



**LARGE BANK**

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

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## **Public Disclosure**

February 27, 2004

# **Community Reinvestment Act Performance Evaluation**

**Montgomery First National Bank  
Charter Number: 15302**

**One First National Plaza  
Sikeston, MO 63801**

**Office of the Comptroller of the Currency**

**St. Louis Field Office  
2350 Market Street, Suite 100  
St. Louis, MO 63103**

**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, and should not 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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## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated Satisfactory.

The following table indicates the performance level of **Montgomery First National Bank (MFNB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

\* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Overall, the geographic distribution of home mortgage loans was adequate. However, the distribution of small business and small farm loans by borrower income was excellent.
- Particularly noteworthy is MFNB’s excellent volume of community development loans.
- MFNB held an adequate dollar volume of community development investments.
- Based on its branch locations, MFNB’s retail banking products and services are readily available to assessment area residents, particularly low- and moderate-income (LMI) residents.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Block Numbering Area (BNA):** A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home Mortgage Loans:** Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

## Description of Institution

Montgomery First National Bank (MFNB) is headquartered in Sikeston, Missouri and is owned by Montgomery Bancorporation, a one-bank holding company. MFNB is an intrastate bank with 12 branch banking facilities located in southeast Missouri and the St. Louis Metropolitan Area.

The bank provides its customers with a full range of banking products and services. The bank's lending focus is on small businesses and consumer lending. As of December 31, 2002, MFNB reported total assets of \$584 million and its loan-to-deposit ratio was 118%. The bank's Tier I capital totaled \$44 million and net loans were 82% of total assets. The loan portfolio is comprised of real estate secured loans (65%), commercial loans (25%), loans to individuals (4%), agricultural loans (2%), and other loans (3%). There are no legal, financial or other factors impeding the bank's ability to help meet credit needs in its assessment area (AA).

MFNB has designated two AAs. The Sikeston AA includes all of Cape Girardeau, Mississippi, New Madrid, Pemiscot, Scott, and Stoddard Counties, which are all located in the southeast corner of Missouri. The St. Louis AA includes 116 census tracts (CTs) located in the City of St. Louis, Missouri and southwest portions of St. Louis County.

MFNB's was rated "Outstanding" at its most recent CRA examination dated September 29, 1999.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

In evaluating the bank's lending performance, we reviewed home mortgage loans, small business loans, and small farm loans. The evaluation period for the lending test included loans originated from January 1, 2000 through December 31, 2002. Loan products evaluated include loans to consumers, small loans to businesses, small loans to farms and community development loans.

The evaluation period for the investment test and service test included investments, bank products and banking services originated from January 1, 2000 through December 31, 2003.

### Data Integrity

This evaluation is based on accurate data. We sampled HMDA and CRA loan data originated during the evaluation period and found the data accurate. CD Loans, investments, and services were verified to ensure they met the regulatory definition for community development.

### Selection of Areas for Full-Scope Review

The bank has designated two AAs, the Sikeston AA and the St. Louis AA. MFNB obtains 60% of its deposits and generates the substantial portion of its loan volume in the Sikeston AA. Additionally, MFNB has a much longer history of serving the Sikeston AA. The Sikeston AA received a full-scope review and the St. Louis AA received a limited-scope review.

## **Ratings**

The bank's overall rating is based primarily on the area that received a full-scope review. Performance under the Lending Test receives greater weight than the performance under the Investment Test or Service Test when assigning an overall CRA rating. Under the Lending Test, small business lending was given more weight in the overall conclusion than home mortgage products. MFNB generated relatively fewer small farm loans in comparison to small business and home mortgage loans. As a result, small farm loans received less weight.

## **Other**

We conducted two community contacts with local organizations to better understand the AA's credit, investment, and financial service needs. The organizations provide a wide variety of services to low- and moderate-income residents. Funding for small businesses, support of job training programs, child-care services, and housing targeted for low- and moderate-income families were listed as primary needs. Opportunities for investments include community-sponsored economic development and job creation projects, nonprofit community organizations, and state-sponsored training programs.

## **Fair Lending Review**

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



## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Sikeston AA is good.

#### Lending Activity

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's lending activity.

Overall lending activity reflects a good responsiveness to AA credit needs. The bank's average loan-to-deposit ratio during the evaluation period was 96%. Based on 2002 aggregate HMDA data, MFNB ranked eleventh among all reporting lenders in home purchase lending and fifth in home improvement lending with market shares of 3% and 8%, respectively. In small business lending, MFNB ranked ninth among reporting institutions with a 4.6% market share. As of June 30, 2003, the bank ranked third in deposit market share holding 10% of the AA's insured deposits. Numerous large regional banks and mortgage lenders compete for loan customers within the AA.

Because the bank originated a relatively small number of multifamily loans, these loans were not considered in concluding on the bank's performance under the Lending Test.

#### Distribution of Loans by Income Level of the Geography

##### *Home Mortgage Loans*

Refer to Tables 2, 3, 4 and 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home purchase, home improvement loans, and refinance loans was adequate. The percentage of these loan products in moderate-income BNAs was lower than the percentage of owner-occupied housing units in those BNAs. However, the bank's market share of home purchase and home improvement loans in moderate-income BNAs was greater than its overall market share for these loan products. Also, the percentage of home purchase, home improvement, and refinance loans in middle-income BNAs was near to the demographic comparison.

##### *Small Loans to Businesses*

Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination or purchase of small loans to businesses.

The geographic distribution of small business loans is adequate. The percentage of small business loans in moderate-income BNAs is well below the percentage of small businesses in moderate-income BNAs. However, the percentage of small business loans in middle-income BNAs is near to the percentage of small businesses in middle-income BNAs.

### ***Small Loans to Farms***

Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The geographic distribution of small farm loans is excellent. The percentage of small farm loans in moderate- and middle-income BNAs was near to or exceeded the percentages of small farms located in moderate- and middle-income BNAs. In addition, MFNB's market share in moderate-income BNAs exceeded its overall market share for small farm loans.

### **Lending Gap Analysis**

We did not identify any unexplained conspicuous gaps in the geographic distribution of MFNB's loans. We reviewed maps and reports detailing the bank's lending activity over the evaluation period to identify and analyze gaps in the geographic loan distribution.

### ***Inside/Outside Ratio***

MFNB originated 77% of its home mortgage loans and 88% of its small business loans within the AA.

### **Distribution of Loans by Income Level of the Borrower**

#### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The bank's distribution of home purchase, home improvement, and home mortgage refinance loans is adequate. The percentage of home mortgage loans to low- and moderate-income borrowers is substantially lower than the demographic comparisons. However, this is mitigated somewhat by performance context issues. Roughly 22% of AA households have annual incomes below the poverty level, making it difficult for them to afford home mortgage loans. Also, MFNB's market share of home purchase and home improvement loans originated to low-income borrowers exceeds the bank's overall market share for these loans.

#### ***Small Loans to Businesses***

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of the bank's loans to small businesses is excellent. The percentage of bank loans to businesses with revenues of less than \$1 million exceeds the percentage of businesses with revenues of less than \$1 million. The bank's market share of loans to

businesses with revenues of less than \$1 million is much greater than its overall market share of small business loans.

### ***Small Loans to Farms***

Refer to Table 12 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of small farm loans is excellent. The percentage of MFNB's loans to farms with revenues of less than \$1 million exceeds the percentage of farms with revenues of less than \$1 million. The bank's market share of loans to farms with revenues of less than \$1 million exceeds its overall market share of small farm loans.

### **Community Development Lending**

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

MFNB demonstrated excellent responsiveness to CD needs and originated six CD loans totaling \$4.1 million. Community development lending had a significant and positive impact on the bank's overall performance under the lending test. These loans were used to rehabilitate housing units for LMI residents living in the AA. The bank's CD lending funded infrastructure improvements to support the expansion of an industrial park that houses new small businesses and an educational and job training facility.

Community contacts indicated MFNB's support of the AA's low-income housing and employment training needs have had a positive impact on the AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in the St. Louis AA is not inconsistent with the bank's overall high satisfactory performance under the lending test.

In the St. Louis AA, the bank's performance is stronger than the bank's overall performance. Refer to Tables 1 through 13 in appendix C for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the investment test is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the Sikeston AA is adequate. Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Qualified investments are investments, deposits, membership shares, or grants that have as their primary purpose "Community Development" as defined in the CRA.

MFNB originated \$221,000 in qualified investments during this evaluation period. Prior period investments held during this evaluation period totaled \$335,000. The investments were used to fund capital improvements to facilities that provide employment training to LMI residents. Community contacts listed employment training for LMI persons as a primary need within the AA. In addition, the bank provided free use of its 29,000 square feet storage facility to a local CD organization that supplies food and other services to LMI residents.

The level of qualified investments is considered adequate based on the opportunities for making CD investments. Opportunities to make CD investments in the AA were limited. We identified only a small number of organizations and/or government projects targeting CD services to LMI residents.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the investment test in the St. Louis AA is not consistent with the bank's overall "Low Satisfactory" performance under the investment test. Refer to Table 14 in appendix C for the facts and data that support these conclusions.

MFNB originated 3 qualified investments totaling \$3,000 within the limited-scope AA. This is considered low given the needs and opportunities within the St. Louis AA. However, performance in the limited-scope AA had a minimal impact on the bank's overall investment test performance.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Sikeston AA is good.

#### **Retail Banking Services**

Refer to Table 15 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

MFNB has an excellent branch distribution, and its retail banking services are readily accessible to all individuals and BNAs in the AA. The bank operates 6 branch offices in the Sikeston AA. The percentage of branch offices located in moderate-income BNAs exceeds the percentage of the AA population in moderate-income BNAs. In addition, 50% of MFNB's branch offices are located in middle-income BNAs. These BNAs contain 64% of the AA's low-income families and 65% of its moderate-income families.

The bank did not open or close any branch offices during the evaluation period. Hours and services at the branch offices are reasonable and do not vary significantly.

#### **Community Development Services**

MFNB's community development service activity was limited to providing financial expertise to community organizations that supply food to LMI residents and financial education to LMI persons.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the St. Louis AA is not inconsistent with the bank's overall "High Satisfactory" rating performance under the Service Test. Refer to Table 15 in appendix C for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 1/1/2000 to 12/31/2002 Investment/Service Tests/CD Loans: 1/1/2000 to 12/31/2002	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Montgomery First National Bank (MFNB), Sikeston, Missouri	Small business loans, residential real estate loans. CD loans, Investments, retail and CD services.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		None
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Sikeston, Missouri AA	Full-Scope	
St. Louis, Missouri AA	Limited-Scope	

## Appendix B: Market Profiles for Full-Scope Areas

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#### Market Profiles for Areas Receiving Full-Scope Reviews

Sikeston AA .....	B-2
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**Sikeston AA**

Demographic Information for Full Scope Area: Sikeston AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	51	0.00	14.00	63.00	23.00	NA
Population by Geography	187,195	0.00	13.60	60.06	26.34	NA
Owner-Occupied Housing by Geography	47,397	0.00	10.99	59.40	29.61	NA
Business by Geography	10,285	0.00	12.82	35.94	51.24	NA
Farms by Geography	1,249	0.00	9.40	42.65	47.95	NA
Family Distribution by Income Level	51,371	22.34	15.50	19.80	42.36	NA
Distribution of Low and Moderate Income Families throughout AA Geographies	19,441	0.00	19.80	64.29	15.91	NA
Median Family Income	\$24,324	Median Housing Value		\$41,354		
HUD Adjusted Median Family Income for 2003	\$40,600	Unemployment Rate (1990 US Census)		3.39%		
Households Below Poverty Level	22.54%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 US Census and 2003 HUD updated MFI

The bank’s AA includes six contiguous counties in the southeastern corner of Missouri. These counties include Cape Girardeau, Mississippi, New Madrid, Pemiscot, Scott, and Stoddard Counties. There are 7 moderate, 32 middle, and 12 upper-income BNAs. This area is commonly referred to as part of Missouri’s “Bootheel” region.” The bank’s AA does not arbitrarily exclude any low- or moderate-income BNAs.

Historically, the local economy has been poor. According to statistics compiled by the Missouri Department of Economic Development, the area’s economy continues to lag well below the state’s economy as a whole.

	Population growth	Poverty rate	Unemployment rate	Per capita income
Sikeston AA	1.4%	20.4%	7.2%	\$20,442
State-wide average	9.1%	11.8%	5.5%	\$28,221

Also, of the 71,142 AA households, 32% receive social security and 12% receive public assistance.



## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

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**Table 1. Lending Volume**

LENDING VOLUME		Geography: MONTGOMERY FNB						Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses**		Small Loans to Farms**		Community Development Loans**		Total Reported Loans**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Sikeston AA	100.00	531	50,230	804	92,691	171	15,823	5	4,100	1,511	162,844	100.00
<b>Limited Review:</b>												
St. Louis AA	100.00	159	29,185	56	8,042	0	0	1	1,205	216	38,432	100.00

\* Loan Data as of January 01, 2003. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is From January 01, 2000 to December 31, 2002.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: MONTGOMERY FNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share (%) by Geography <sup>*</sup>				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>**</sup> *	% BANK Loans	% Owner Occ Units <sup>**</sup> *	% BANK Loans	% Owner Occ Units <sup>**</sup> *	% BANK Loans						
<b>Full Review:</b>																
Sikeston AA	165	85.05	NA	NA	10.99	4.24	59.40	44.85	29.61	50.91	3.02	NA	3.51	3.64	2.45	
<b>Limited Review:</b>																
St Louis AA	29	14.95	1.49	0.00	8.81	10.34	35.25	20.69	54.45	68.97	0.12	0.00	0.14	0.05	0.16	

<sup>\*</sup> Based on 2002 Peer Mortgage Data: Midwest Region.

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: MONTGOMERY FNB					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Sikeston AA	104	94.55	NA	NA	10.99	2.88	59.40	56.73	29.61	40.38	8.29	NA	18.18	10.62	4.30	
<b>Limited Review:</b>																
St Louis AA	6	5.45	1.49	0.00	8.81	16.67	35.25	50.00	54.45	33.33	0.07	0.00	0.00	0.18	0.00	

\* Based on 2002 Peer Mortgage Data: Midwest Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MONTGOMERY FNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Sikeston AA	257	67.45	NA	NA	10.99	2.33	59.40	49.42	29.61	48.25	4.21	NA	1.35	4.75	3.97	
<b>Limited Review:</b>																
St Louis AA	124	32.55	1.49	0.00	8.81	0.00	35.25	16.13	54.45	83.87	0.23	0.00	0.00	0.12	0.29	

\* Based on 2002 Peer Mortgage Data: Midwest Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: MONTGOMERY FNB						Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2003							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Sikeston AA	5	100.00	NA	NA	14.79	0.00	48.82	0.00	36.39	100.00	22.22	NA	0.00	0.00	26.67
<b>Limited Review:</b>															
St Louis AA	0	0.00	3.06	0.00	15.61	0.00	29.66	0.00	51.67	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2002 Peer Mortgage Data: Midwest Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.



**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: MONTGOMERY FNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Sikeston AA	804	93.49	NA	NA	14.66	2.61	50.46	47.89	34.87	49.50	4.86	NA	2.13	4.88	6.37
<b>Limited Review:</b>															
St Louis AA	56	6.51	2.66	0.00	10.15	7.14	35.94	50.00	51.24	42.86	0.12	0.05	0.09	0.15	0.11

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2003).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: MONTGOMERY FNB						Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002							
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Sikeston AA	171	100.00	NA	NA	7.70	7.60	74.42	77.78	17.88	14.62	4.50	NA	6.67	4.26	5.03
<b>Limited Review:</b>															
St Louis AA	0	0.00	1.45	0.00	7.95	0.00	42.65	0.00	47.95	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2003).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MONTGOMERY FNB					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Sikeston AA	165	85.05	22.34	7.33	15.50	8.00	19.80	17.33	42.36	67.33	2.94	3.52	0.87	2.56	4.03	
<b>Limited Review:</b>																
St Louis AA	29	14.95	13.56	7.14	14.93	7.14	22.47	35.71	49.04	50.00	0.05	0.06	0.03	0.03	0.07	

\* Based on 2002 Peer Mortgage Data: Midwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 15.46% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: MONTGOMERY FNB					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Sikeston AA	104	94.55	22.34	9.80	15.50	10.78	19.80	20.59	42.36	58.82	8.13	12.50	5.26	8.77	7.78	
<b>Limited Review:</b>																
St Louis AA	6	5.45	13.56	16.67	14.93	0.00	22.47	50.00	49.04	33.33	0.07	0.00	0.00	0.27	0.00	

\* Based on 2002 Peer Mortgage Data: Midwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 1.82% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: MONTGOMERY FNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Sikeston AA	257	67.45	22.34	4.02	15.50	9.05	19.80	18.09	42.36	68.84	3.52	2.22	3.33	2.62	4.02	
<b>Limited Review:</b>																
St Louis AA	124	32.55	13.56	20.00	14.93	0.00	22.47	0.00	49.04	80.00	0.00	0.00	0.00	0.00	0.01	

\* Based on 2002 Peer Mortgage Data: Midwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 46.46% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES									
				Geography: MONTGOMERY FNB			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$ 1 Million or Less
<b>Full Review:</b>									
Sikeston AA	804	93.49	61.32	78.11	71.02	16.04	12.94	4.86	8.96
<b>Limited Review:</b>									
St Louis AA	56	6.51	62.61	67.86	62.50	16.07	21.43	0.12	0.29

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2003).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MONTGOMERY FNB			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$ 1 Million or Less
<b>Full Review:</b>									
Sikeston AA	171	100.00	93.79	94.74	70.76	18.13	11.11	4.50	5.06
<b>Limited Review:</b>									
St Louis AA	0	0.00	85.78	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2003).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: MONTGOMERY FNB				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Sikeston AA	4	335	16	221	20	556	99.95	0	0
<b>Limited Review:</b>									
St Louis AA	0	0	3	3	3	3	0.05	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.



**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: MONTGOMERY FNB																	
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Sikeston AA	100.00	6	50	NA	16.67	50.00	33.33	0	0	NA	0	0	0	NA	13.60	60.06	26.34
<b>Limited Review:</b>																	
St Louis AA	100.00	6	50	0.00	0.00	83.00	16.67	2	0	0	0	+2	0	3.07	13.60	31.81	51.52