




SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

October 15, 2002 

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**AmFirst Bank, N. A.
Charter Number 8031**

**602 West B Street
McCook, NE 69001**

**Comptroller of the Currency
Omaha South Field Office
13710 FNB Parkway, Suite 110
Omaha, NE 68154-5298**

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.

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INSTITUTION'S CRA RATING

This institution is rated Satisfactory.

A satisfactory rating is appropriate given the bank's demonstrated ability to meet the credit needs of the community including loans to low- and moderate-income individuals and small farms and businesses. Specifically:

- The bank's loan-to-deposit ratio is good given area competition and credit needs of the community.

The bank's quarterly loan-to-deposit ratio since the previous Community Reinvestment Act (CRA) examination is 88 percent. The loan-to-deposit ratio of similarly situated banks over the same time period ranged between 29 percent and 92 percent. Similarly situated banks are those banks of similar business lines, operating within the same geography.

- The majority of loans by number and dollar volume are originated within the bank's assessment area (AA).

Of the 20 agricultural loans sampled, 91 percent by dollar volume and 95 percent by number were originated within the AA.

Of the 31 residential real estate loans sampled, 100 percent of the loans were originated within the AA.

Of the 20 commercial loans sampled, 77 percent by dollar volume and 85 percent by number were originated within the AA.

- The bank's pattern of lending to low- and moderate-income individuals meets or exceeds area demographics.

The distribution of agricultural borrowers reflects good penetration among farms of different sizes. Based on a sample of 20 loans, the bank's distribution of loans to farms of different revenues in the AA was substantially similar to the demographic information obtained from the U.S. Census Bureau's 2000 Census information.

The distribution of residential real estate loans to borrowers of different income levels is reasonable. An analysis of 31 loans originated between January 1, 2001 and June 30, 2002 shows the bank's pattern of lending closely reflects area demographics based on the U.S. Census Bureau's 2000 Census information.

The distribution of commercial real estate loans originated in the Denver area shows fair performance in lending to businesses of different sizes. Of the 17 loans originated, 53 percent by dollar volume and 47 percent by number were originated to small businesses.

- The geographic distribution of loans within the Denver Metropolitan Statistical Area (MSA) is reasonable.

Of the 17 loans originated in Denver, 19 percent by dollar volume and 24 percent by number were originated within moderate-income census tracts.

An analysis of the geographic distribution of loans within the Nebraska AA was not applicable, as the AA did not have any low- or moderate-income geographies.

- An analysis of the 2000 and 2001 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 CRA evaluation this year. The latest comprehensive fair lending exam was performed in 1997.
- The bank appropriately responded to complaints regarding the closing of a branch within the Nebraska AA. Affected customers continue to have access to banking services through internet banking, bank-by-mail, telephone banking, and a branch office located in relatively close proximity to the previous bank location.

AmFirst Bank, N. A. is committed to serving the communities in which it operates and demonstrates satisfactory lending performance.

DESCRIPTION OF INSTITUTION

AmFirst Bank, N. A. is a \$105 million institution located in southwest Nebraska and Denver, Colorado. The bank is wholly owned by AmFirst Financial Company, a multi-bank holding company located in McCook, Nebraska. The holding company also owns one state chartered bank located in Benkelman, Nebraska. The banks account for substantially all of the holding company's assets.

The bank operates three full service facilities. The main bank is located in McCook, Nebraska. One branch is located in Hayes Center, Nebraska. The other facility is located in southeast Denver, Colorado. The bank also operates three ATMs in McCook and one in Denver. The ATM at the McCook drive-up facility accepts deposits.

The bank's primary loan products by dollar volume are agricultural (33%) and residential real estate (16%) in Nebraska and commercial real estate (10%) in Colorado. Net loans represent 80 percent of the bank's total assets. There are no legal or financial impediments to the bank's ability to meet the credit needs of the assessment areas.

AmFirst Bank, N. A. received a "Satisfactory" rating at the last CRA examination dated December 2, 1997.

Refer to the bank's CRA Public File for more information.

DESCRIPTION OF NEBRASKA AND COLORADO ASSESSMENT AREAS

Management has designated two AAs. The first AA is comprised of seven counties in southwest Nebraska, four counties in northwest Kansas, and two counties in western Colorado. All of the counties are contiguous. Each of the block numbering areas within the AA is deemed middle-income.

The Department of Housing and Urban Development (HUD) 2001 updated non-MSA median-family incomes for Nebraska, Kansas, and Colorado are \$45,000, \$43,200, and \$43,700, respectively. Based on 1990 US Census data there are 16,835 families residing within the AA of which 41 percent are deemed low- and moderate-income. Income designations are determined based on annual income as a percentage of the non-MSA median-family income.

The second AA is the entire Denver MSA. The Denver MSA is comprised of 498 census tracts, of which 143, or 29%, are deemed to be low- or moderate-income geographies. The HUD 2001 updated Denver MSA median family income is \$64,400.

The AAs meet the requirements of the regulation and do not arbitrarily exclude low- or moderate-income geographies.

Refer to the bank's CRA Public File for more information.