



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

April 13, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Ogden
Charter Number 5304

East and Broadway
Ogden, IL 61859-0000

Office of the Comptroller of the Currency

CENTRAL ILLINOIS & CENTRAL IND
3001 Research Road Suite E2
Champaign, IL 61822-0000

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 primary factors supporting the bank's rating include:

- The bank's loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area (AA) credit needs.
- A majority of loans, by both number and dollar amount, are originated to borrowers inside the bank's AA.
- The distribution of loans reflects reasonable penetration among businesses and farms of different sizes, given the demographics of the AA.

SCOPE OF EXAMINATION

We evaluated the bank under the small bank performance standards. Using bank generated reports of all loan originations for the period January 1, 2007 through March 31, 2009, we determined the bank's primary credit products by dollar and number to be business loans and agricultural loans. For this analysis, we used a sample of twenty business loans and twenty farm loans. We also used deposit information, reported annually to the Federal Deposit Insurance Corporation, to determine the bank's market share and market presence in the AA. The most recent deposit information available is as of June 30, 2008. There is no affiliate activity considered in this evaluation.

DESCRIPTION OF INSTITUTION

The First National Bank of Ogden (FNBO) is an \$80 million intrastate financial institution located in Ogden, Illinois. Ogden is an agricultural community/village of approximately 700, located 15 miles east of Champaign/Urbana, in East Central Champaign County. This institution is owned by Longview Capital Corporation, a five-bank holding company with total assets of \$317 million as of March 31, 2009. Longview Capital Corporation is headquartered in Newman, IL. The bank has an operating subsidiary, Midwest AgriCredit Company, which does not negatively impact the bank's ability to meet the credit needs of the community.

The bank is a full service banking institution that operates two full service branches in St. Joseph and Royal, IL. FNBO has not opened or closed any branches since the previous CRA examination. Automated teller machines (ATMs) are available at the branch and a convenience store in St. Joseph, IL and at a convenience store in Ogden, IL. Bank customers have access to nine additional surcharge-free ATMs that are owned by other banks owned by the holding company.

The bank offers a full range of retail and commercial banking products and services normally associated with a community bank. Gross loans total \$56 million on December 31, 2008, representing sixty-nine percent (69%) of total assets and seventy-six percent (76%) of deposits. The following represents the bank's loan and lease portfolio mix as of December 31, 2008:

sixteen percent (16%) commercial loans, fifty-six percent (56%) real estate loans, twenty-three percent (23%) agricultural loans, two percent (2%) consumer loans, and three percent (3%) other loans. Tier 1 capital is \$5.7 million as of December 31, 2008. The bank’s business strategy during the evaluation period has been to provide excellent financial services to their rural communities.

Other loan products that the bank utilizes to serve the community include the Farm Service Administration (FSA) guaranteed loans and the Small Business Administration (SBA) loans. The bank currently has one SBA loan and six FSA loans.

The bank’s legal and financial circumstances do not impede its ability to meet the credit needs of the assessment area. The bank received a Satisfactory rating on its last CRA performance evaluation dated January 5, 2004.

DESCRIPTION OF ASSESSMENT AREA

The bank’s assessment area (AA) consists of two census tracts (#107 and #108) in Champaign County, which is part of the Champaign-Urbana Metropolitan Statistical Area (MSA #1400). Additionally, the AA includes one census tract (#108) in western Vermilion County. This census tract does not substantially extend beyond the Champaign-Urbana MSA. All three census tracts are middle-income and are contiguous. The bank's AA does not include the entire MSA due to the large size of the MSA and the bank's location on the eastern border. This AA is legal, meets the requirements of the regulation, and does not arbitrarily exclude any low- or moderate-income geography.

The following demographic information is based on 2000 census data:

Population:	14,557
Population by Geography: <i>Low-, moderate-, middle-, upper-income tract</i>	0%, 0%, 100%, 0%
Housing Stock: <i>1-4 family housing units</i>	99%
Occupancy: <i>Owner-occupied, renter-occupied, vacant</i>	80%, 16%, 4%
Home Values: <i>Median home value</i>	\$84,650
Age of Homes: <i>Median year of homes built</i>	1965
Income: <i>Updated median family income for 2008</i>	\$57,533
Family Income Levels: <i>Low-, moderate-, middle-, upper-income</i>	11%, 18%, 28%, 43%
Income: <i>Weighted Average median household income</i>	\$48,309
Household Income Levels: <i>Low-, moderate-, middle-, upper-income</i>	13%, 13%, 20%, 54%
	2008 Business Data
Farms:	230
Farms: <i>Percent of small farms in the assessment area</i>	99%
Farms: <i>Percent not reporting revenue figures</i>	0%
Farms by Geography: <i>Low-, moderate-, middle-, upper-income tract</i>	0%, 0%, 100%, 0%
Businesses:	828
Businesses: <i>Percent of small businesses in the assessment area</i>	63%
Businesses: <i>Percent not reporting revenue figures</i>	35%
Businesses by Geography: <i>Low-, moderate-, middle-, upper-income tract</i>	0%, 0%, 100%, 0%

The local economy is driven by agriculture; however, a majority of the residents in the bank's assessment area commute to Rantoul, Champaign-Urbana, or Danville for employment. The major employers in Champaign-Urbana are the University of Illinois, Carle and Provena Hospitals, Champaign-Urbana School Districts, Parkland College, and Kraft Foods. Major employers in Danville include Illiana Health Care (VA Hospital), the State of Illinois Prison, Provena Medical Center, Walgreens National Accounting Office, and McLane Trucking (distribution center for convenience stores). Other major employers in the assessment area include the St. Joseph-Ogden School District, Ogden Metal Works, and Toshware (parts manufacturer for Harley Davidson).

The local economy is stable, but beginning to show some signs of weakness with the closing of a local hog processing plant (Meadowbrook Farm Co-op), as well as some smaller local businesses in surrounding communities. Additionally, budget concerns, layoffs, and salary reductions are being noted among some of the areas top employers. Housing values remain stable, but the housing market has entered a state of near stagnation, with sales at a minimal level. The December 2008 unemployment rate for the Champaign MSA was 6.1% compared to the state and national rates of 7.4% and 7.2% respectively.

The bank faces strong competition from thirty-six other financial institutions in the AA, including some significantly larger regional and national institutions. FNBO rates fourteenth with 1.6% of the market share.

During this examination, we made one community contact with a representative of a local municipality. The contact stated that banks are responsive, and the community's credit needs are being met.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's performance under the Lending Test is satisfactory.

Loan-to-Deposit Ratio

The bank's loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's loan-to-deposit ratio averaged sixty-five percent (65%) over twenty-three quarters between September 2003 and December 2008, ranging from a low of fifty-eight percent (58%) to a high of seventy-six percent (76%). This ratio is comparable with the average loan-to-deposit ratio for similarly situated banks in or near the assessment area.

The similarly situated banks include eight banks in the adjacent counties of Champaign and Vermilion with assets between \$57 million and \$186 million. The combined loan-to-deposit ratio for the similarly situated banks was seventy-two percent (72%), ranging from an average of fifty-five percent (55%) to eighty-six percent (86%), for the same time period.

The bank's loan-to-deposit ratio was seventy-six percent (76%) on December 31, 2008. In addition, the bank had 29 residential real estate mortgage loans totaling \$3.7 million originated in 2008 and sold into the secondary market. Taking these loans into consideration, the bank's adjusted loan-to-deposit ratio for December 31, 2008 would be 81%.

Lending in Assessment Area

The bank originated a majority of loans within the AA. Sixty-eight percent (68%) of the number and sixty percent (60%) of the dollar volume of loans were originated to borrowers within the bank's AA.

Lending in AA										
Type of Loan	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Business Loans	15	75%	5	25%	20	\$852	59%	\$599	41%	\$1,451
Agricultural Loans	12	60%	8	40%	20	\$330	64%	\$184	36%	\$514
Totals	27	68%	13	32%	40	\$1,182	60%	\$783	40%	\$1,965

Source: Sample of 20 business loans and 20 farm loans from the AA that were originated between January 1, 2007 and March 31, 2009.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of loans reflects reasonable penetration among businesses and farms of different sizes, given the demographics of the AA.

Small Business Loans

The bank's performance of lending to businesses of different sizes is reasonable. Sixty-five percent (65%) of the number of business loans sampled in the assessment area are made to small businesses. Small businesses are businesses with annual gross revenues of less than one million dollars. Three loans in the sample, or fifteen percent (15%), did not contain financial information. Demographic data for the assessment area shows that sixty-three percent (63%) of the businesses in the assessment area have revenues equal to or less than one million dollars.

Borrower Distribution of Loans to Businesses in the Assessment Area (MSA)				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable	Total
% of AA Businesses*	63%	2%	35%	100%
% of Bank Loans in AA by #	65%	20%	15%	100%
% of Bank Loans in AA by \$	55%	30%	15%	100%

Source: Sample of 20 business loans from the AA that were originated between January 1, 2007 and March 31, 2009, and 2000 U.S. Census data. (Three of the 20 business loans did not have financial data.)

Small Farm Loans

The bank's performance of lending to farms of different sizes is reasonable. Eighty percent (80%) of the number of farm loans sampled in the assessment area are made to small farms. Small farms are farms with annual gross revenues of less than one million dollars. Demographic data for the assessment area shows that ninety-nine percent (99%) of the farms in the assessment area have revenues equal to or less than one million dollars.

Borrower Distribution of Loans to Farms in the Assessment Area (MSA)				
Farm Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable	Total
% of AA Farms*	99%	1%	0%	100%
% of Bank Loans in AA by #	80%	5%	15%	100%
% of Bank Loans in AA by \$	77%	21%	2%	100%

Source: Sample of 20 farm loans from the AA that were originated between January 1, 2007 and March 31, 2009, and 2000 U.S. Census data. (Three of the 20 farm loans did not have financial data.)

Geographic Distribution of Loans

A geographic distribution was not performed, as the assessment area does not include any low- or moderate-income census tracts.

Other Lending and Related Activities

Illini Community Development Corporation (ICDC) – FNBO has a prior period investment in the ICDC that continues to meet the qualified investment test. The bank's investment is \$55,150 or 7%. The ICDC provides funding to/for small businesses in the assessment area.

Midwest AgriCredit Company – The bank and its affiliates formed this operating subsidiary in 2000. Midwest AgriCredit Company is an agricultural finance institution offering both short and intermediate term lending to agricultural producers, providing them with the necessary funding required to meet the high capital demands of today's farming enterprises. Midwest AgriCredit Company also functions as a full-service crop insurance agency licensed in Illinois, Indiana, Iowa, and Michigan. The company's lending activities are primarily performed in the bank's assessment area and include lending for farm operations, machinery, and land. This additional lending arm of the bank provides supplementary sources of funds to meet the credit needs of the bank's assessment area agricultural borrowers by providing access to capital markets for agricultural lending through a borrowing agreement with an AgriBank (FCB - Farm Credit Bank). FNBO's ownership interest in the company is 25% or \$250,000. As of March 31, 2008, the subsidiary had loans to 47 borrowers with outstanding balances totaling \$4.3 million. During this evaluation period, FNBO originated six of those loans totaling approximately \$491 thousand.

The bank's investments provide a benefit to the community, but do not significantly enhance their performance under the Community Reinvestment Act.

Responses to Complaints

The bank has not received any CRA related complaints.

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.