines		
Juneau		
Kenai		
Kodiak		
Sitka		
Valdez Cordova		

## Appendix B: Summary of State Ratings

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RATINGS		First National Bank Alaska		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
First National Bank Alaska	Outstanding	Outstanding	Outstanding	Outstanding

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

## Appendix C: Market Profiles for Full-Scope Areas

### Anchorage MSA

Demographic Information for Full Scope Area: FNBA Anchorage						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	65	1.54%	24.62%	52.31%	21.54%	0.00%
Population by Geography	312,570	1.09%	21.27%	54.73%	22.91%	0.00%
Owner-Occupied Housing by Geography	70,861	0.41%	11.58%	58.54%	29.47%	0.00%
Businesses by Geography	27,023	1.95%	24.71%	51.97%	21.37%	0.00%
Farms by Geography	442	0.45%	15.61%	59.05%	24.89%	0.00%
Family Distribution by Income Level	78,245	19.38%	17.65%	24.19%	38.77%	0.00%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	28,979	1.57%	31.51%	55.51%	11.41%	0.00%
Median Family Income HUD Adjusted Median Family Income for Anchorage Households Below the Poverty Level	= \$62,173 = \$83,600 = 7.00%				Median Housing Value = \$138,111 Unemployment Rate = 3.70%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census and 2010 HUD updated MFI.

The bank has defined its Anchorage AA as essentially all of the Municipality of Anchorage and the Matanuska-Susitna Borough comprising of 65 CTs. The AA complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas.

Anchorage is located in south-central Alaska, nestled between the Chugach Mountains to the east, and the shoreline of the Cook Inlet to the west. The town was originally settled in 1915 at the mouth of Ship Creek to support railroad construction. More than half of Alaska's population resides in the adjoining south-central areas encompassed by the Municipality of Anchorage (020) and the Matanuska Susitna Borough (170). Their population centers are physically separated by two military bases (Elmendorf Air Force Base and Fort Richardson Army Base) and the flats of the Matanuska and Knik Rivers.

Anchorage is a diverse, vibrant community located in an area of the state that boasts unparalleled beauty. It has grown steadily to become the business, cultural, and distribution center of Alaska. As the state's largest city, Anchorage serves as the "hub" for communication, transportation, healthcare, finance, and trade industries that serve the vital needs of the private and public sector. The educated workforce of the city combines with Anchorage's infrastructure to make the city an ideal place to do business. With a population of 286,174 (2009), Anchorage is the 66<sup>th</sup> largest city in the nation.

The Anchorage AA is the largest AA that the bank serves. As demonstrated by the data in the tables in Appendix D, this AA contains a significant concentration of the bank's facilities, and it generates a high percentage of the bank's loans and deposits. The financial services sector is highly competitive, with local and national financial service providers active in the market. Aggregate reported loan data for 2009 in the Anchorage AA showed that 171 lenders made HMDA loans. Aggregate reported loan data for 2009 in the Anchorage AA showed that 37 lenders made small business loans. As of June 30, 2010, four FDIC insured institutions held a total of \$4.8 billion in deposits, with FNBA ranking second.

The challenge now facing the community is meeting future demands for housing, commercial development, public open space, and public facilities with a dwindling land supply and limited public funds. The future development of Anchorage will increasingly depend on the more efficient use of existing infrastructure, remaining vacant land, and underdeveloped land. This is especially important as the supply of developable land is rapidly diminishing in the Anchorage Bowl (does not include Eagle River, Chugiak, or Alyeska/Girdwood).

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this Performance Evaluation.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

## Tables of Performance Data

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### State of Alaska

Institution ID: FNBA

Table 1. Lending Volume

LENDING VOLUME		Geography: FNB ALASKA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009						
Assessment Area (2010):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
FNBA Anchorage	54.51	1,722	389,294	1,788	330,978	6	900	20	59,580	3,516	721,172	63.15
<b>Limited Review:</b>												
FNBA Bethel	0.84	30	6,248	24	1,983	0	0	0	0	54	8,231	2.09
FNBA Denali	1.21	19	3,447	59	8,690	0	0	0	0	78	12,137	0.25
FNBA Fairbanks	14.17	199	36,591	715	104,765	0	0	2	45,000	914	141,356	6.76
FNBA Haines	1.24	35	5,659	42	4,184	3	25	1	1,368	80	9,868	2.06
FNBA Juneau	2.05	74	16,723	57	10,791	1	40	1	5,120	132	27,554	6.03
FNBA Kenai Peninsula	19.77	647	113,609	605	78,945	23	2,004	0	0	1,275	194,558	11.68
FNBA Kodiak Island	1.98	43	9,766	71	9,799	14	2,321	0	0	128	21,886	2.87
FNBA Sitka	0.96	41	11,588	19	3,260	2	284	6	1,650	62	15,132	1.50
FNBA Valdez-Cordova	3.27	80	14,198	107	13,216	24	1,516	0	0	211	28,930	3.61

\* Loan Data as of December 31, 2009. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2010 to December 31, 2010.

\*\*\* Deposit Data as of January 25, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: FNB ALASKA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
FNBA Anchorage	668	58.70	0.41	0.45	11.58	12.13	58.54	64.37	29.47	23.05	2.44	2.22	3.30	2.22	2.66	
<b>Limited Review:</b>																
FNBA Bethel	22	1.93	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	26.67	0.00	0.00	26.67	0.00	
FNBA Denali	10	0.88	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	45.45	0.00	0.00	0.00	45.45	
FNBA Fairbanks	72	6.33	0.00	0.00	2.86	0.00	67.77	68.06	29.37	31.94	1.71	0.00	0.00	2.07	0.97	
FNBA Haines	18	1.58	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	64.29	0.00	0.00	64.29	0.00	
FNBA Juneau	27	2.37	0.00	0.00	0.00	0.00	27.92	40.74	72.08	59.26	0.59	0.00	0.00	0.65	0.56	
FNBA Kenai Peninsula	238	20.91	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	9.50	0.00	0.00	9.50	0.00	
FNBA Kodiak Island	20	1.76	0.00	0.00	0.00	0.00	28.03	15.00	71.97	85.00	4.40	0.00	0.00	2.63	4.96	
FNBA Sitka	10	0.88	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	5.41	0.00	0.00	5.41	0.00	
FNBA Valdez-Cordova	53	4.66	0.00	0.00	34.23	28.30	0.00	0.00	65.77	71.70	27.59	0.00	42.86	0.00	26.25	

\* Based on 2009 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: FNBA

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: FNB ALASKA						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009							
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FNBA Anchorage	233	50.87	0.41	0.00	11.58	9.44	58.54	63.09	29.47	27.47	16.35	0.00	18.18	16.61	15.38
<b>Limited Review:</b>															
FNBA Bethel	4	0.87	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	33.33	0.00	0.00	33.33	0.00
FNBA Denali	4	0.87	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	50.00	0.00	0.00	0.00	50.00
FNBA Fairbanks	29	6.33	0.00	0.00	2.86	3.45	67.77	58.62	29.37	37.93	5.26	0.00	50.00	4.48	5.48
FNBA Haines	5	1.09	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Juneau	10	2.18	0.00	0.00	0.00	0.00	27.92	50.00	72.08	50.00	2.33	0.00	0.00	9.09	0.00
FNBA Kenai Peninsula	150	32.75	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	45.63	0.00	0.00	45.63	0.00
FNBA Kodiak Island	9	1.97	0.00	0.00	0.00	0.00	28.03	55.56	71.97	44.44	66.67	0.00	0.00	100.00	57.14
FNBA Sitka	10	2.18	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	16.67	0.00	0.00	16.67	0.00
FNBA Valdez-Cordova	4	0.87	0.00	0.00	34.23	25.00	0.00	0.00	65.77	75.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2009 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: FNB ALASKA		Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*							
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp			
<b>Full Review:</b>																		
FNBA Anchorage	775	63.63	0.41	0.26	11.58	9.42	58.54	54.97	29.47	35.35	3.35	1.79	3.84	3.18	3.53			
<b>Limited Review:</b>																		
FNBA Bethel	4	0.33	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	2.94	0.00	0.00	2.94	0.00			
FNBA Denali	5	0.41	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	22.22	0.00	0.00	0.00	22.22			
FNBA Fairbanks	84	6.90	0.00	0.00	2.86	3.57	67.77	58.33	29.37	38.10	2.58	0.00	4.44	2.18	3.17			
FNBA Haines	12	0.99	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	22.22	0.00	0.00	22.22	0.00			
FNBA Juneau	36	2.96	0.00	0.00	0.00	0.00	27.92	33.33	72.08	66.67	2.30	0.00	0.00	2.89	2.11			
FNBA Kenai Peninsula	251	20.61	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	8.46	0.00	0.00	8.46	0.00			
FNBA Kodiak Island	13	1.07	0.00	0.00	0.00	0.00	28.03	38.46	71.97	61.54	7.28	0.00	0.00	16.13	5.00			
FNBA Sitka	19	1.56	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	5.59	0.00	0.00	5.59	0.00			
FNBA Valdez-Cordova	19	1.56	0.00	0.00	34.23	10.53	0.00	0.00	65.77	89.47	15.79	0.00	12.50	0.00	16.46			

\* Based on 2009 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: FNB ALASKA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
FNBA Anchorage	46	60.53	5.61	6.52	44.56	47.83	43.34	45.65	6.49	0.00	62.50	100.00	50.00	66.67	0.00	
<b>Limited Review:</b>																
FNBA Bethel	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FNBA Denali	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
FNBA Fairbanks	14	18.42	0.00	0.00	13.33	28.57	72.84	42.86	13.83	28.57	30.00	0.00	50.00	20.00	33.33	
FNBA Haines	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FNBA Juneau	1	1.32	0.00	0.00	0.00	0.00	20.04	0.00	79.96	100.00	0.00	0.00	0.00	0.00	0.00	
FNBA Kenai Peninsula	8	10.53	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	
FNBA Kodiak Island	1	1.32	0.00	0.00	0.00	0.00	46.22	100.00	53.78	0.00	100.00	0.00	0.00	100.00	0.00	
FNBA Sitka	2	2.63	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FNBA Valdez-Cordova	4	5.26	0.00	0.00	12.29	50.00	0.00	0.00	87.71	50.00	100.00	0.00	0.00	0.00	100.00	

\* Based on 2009 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

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**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES																
Geography: FNB ALASKA																
Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009																
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid
<b>Full Review:</b>																
FNBA Anchorage	1,788	51.28	1.99	3.24	25.83	24.61	51.71	57.05	20.48	15.10	5.18	11.56	6.04	6.18	3.14	
<b>Limited Review:</b>																
FNBA Bethel	24	0.69	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	4.65	0.00	2.86	10.20	0.00	
FNBA Denali	59	1.69	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	35.06	0.00	0.00	0.00	50.94	
FNBA Fairbanks	715	20.50	0.00	0.00	5.07	7.83	72.25	73.29	22.67	18.88	9.79	0.00	19.23	9.92	9.20	
FNBA Haines	42	1.20	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	22.41	0.00	0.00	28.26	0.00	
FNBA Juneau	57	1.63	0.00	0.00	0.00	0.00	29.56	45.61	70.44	54.39	2.08	0.00	0.00	3.39	1.97	
FNBA Kenai Peninsula	605	17.35	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	6.57	0.00	0.00	8.85	0.00	
FNBA Kodiak Island	71	2.04	0.00	0.00	0.00	0.00	46.54	53.52	53.46	46.48	6.85	0.00	0.00	9.20	9.03	
FNBA Sitka	19	0.54	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	1.67	0.00	0.00	2.03	0.00	
FNBA Valdez-Cordova	107	3.07	0.00	0.00	31.38	32.71	0.00	0.00	68.62	67.29	7.54	0.00	7.69	0.00	15.32	

\* Based on 2009 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2009).

Institution ID: FNBA

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: FNB ALASKA															
Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009															
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FNBA Anchorage	6	8.22	0.42	0.00	16.31	16.67	57.84	16.67	25.42	66.67	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
FNBA Bethel	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Denali	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Fairbanks	0	0.00	0.00	0.00	1.90	0.00	66.67	0.00	31.43	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Haines	3	4.11	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	20.00	0.00	0.00	20.00	0.00
FNBA Juneau	1	1.37	0.00	0.00	0.00	0.00	25.45	0.00	74.55	100.00	0.00	0.00	0.00	0.00	0.00
FNBA Kenai Peninsula	23	31.51	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	7.59	0.00	0.00	14.63	0.00
FNBA Kodiak Island	14	19.18	0.00	0.00	0.00	0.00	37.50	21.43	62.50	78.57	6.67	0.00	0.00	13.33	10.34
FNBA Sitka	2	2.74	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	4.35	0.00	0.00	5.00	0.00
FNBA Valdez-Cordova	24	32.88	0.00	0.00	14.29	0.00	0.00	0.00	85.71	100.00	19.44	0.00	0.00	0.00	43.75

\* Based on 2009 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2009).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: FNB ALASKA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009					Market Share <sup>*</sup>				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>1</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>						
<b>Full Review:</b>																
FNBA Anchorage	668	58.70	19.38	9.97	17.65	21.81	24.19	23.21	38.77	45.02	2.59	2.17	1.68	1.83	4.08	
<b>Limited Review:</b>																
FNBA Bethel	22	1.93	21.99	5.56	15.58	16.67	16.02	16.67	46.41	61.11	28.57	0.00	33.33	12.50	35.71	
FNBA Denali	10	0.88	14.54	0.00	12.78	0.00	17.62	42.86	55.07	57.14	40.00	0.00	0.00	60.00	25.00	
FNBA Fairbanks	72	6.33	16.30	4.41	15.32	22.06	23.17	32.35	45.22	41.18	1.70	0.00	1.96	1.69	1.77	
FNBA Haines	18	1.58	27.12	11.76	17.10	11.76	22.96	35.29	32.82	41.18	75.00	100.00	100.00	100.00	62.50	
FNBA Juneau	27	2.37	11.74	3.70	12.94	22.22	20.22	44.44	55.11	29.63	0.66	0.00	0.00	1.97	0.00	
FNBA Kenai Peninsula	238	20.91	21.22	7.21	17.29	21.62	22.76	26.58	38.74	44.59	9.25	3.13	5.35	10.24	12.96	
FNBA Kodiak Island	20	1.76	14.84	0.00	14.10	15.00	20.28	40.00	50.78	45.00	5.22	0.00	5.26	3.77	6.67	
FNBA Sitka	10	0.88	12.65	0.00	15.86	0.00	24.41	30.00	47.08	70.00	6.25	0.00	0.00	11.11	5.88	
FNBA Valdez-Cordova	53	4.66	18.57	3.85	16.01	15.38	19.97	25.00	45.44	55.77	29.27	0.00	28.57	18.52	36.59	

<sup>\*</sup> Based on 2009 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 4.8% of loans originated and purchased by bank.

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: FNB ALASKA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009					Market Share <sup>*</sup>				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>2</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>						
<b>Full Review:</b>																
FNBA Anchorage	233	50.87	19.38	8.41	17.65	22.90	24.19	28.97	38.77	39.72	15.34	13.33	13.79	13.50	17.57	
<b>Limited Review:</b>																
FNBA Bethel	4	0.87	21.99	0.00	15.58	25.00	16.02	0.00	46.41	75.00	33.33	0.00	0.00	0.00	50.00	
FNBA Denali	4	0.87	14.54	25.00	12.78	0.00	17.62	0.00	55.07	75.00	50.00	0.00	0.00	0.00	100.00	
FNBA Fairbanks	29	6.33	16.30	3.57	15.32	21.43	23.17	28.57	45.22	46.43	5.26	0.00	10.20	7.69	2.11	
FNBA Haines	5	1.09	27.12	40.00	17.10	0.00	22.96	40.00	32.82	20.00	0.00	0.00	0.00	0.00	0.00	
FNBA Juneau	10	2.18	11.74	0.00	12.94	10.00	20.22	50.00	55.11	40.00	2.33	0.00	0.00	7.69	0.00	
FNBA Kenai Peninsula	150	32.75	21.22	9.93	17.29	20.57	22.76	31.91	38.74	37.59	46.46	63.64	25.00	52.78	42.50	
FNBA Kodiak Island	9	1.97	14.84	0.00	14.10	0.00	20.28	42.86	50.78	57.14	62.50	0.00	0.00	66.67	60.00	
FNBA Sitka	10	2.18	12.65	0.00	15.86	11.11	24.41	11.11	47.08	77.78	18.18	0.00	0.00	0.00	50.00	
FNBA Valdez-Cordova	4	0.87	18.57	0.00	16.01	50.00	19.97	0.00	45.44	50.00	0.00	0.00	0.00	0.00	0.00	

<sup>\*</sup> Based on 2009 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 7.0% of loans originated and purchased by bank.

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: FNB ALASKA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>3</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
<b>Full Review:</b>															
FNBA Anchorage	775	63.63	19.38	4.58	17.65	18.06	24.19	27.08	38.77	50.28	4.12	3.29	4.22	3.57	4.50
<b>Limited Review:</b>															
FNBA Bethel	4	0.33	21.99	0.00	15.58	33.33	16.02	33.33	46.41	33.33	3.85	0.00	0.00	9.09	0.00
FNBA Denali	5	0.41	14.54	0.00	12.78	75.00	17.62	0.00	55.07	25.00	22.22	0.00	66.67	0.00	0.00
FNBA Fairbanks	84	6.90	16.30	6.25	15.32	7.50	23.17	15.00	45.22	71.25	3.10	1.35	1.35	1.73	4.64
FNBA Haines	12	0.99	27.12	8.33	17.10	16.67	22.96	16.67	32.82	58.33	28.57	0.00	0.00	16.67	71.43
FNBA Juneau	36	2.96	11.74	2.78	12.94	13.89	20.22	25.00	55.11	58.33	2.88	0.00	4.00	2.90	2.77
FNBA Kenai Peninsula	251	20.61	21.22	8.75	17.29	17.92	22.76	29.17	38.74	44.17	9.53	12.50	6.77	9.86	10.13
FNBA Kodiak Island	13	1.07	14.84	0.00	14.10	0.00	20.28	20.00	50.78	80.00	7.09	0.00	0.00	4.26	10.61
FNBA Sitka	19	1.56	12.65	0.00	15.86	18.75	24.41	37.50	47.08	43.75	5.81	0.00	3.57	7.89	5.95
FNBA Valdez-Cordova	19	1.56	18.57	0.00	16.01	5.56	19.97	27.78	45.44	66.67	19.44	0.00	0.00	16.67	23.26

\* Based on 2009 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 6.5% of loans originated and purchased by bank.

<sup>3</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: FNB ALASKA			Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FNBA Anchorage	1,788	51.28	70.77	44.69	52.68	24.94	22.37	5.18	6.53
<b>Limited Review:</b>									
FNBA Bethel	24	0.69	42.17	87.50	70.83	29.17	0.00	4.65	9.09
FNBA Denali	59	1.69	49.82	40.68	64.41	20.34	15.25	35.06	25.93
FNBA Fairbanks	715	20.50	69.17	41.26	60.42	22.10	17.48	9.79	10.80
FNBA Haines	42	1.20	67.45	69.05	64.29	33.33	2.38	22.41	34.78
FNBA Juneau	57	1.63	66.68	38.60	45.61	26.32	28.07	2.08	1.67
FNBA Kenai Peninsula	605	17.35	67.22	57.19	62.15	23.14	14.71	6.57	7.73
FNBA Kodiak Island	71	2.04	69.75	63.38	52.11	28.17	19.72	6.85	7.86
FNBA Sitka	19	0.54	65.79	57.89	57.89	15.79	26.32	1.67	1.41
FNBA Valdez-Cordova	107	3.07	58.64	67.29	58.88	33.64	7.48	7.54	9.34

<sup>\*</sup> Based on 2009 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2009).

<sup>\*\*\*\*</sup> Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 1.09% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: FNB ALASKA			Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FNBA Anchorage	6	8.22	95.97	100.00	50.00	33.33	16.67	0.00	0.00
<b>Limited Review:</b>									
FNBA Bethel	0	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Denali	0	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Fairbanks	0	0.00	98.10	0.00	0.00	0.00	0.00	0.00	0.00
FNBA Haines	3	4.11	91.67	100.00	100.00	0.00	0.00	20.00	20.00
FNBA Juneau	1	1.37	92.73	100.00	100.00	0.00	0.00	0.00	0.00
FNBA Kenai Peninsula	23	31.51	92.52	86.96	73.91	17.39	8.70	7.59	6.94
FNBA Kodiak Island	14	19.18	81.25	71.43	42.86	28.57	28.57	6.67	4.84
FNBA Sitka	2	2.74	100.00	100.00	50.00	0.00	50.00	4.35	4.55
FNBA Valdez-Cordova	24	32.88	92.86	87.50	83.33	16.67	0.00	19.44	20.00

\* Based on 2009 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2009).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Institution ID: FNBA

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: FNB ALASKA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
FNBA Anchorage	2	9,703	198	23,463	200	33,166	0.00	0	0
<b>Limited Review:</b>									
FNBA Bethel	0	0	9	5,002	9	5,002	0.00	0	0
FNBA Denali	0	0	0	0	0	0	0.00	0	0
FNBA Fairbanks	0	0	42	845	42	845	0.00	0	0
FNBA Haines	1	1,061	1	700	2	1,761	0.00	0	0
FNBA Juneau	0	0	20	128	20	128	0.00	0	0
FNBA Kenai Peninsula	0	0	37	2,940	37	2,940	0.00	0	0
FNBA Kodiak Island	0	0	1	1	1	1	0.00	0	0
FNBA Sitka	0	0	8	7	8	7	0.00	0	0
FNBA Valdez-Cordova	0	0	9	8	9	8	0.00	0	0
Statewide - Alaska	16	7,461	142	10,670	158	18,131	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS DECEMBER 31, 2009								Geography: FNB ALASKA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FNBA Anchorage	63.15	12	40.00	8.33	50.00	41.67	0.00	0	0	0	0	0	0	1.09	21.27	54.73	22.91
<b>Limited Review:</b>																	
FNBA Bethel	2.09	1	3.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00
FNBA Denali	0.25	1	3.33	0.00	0.00	0.00	100.00	1	0	0	0	0	1	0.00	0.00	0.00	100.00
FNBA Fairbanks	6.76	3	10.00	0.00	0.00	66.67	33.33	0	0	0	0	0	0	0.00	6.23	67.22	26.55
FNBA Haines	2.06	1	3.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00
FNBA Juneau	6.03	3	10.00	0.00	0.00	33.33	66.67	0	0	0	0	0	0	0.00	0.00	32.10	67.90
FNBA Kenai Peninsula	11.68	4	13.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00
FNBA Kodiak Island	2.87	1	3.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	34.25	65.75
FNBA Sitka	1.50	1	3.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00
FNBA Valdez-Cordova	3.61	3	10.00	0.00	33.33	0.00	66.67	0	0	0	0	0	0	0.00	31.69	0.00	68.31

Institution ID: FNBA

**Distribution of Branch and ATM Delivery System**

Distribution of Branch and ATM Delivery System				Geography: FNB ALASKA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2009									
MA/Assessment Area:	Deposits	Branches						ATMs						Population			
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FNBA Anchorage	63.15	12	40.00	8	50	42	0	14	43.75	1	7	6	0	1.09	21.27	54.73	22.91
<b>Limited Review:</b>																	
FNBA Bethel	2.09	1	3.33	0	0	100	0	0	0.00	0	0	0	0	0.00	0.00	100.00	0.00
FNBA Denali	0.25	1	3.33	0	0	0	100	1	3.12	0	0	0	1	0.00	0.00	0.00	100.00
FNBA Fairbanks	6.76	3	10.00	0	0	67	33	4	12.50	0	0	2	2	0.00	6.23	67.22	26.55
FNBA Haines	2.06	1	3.33	0	0	100	0	1	3.12	0	0	1	0	0.00	0.00	100.00	0.00
FNBA Juneau	6.03	3	10.00	0	0	33	67	3	9.38	0	0	1	2	0.00	0.00	32.10	67.90
FNBA Kenai Peninsula	11.68	4	13.33	0	0	100	0	4	12.50	0	0	4	0	0.00	0.00	100.00	0.00
FNBA Kodiak Island	2.87	1	3.33	0	0	100	0	1	3.12	0	0	1	0	0.00	0.00	34.25	65.75
FNBA Sitka	1.50	1	3.33	0	0	100	0	1	3.12	0	0	1	0	0.00	0.00	100.00	0.00
FNBA Valdez-Cordova	3.61	3	10.00	0	33	0	67	3	9.38	0	1	0	2	0.00	31.69	0.00	68.31

**Institution ID: FNBA**

**FNBA Anchorage**

Demographic Information for Full Scope Area: FNBA Anchorage						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	65	1.54	24.62	52.31	21.54	0.00
Population by Geography	312,570	1.09	21.27	54.73	22.91	0.00
Owner-Occupied Housing by Geography	70,861	0.41	11.58	58.54	29.47	0.00
Business by Geography	31,915	1.99	25.83	51.71	20.48	0.00
Farms by Geography	472	0.42	16.31	57.84	25.42	0.00
Family Distribution by Income Level	78,245	19.38	17.65	24.19	38.77	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	28,979	1.57	31.51	55.51	11.41	0.00
Median Family Income		62,173	Median Housing Value		138,111	
HUD Adjusted Median Family Income for 2010		83,600	Unemployment Rate (2000 US		3.70%	
Households Below Poverty Level		7%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

**Institution ID: FNBA**

**FNBA Valdez-Cordova**

Demographic Information for Limited Scope Area: FNBA Valdez-Cordova						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	3	0.00	33.33	0.00	66.67	0.00
Population by Geography	10,195	0.00	31.69	0.00	68.31	0.00
Owner-Occupied Housing by Geography	2,635	0.00	34.23	0.00	65.77	0.00
Business by Geography	1,482	0.00	31.38	0.00	68.62	0.00
Farms by Geography	42	0.00	14.29	0.00	85.71	0.00
Family Distribution by Income Level	2,579	18.57	16.01	19.97	45.44	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	892	0.00	48.32	0.00	51.68	0.00
Median Family Income		54,256	Median Housing Value		117,491	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US Census)		4.65%	
Households Below Poverty Level		10%				

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

Institution ID: FNBA

**FNBA Sitka**

Demographic Information for Limited Scope Area: FNBA Sitka						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2	0.00	0.00	100.00	0.00	0.00
Population by Geography	8,835	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	1,905	0.00	0.00	100.00	0.00	0.00
Business by Geography	1,292	0.00	0.00	100.00	0.00	0.00
Farms by Geography	35	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	2,245	12.65	15.86	24.41	47.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	640	0.00	0.00	100.00	0.00	0.00
Median Family Income		54,256	Median Housing Value		179,704	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US		4.15%	
Households Below Poverty Level		8%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

Institution ID: FNBA

**FNBA Kodiak Island**

Demographic Information for Limited Scope Area: FNBA Kodiak Island						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	3	0.00	0.00	66.67	33.33	0.00
Population by Geography	10,017	0.00	0.00	34.25	65.75	0.00
Owner-Occupied Housing by Geography	1,859	0.00	0.00	28.03	71.97	0.00
Business by Geography	853	0.00	0.00	46.54	53.46	0.00
Farms by Geography	32	0.00	0.00	37.50	62.50	0.00
Family Distribution by Income Level	2,298	14.84	14.10	20.28	50.78	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	665	0.00	0.00	32.78	67.22	0.00
Median Family Income		54,256	Median Housing Value		160,272	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US		2.42%	
Households Below Poverty Level		5%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

Institution ID: FNBA

**FNBA Kenai Peninsula**

Demographic Information for Limited Scope Area: FNBA Kenai Peninsula						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	12	0.00	0.00	100.00	0.00	0.00
Population by Geography	49,454	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	13,518	0.00	0.00	100.00	0.00	0.00
Business by Geography	6,452	0.00	0.00	100.00	0.00	0.00
Farms by Geography	147	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	12,686	21.22	17.29	22.76	38.74	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	4,885	0.00	0.00	100.00	0.00	0.00
Median Family Income		54,256	Median Housing Value		114,667	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US Census)		5.27%	
Households Below Poverty Level		9%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2010 HUD updated MFI

**Institution ID: FNBA**

**FNBA Juneau**

Demographic Information for Limited Scope Area: FNBA Juneau						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	6	0.00	0.00	33.33	66.67	0.00
Population by Geography	30,711	0.00	0.00	32.10	67.90	0.00
Owner-Occupied Housing by Geography	7,363	0.00	0.00	27.92	72.08	0.00
Business by Geography	3,745	0.00	0.00	29.56	70.44	0.00
Farms by Geography	55	0.00	0.00	25.45	74.55	0.00
Family Distribution by Income Level	7,754	11.74	12.94	20.22	55.11	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,913	0.00	0.00	43.34	56.66	0.00
Median Family Income		54,256	Median Housing Value		182,505	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US		3.04%	
Households Below Poverty Level		5%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

**Institution ID: FNBA**

**FNBA Haines**

Demographic Information for Limited Scope Area: FNBA Haines						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1	0.00	0.00	100.00	0.00	0.00
Population by Geography	2,392	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	691	0.00	0.00	100.00	0.00	0.00
Business by Geography	384	0.00	0.00	100.00	0.00	0.00
Farms by Geography	12	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	649	27.12	17.10	22.96	32.82	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	287	0.00	0.00	100.00	0.00	0.00
Median Family Income		54,256	Median Housing Value		122,900	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US		6.56%	
Households Below Poverty Level		9%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

**Institution ID: FNBA**

**FNBA Fairbanks**

Demographic Information for Limited Scope Area: FNBA Fairbanks						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	16	0.00	6.25	68.75	25.00	0.00
Population by Geography	68,931	0.00	6.23	67.22	26.55	0.00
Owner-Occupied Housing by Geography	15,686	0.00	2.86	67.77	29.37	0.00
Business by Geography	8,455	0.00	5.07	72.25	22.67	0.00
Farms by Geography	105	0.00	1.90	66.67	31.43	0.00
Family Distribution by Income Level	17,163	16.30	15.32	23.17	45.22	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	5,426	0.00	11.26	69.57	19.17	0.00
Median Family Income	56,433	Median Housing Value		126,975		
HUD Adjusted Median Family Income for 2010	76,800	Unemployment Rate (2000 US Census)		4.75%		
Households Below Poverty Level	8%					

(\* The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

Institution ID: FNBA

**FNBA Denali**

Demographic Information for Limited Scope Area: FNBA Denali						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1	0.00	0.00	0.00	100.00	0.00
Population by Geography	1,893	0.00	0.00	0.00	100.00	0.00
Owner-Occupied Housing by Geography	508	0.00	0.00	0.00	100.00	0.00
Business by Geography	273	0.00	0.00	0.00	100.00	0.00
Farms by Geography	4	0.00	0.00	0.00	100.00	0.00
Family Distribution by Income Level	454	14.54	12.78	17.62	55.07	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	124	0.00	0.00	0.00	100.00	0.00
Median Family Income		54,256	Median Housing Value		108,300	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US		5.81%	
Households Below Poverty Level		7%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

Institution ID: FNBA)

**FNBA Bethel**

Demographic Information for Limited Scope Area: FNBA Bethel						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1	0.00	0.00	100.00	0.00	0.00
Population by Geography	5,471	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	752	0.00	0.00	100.00	0.00	0.00
Business by Geography	645	0.00	0.00	100.00	0.00	0.00
Farms by Geography	2	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	1,155	21.99	15.58	16.02	46.41	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	434	0.00	0.00	100.00	0.00	0.00
Median Family Income		54,256	Median Housing Value		142,200	
HUD Adjusted Median Family Income for 2010		71,900	Unemployment Rate (2000 US		4.39%	
Households Below Poverty Level		11%	Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI