



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

March 29, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**The Bradford National Bank of Greenville
Charter # 9734**

**100 E. College Avenue
Greenville, Illinois 62246**

Office of the Comptroller of the Currency

**Fairview Heights Duty Station
13 Executive Drive - Suite 7
Fairview Heights, Illinois 62208**

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **The Bradford National Bank** prepared by the **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of March 29, 1996. This evaluation is based on information from the last CRA examination dated March 19, 1992 to the current examination dated March 29, 1996. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

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

- The bank's loan to deposit ratio is reasonable with an average ratio of 52% over the past fourteen quarters.
- A majority (80%) of the bank's loans are within its assessment area.
- The bank's level of lending to borrowers of different income levels is reasonable. Thirty percent of all loans extended are to low- and moderate-income individuals.

The following table indicates the performance level of The Bradford National Bank with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	THE BRADFORD NATIONAL BANK OF GREENVILLE PERFORMANCE LEVELS		
	Exceeds Standards for Satisfactory Performance	Meets Standards for Satisfactory Performance	Does not meet Standards for Satisfactory Performance
Loan to Deposit Ratio		X	
Lending in Assessment Area		X	
Lending to Borrowers of Different Incomes and to Businesses of Different Sizes		X	
Geographic Distribution of Loans	Not Rated - Entire assessment area is middle income.		
Response to Complaints	No complaints were received since the prior examination.		

DESCRIPTION OF INSTITUTION

Bradford National Bank, located in Greenville, Illinois, is an independent bank with one branch office and three automated teller machines located in the Greenville area. As of December 31, 1995, the bank's assets totaled \$91 million. The bank's primary business focus is in 1-4 family residential real estate loans and agricultural lending. As of December 31, 1995, loans secured by 1-4 family residential properties totaled 39% of the bank's portfolio and agricultural related loans totaled 35%.

There are no financial or legal impediments to the bank's ability to meet community credit needs. The bank has adequate resources to provide for the credit needs of its assessment area. The type and amount of CRA activities are consistent with the bank's size, financial capacity, and local economic conditions. Bradford National Bank's prior CRA rating was *satisfactory record of meeting community credit needs*.

DESCRIPTION OF BOND COUNTY

Bradford National Bank has designated its assessment area as Bond County. Bond County is a non-Metropolitan Statistical Area (MSA) located approximately fifty miles northeast of St. Louis, Missouri. Bond County consists of four Block Numbering Areas (BNAs). Based on the non-Metropolitan Statistical Area median family income for Illinois in 1989, all four BNAs are middle income. The 1996 non-MSA median family income for Illinois is \$36,000. Major employers in the county are United Stationers, Carlyle Syntech, and the local hospital, college, and minimum security prison. Economic conditions in the immediate Greenville area are prospering as several new businesses have moved into town. However, in Bond County overall, economic conditions are considered somewhat depressed with a January 1996 unemployment rate of 8.5%. This unemployment figure exceeds the state rate of 6.0% and the national rate of 6.3% for the same period.

The population of Bond County as of the 1990 census was 14,991. The median family income was \$29,963. Census information on household incomes aggregated for all BNAs indicated that 1,823 households or 33% were considered in low-, 1,101 or 20% in moderate-, 1,034 or 18% in middle-, and 1,633 or 29% in upper-income levels.

One community contact was performed in conjunction with this examination. The contact, a local public official, and bank management both feel the primary credit needs of the assessment area are residential real estate and agricultural loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA :

Loan to Deposit Ratio:

The bank's loan to deposit ratio is reasonable. The bank's average loan to deposit ratio for the 14 quarters between September 30, 1992, and December 31, 1995, was 52%. This ratio has increased from 50% on September 30, 1992, to 59% on December 31, 1995. The December 31, 1995 loan to deposit ratio among the bank's local competition ranges between 53% and 71%.

Lending in the Assessment Area:

A majority of the bank's loans are within its assessment area. In October 1995, a bank-generated zip code analysis of credit extensions revealed that 75% of the number and 80% of the dollar amount of the credit extensions were located within the bank's assessment area.

Lending to Borrowers of Different Income Levels and to Businesses and Farms of Different Sizes:

The distribution of borrowers reflects a reasonable penetration among individuals of different income levels including low- and moderate-income, and businesses and farms of different sizes.

Because the bank does not typically collect income information, we sampled 20 home purchase and home refinance loans originated in 1995. An analysis of these loans was performed to determine the distribution of credit within the assessment area by borrower income. The breakdown was: 4 loans or 20% to low-, 2 loans or 10% to moderate-, 6 loans or 30% to middle-, and 8 loans or 40% to upper-income individuals. This compares reasonably to the demographic makeup of Bond County.

We sampled 18 business and farm loans originated in 1995 and 1996. All 18 were *small* business loans (less than \$1 million) and *small* farm loans (less than \$500,000). Of the 18 loans reviewed, 16 were extended to businesses and farms with gross annual revenues of \$1 million or less.

Geographic Distribution of Loans:

All BNAs in the bank's assessment area are middle income. Consequently, an analysis of the geographic distribution of loans would not have provided meaningful results.

Compliance with Antidiscrimination Laws:

In conjunction with the CRA evaluation, we performed a review of the bank's compliance with the Equal Credit Opportunity Act and the Fair Housing Act. No substantive violations of these antidiscrimination laws and regulations were identified.