



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

February 20, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Siouxland National Bank
Charter Number 16921
Post Office Box 987
South Sioux City, Nebraska 68776**

**Office of the Comptroller of the Currency
117 Pierce Street, Suite 100
Sioux City, Iowa 51101**

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 **Siouxland National Bank** prepared by **The Comptroller of the Currency**, the institution's supervisory agency, as of February 20, 1997. 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 lending level is reasonable, given the institution's size, financial condition, and assessment area credit needs. A majority of the bank's loans are within its assessment area. Lending levels to borrowers of different income levels is reasonable. The bank does an excellent job of lending to businesses and farms of different sizes. The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.

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

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>Siouxland National Bank</u> 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		X	
Response to Complaints	No complaints were received since prior examination.		

DESCRIPTION OF INSTITUTION

Siouxland National Bank (SNB) is an \$18 million bank located in Dakota County in northeastern Nebraska. Both the main bank and a drive-up branch are located in South Sioux City, Nebraska. SNB is owned by Siouxland National Corporation, a one-bank holding company. There are no legal or financial impediments limiting the bank's ability to help meet community credit needs.

As of December 31, 1996, SNB's loan portfolio comprises 58% of total assets. The bank's primary credit products are agriculture, commercial, residential real estate and consumer. The table below breaks down the loan portfolio by outstanding dollar and number of loans.

	% of outstanding loan dollars	% of outstanding # of loans
Real Estate Loans	34%	26%
Agricultural Loans	33%	22%
Commercial Loans	25%	21%
Consumer Loans	8%	31%

SNB was rated "Satisfactory Record of Meeting Community Credit Needs" at the last CRA examination, February 22, 1994.

DESCRIPTION OF THE BANK'S ASSESSMENT AREA

SNB's assessment area is Dakota County, totaling four census tracts (#101 thru #104). The assessment area meets the requirements of CRA. Individuals can refer to the CRA Public File for a map outlining the bank's assessment area.

The population of the assessment area is 16,742. The median family income is \$29,580, or 75% of the 1996 Nebraska statewide metropolitan median family income of \$39,400. One census tract is moderate income, two are middle income, and one is upper income. Family incomes in the area are: 20% low income; 19% moderate income; 25% middle income; and 36% upper income. The area economy is stable with the main sources of employment provided by agriculture, meat packing, and retail trade.

The primary credit needs of the area include residential real estate, consumer installment, agriculture, and small business loans. We determined this by contacting a local realtor.

Primary competition includes two state banks, one savings and loan, and one credit union within the assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan to Deposit Ratio

SNB's loan-to-deposit ratio is reasonable, given the institution's size, financial condition, and assessment area credit needs. SNB's ratio averaged 56% over the past eleven quarters and was 62% at September 30, 1996. The eleven quarter average of other area bank's ranges from 60% to 71%, with an average of 66%.

Lending In Assessment Area

SNB originates a majority of its loans within the assessment area (AA). The table below shows the findings of our sample:

ASSESSMENT AREA CONCENTRATION

(A sample of 60 out of 1,040 loans originated since March 1994)

	# of Loans	% of total #	\$ of Loans	% of total \$
Inside AA	42	70%	\$1,492,655	80%
Outside AA	18	30%	\$384,361	20%
Totals	60	100%	\$1,877,016	100%

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

SNB has a satisfactory record of lending to borrowers of different income levels. Lending levels, given the demographics of the assessment area, reflect reasonable penetration among individuals of different income levels. The table below demonstrates the bank's breakdown of loans to individuals as compared to the demographics of the assessment area (AA).

LOANS TO INDIVIDUALS OF DIFFERENT INCOME LEVELS

(A sample of 30, out of 570 consumer and real estate loans originated since March 1994)

Income Level	# of loans	% of total #	\$ of loans	% of total \$	AA
Low	3	10%	\$25,660	4%	20%
Moderate	8	27%	\$129,275	19%	19%
Middle	8	27%	\$167,637	24%	25%
Upper	11	36%	\$363,230	53%	36%

Totals	30	100%	\$685,802	100%	100%
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The bank does an excellent job of lending to farms and businesses of different sizes. The table below demonstrates the bank's performance in making farm / business loans to operations of all sizes.

LOANS TO FARMS AND BUSINESSES OF DIFFERENT SIZES

(A sample of 30, out of 470 agricultural and commercial loans originated since March 1994.)

Gross Revenue of Farm / Business	# of Loans	% of total #	\$ of loans	% of total \$
\$0 - \$100,000	17	57%	\$235,950	20%
\$100,001 - \$250,000	5	17%	\$184,695	16%
\$250,001 - \$500,000	6	20%	\$579,972	48%
over \$500,000	2	6%	\$190,597	16%
Totals	30	100%	\$1,191,214	100%

Geographic Distribution of Loans

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. The table below demonstrates the breakdown of loan by location within the assessment area (AA).

GEOGRAPHIC DISTRIBUTION OF LOANS

(A sample of 30, out of 570 consumer and real estate loans originated since March 1994)

Census Tract	# of loans	% of total #	\$ of loans	% of total \$	AA*
#101 (moderate)	3	17%	\$22,567	5%	27%
#103 & #104 (middle)	10	55%	\$150,550	34%	43%
#102 (upper)	5	28%	\$275,647	61%	30%
Totals	18**	100%	\$448,764	100%	100%

* % of the assessment area population in each census tract.

**18 out of the sample of 30 loans are located in the four census tracts.

Response to Complaints

The bank received no written complaints related to CRA performance.