



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

January 27, 2003

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First National Bank in Ord
Charter Number 13557**

**1411 M Street
Ord, Nebraska 68862**

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

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

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

- The bank had a satisfactory record of lending to farms of different sizes.

The distribution of agricultural borrowers reflected reasonable penetration among farms of different sizes. Based on 20 borrowers sampled, the bank's distribution of loans to farms with different revenues was comparable to demographic information on farms located in the Assessment Area (AA). Demographic information was obtained from the U.S. Census Bureau's 1997 Census of Agriculture. Our sample revealed that the bank did a particularly good job of lending to farms with less than \$100,000 in revenue.

- The bank originated a substantial majority of its loans in the AA. For agricultural loans sampled, the bank originated 90% by number and 97% by dollar amount within its AA.
- The bank's average loan-to-deposit ratio since the last examination was reasonable.

The bank's average loan-to-deposit ratio over the past 18 quarters meets the standards for satisfactory performance. The bank's average ratio of 65% was comparable to the ratio of the only other community bank chartered in the AA. This competing bank's ratio was 66% over the same time period.

- The bank has a reasonable record of lending to borrowers in the moderate-income Block Numbering Area (BNA) in the bank's AA.

Based on a sample of 20 agricultural borrowers, the bank made 20% of the loans to borrowers located in the moderate-income BNA. This is comparable to AA demographics, which show that 22% of the AA's farms are located in the moderate-income BNA.

- The bank did not receive any complaints about its performance in helping to meet AA credit needs during the evaluation period.
- An analysis of the 2000, 2001, and 2002 public comments and consumer complaint information was performed according to the OCC's risk-based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted with the Community Reinvestment Act (CRA) evaluation this year.

DESCRIPTION OF INSTITUTION

First National Bank in Ord (FNB) is a \$73MM institution located in central Nebraska. The bank's primary loan product was agricultural loans. FNB received a "Satisfactory" rating at the last CRA examination dated May 11, 1998. There were no legal or financial factors that impede the bank's ability to help meet the credit needs of the assessment area. Refer to the bank's CRA Public File for more information.

DESCRIPTION OF FNB'S ASSESSMENT AREA

The bank's AA encompassed all of Valley and Garfield Counties and the northeast portion of Custer County in Nebraska. It is composed of three middle-income BNAs and one moderate-income BNA. Refer to the bank's CRA Public File for more information.