



**SMALL BANK**

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Comptroller of the Currency  
Administrator of National Banks  
Washington, DC 20219

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## **PUBLIC DISCLOSURE**

**July 11, 2005**

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

**The First National Bank of Summerfield  
Charter Number 10971**

**401 Main Street  
Summerfield, KS 66541**

**Comptroller of the Currency  
Kansas City North – Salina Office  
Post Office Box 616  
Salina, Kansas 67402-0616**

**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 lends to individuals of all income levels and businesses of different sizes.
- The bank's average quarterly loan-to-deposit ratio is reasonable at 74 percent given the competition and credit needs of the assessment area.
- The majority of loans are made to borrowers within the assessment area.

## **DESCRIPTION OF INSTITUTION**

The First National Bank of Summerfield (FNB) is a \$7 million community bank. FNB is 94 percent owned by Bancook Corporation, Inc., a multi-bank holding company. The bank is a full-service bank offering a variety of loan and deposit services. The primary loan focus is on agricultural real estate and agricultural production.

This Performance Evaluation is an assessment of the bank's CRA performance from December 1, 1999 through June 30, 2005. FNB received a "Satisfactory" rating at the last CRA examination dated November 29, 1999. There are 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 PAWNEE AND MARSHALL COUNTIES**

FNB has designated the northern one-third of Marshall and all of Pawnee counties as the AA. The AA is composed of two middle-income census tracts. Refer to the CRA Public File for more information. Competition includes several state and nationally chartered banks and savings and loans, and Farm Credit Services. Examiners made one community contact during the examination. The contact identified business, agricultural, residential, and consumer purpose loans as the credit needs in the community. The contact also noted that area banks are meeting those needs.

## **CONCLUSIONS ABOUT PERFORMANCE CRITERIA**

### **Loan-to-Deposit Ratio**

FNB's lending level is reasonable given the bank's size, financial condition, and AA credit needs. The bank's quarterly average loan-to-deposit ratio since December 31, 1999, was 74 percent. This ratio approximates the average ratios for the four similarly situated banks used in our comparison. Ratios for these banks ranged from 62 to 100 percent.

### **Lending in Assessment Area**

FNB originates a majority of the primary loan products within the AA. We selected a sample of 38 loans made during 1999 through June 2005. These included 20 agricultural real estate and 18 agricultural production loans. For all loans originated, the bank originated 58 percent by dollar volume and 71 percent by number within the AA.

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

FNB's overall lending patterns reflect reasonable penetration among businesses of different sizes and among individuals of different income levels. Loan originations demonstrate the bank's focus on loans to small businesses and to consumers.

The bank is active in meeting the agricultural real estate credit needs within the community. We reviewed a sample of 20 agricultural real estate loans originated during the assessment period. Loans in the AA made to agricultural real estate businesses with revenues of less than \$1 million represent 50 percent by number and 38 percent by dollar volume.

The bank actively meets the needs of farmers by providing agricultural production loans. We reviewed 18 agricultural production loans that were originated during the assessment period. These loans represent 61 percent by number and 80 percent by dollar volume.

### **Geographic Distribution of Loans**

An analysis of the geographic distribution of loans is not applicable because there are no low- and moderate-income geographies in FNB's AA.

### **Responses to Complaints**

FNB has not received any consumer complaints regarding its CRA performance during the evaluation period.

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

We found no evidence of illegal discrimination or other illegal credit practices.