



PUBLIC DISCLOSURE

April 2, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank of Gillette
Charter Number 15158

319 South Gillette Avenue
Gillette, Wyoming 82716

Office of the Comptroller of the Currency

101 Stewart Street, Suite 1010
Seattle, WA 98101

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.

Table of Contents

OVERALL CRA RATING3
DESCRIPTION OF INSTITUTION8
SCOPE OF THE EVALUATION.....9
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW10
CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA.....11
COMMUNITY DEVELOPMENT TEST14
APPENDIX A: SCOPE OF EXAMINATION.....16
APPENDIX B: COMMUNITY PROFILES FOR FULL-SCOPE AREAS.....17

Overall CRA Rating: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

- The loan-to-deposit (LTD) ratio is reasonable given the demographics and credit needs of the bank's assessment area (AA).
- A substantial majority of evaluation period lending activity benefited businesses and families residing inside the bank's AA.
- Evaluation period lending activity reflects reasonable penetration among borrowers of different income levels and excellent penetration among businesses of different sizes.
- Community development (CD) activities demonstrate adequate responsiveness based on the needs and opportunities in the AA.

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.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. CT boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. CTs generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. CTs are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income (LMI) individuals; community services targeted to LMI individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize LMI geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the CD needs of its assessment area(s).

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 CT 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 conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing).

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 five years and used to determine the income level category of geographies.

Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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 metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The MSA comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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 CD.

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) 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.

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 at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Description of Institution

First National Bank of Gillette (FNBG) is a full-service financial institution that is headquartered in Gillette, Wyoming. FNBG operates three branches, all of which are located in Gillette. Each branch offers similar products and services and has similar weekday hours of operation. The branch located at 2400 South Douglas Highway is also open on Saturdays from 8:00 am to 12:00 pm. There were no changes to branch locations during the evaluation period. FNBG also operates five automated teller machines (ATMs), but none of them accept deposits. Four are located in or near bank branches, and one is located inside a local convenience store.

The city of Gillette is located in Campbell County, Wyoming. Campbell County constitutes the Campbell County Assessment Area (AA), which is FNBG's only CRA AA. The AA meets regulatory requirements and does not arbitrarily exclude any LMI areas. Demographic data for the Campbell County AA can be found in Appendix B of this performance evaluation.

As of December 31, 2017, FNBG reported \$552 million in total assets and \$64 million in tier one capital. The bank's primary loan products are home and business loans. Many of the bank's home loans are originated then sold on the secondary market.

FNBG is a subsidiary of First National Bank of Gillette Holding Company, which is also headquartered in Gillette, Wyoming. FNBG is also affiliated with Converse County Bank in Douglas, Wyoming.

FNBG's CRA performance was rated "satisfactory" on May 4, 2015, and there were no legal, financial, or other barriers present during the evaluation period that would impede the bank's ability to meet the credit or CD needs of its AA.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated FNBG using the Intermediate Small Bank (ISB) CRA Examination Procedures due to its asset size. These procedures include a lending test and a CD test.

When completing the lending test, our primary objective was to assess whether FNBG has originated and purchased a reasonable volume of loans that benefited small businesses and LMI families. We also evaluated whether a reasonable percentage of FNBG's lending activity has benefited businesses and families residing inside the bank's AA. The evaluation period for our lending test was May 5, 2015 to December 31, 2017. However, we omitted 2017 mortgage loans from the lending test, as these were considered for credit under the CD test.

We determined the above scope by performing an analysis of FNBG's evaluation period lending activity, which indicated home and business loans are its primary loan products. Please refer to the table below for additional detail.

Evaluation Period Lending Activity by Loan Type		
Loan Type	% of Originations and Purchases by Dollar	% of Originations and Purchases by Number
Home Loans	51%	31%
Business Loans	34%	27%
Consumer Loans	11%	38%
Farm Loans	3%	4%

Source: Bank Records from May 5, 2015 to December 31, 2017

When completing the CD test, our primary objective was to assess whether FNBG has participated in a reasonable volume of qualified CD lending, investment, and service activities that benefited its AA. The evaluation period for our CD test was May 5, 2015 to April 2, 2018.

Data Integrity

We derived all of the information used in our lending test analysis from source documents (e.g., loan files).

Selection of Areas for Full-Scope Review

FNBG has one AA. We conducted a full-scope review of this AA.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Conclusions with Respect to Performance Criteria

LENDING TEST

FNBG's performance under the lending test is rated "Satisfactory."

Loan-to-Deposit Ratio

FNBG's LTD ratio is reasonable given the demographics and credit needs of its AA. When performing this analysis, we considered the level of competition present in the AA relative to the AA's population, our conversation with a community contact regarding area credit needs, and the following quantitative factors.

The bank's average LTD ratio was 24 percent for the 11 quarters ending December 31, 2017, which represents the period from the previous CRA performance evaluation. This ratio does not include the bank's secondary market lending activity or consider its public fund deposits. During the evaluation period, FNBG originated a significant volume of home loans that were subsequently sold on the secondary market. Because these loans are no longer reported on the bank's balance sheet, they are not included in the LTD ratio. Additionally, FNBG holds significant public fund deposits that are not used to fund loans, which negatively impacts the bank's LTD ratio. Controlling for these factors (by using quarterly averages to estimate their impact) increases the bank's December 31, 2017 LTD ratio to 35 percent.

In comparison, the quarterly average LTD ratio for five peer banks operating in FNBG's general market area was 48 percent for same period. Within the peer group, quarterly average LTD ratios ranged from 28 percent to 77 percent.

Lending in Assessment Area

A substantial majority of loans are inside the bank's AA. By number, 93 percent of the loans in our samples benefited businesses and families residing in Campbell County. By dollar, 90 percent of the loans in our samples benefited businesses and families residing in Campbell County.

Table 1 - Lending in the Campbell County AA										
Loan Type	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Loans	19	95.00%	1	5.00%	20	\$3,502	90.39%	\$372	9.61%	\$3,874
Business Loans	18	90.00%	2	10.00%	20	\$1,321	90.10%	\$145	9.90%	\$1,466
Total	37	92.50%	3	7.50%	40	\$4,823	90.32%	\$517	9.68%	\$5,340

Source: Loan Samples

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

The distribution of loans in our samples reflects reasonable penetration among individuals of different income levels and businesses of different sizes. We placed more weight on home lending performance. By number, FNBG originated more home loans than business loans during the evaluation period.

The tables in this section compare FNBG’s evaluation period lending activity to relevant demographic data. For the home loan test, demographic data depicts the income level of families living in Campbell County based on Census data reported. For the business loan test, demographic data depicts the size of businesses operating in Campbell County. Business size was determined based on revenues reported in response to a Dun and Bradstreet (D&B) Survey, published in June 2017. All bank data was derived from our sample of loans to businesses and families residing in Campbell County.

Home Loans

Home lending penetration is reasonable overall. The penetration of lending to low-income borrowers (5 percent) is significantly lower than the demographic comparator (13.2 percent). However, the percentage of loans in our sample benefitting moderate-income families (25 percent) exceeds the demographic comparator (12.4 percent), and helps mitigate performance relative to low-income borrowers. For low-income borrowers, we also considered home affordability in our conclusion.

Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Loans	13.20%	5.00%	12.43%	25.00%	21.11%	25.00%	53.26%	45.00%

Source: US Census data, Loan Sample (2015 through 2016)

Business Loans

Small business lending penetration is excellent. By number, the percentage of loans in our sample that benefited small businesses (90 percent) exceeds the demographic comparator (76 percent). This figure is given more weight in our analysis because large businesses are more likely to originate large loans, which influences ratios that are based on loan size.

Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Business	76.37%	8.01%	15.62%	100.00%
% of Bank Loans in AA by #	90.00%	10.00%	0.00%	100.00%
% of Bank Loans in AA by \$	75.20%	24.80%	0.00%	100.00%

Source: D&B as of June 2017, Loan Sample (2015 through 2017)

Geographic Distribution of Loans

We did not conduct a geographic distribution test because the bank's AA had no LMI CTs during the evaluation period.

Responses to Complaints

The bank did not receive any CRA-related complaints during the evaluation period.

COMMUNITY DEVELOPMENT TEST

FNBG's performance under the CD test demonstrates adequate responsiveness to the CD needs of the Campbell County AA, considering the bank's performance context, as well as the needs and opportunities within the AA.

Number and Amount of Community Development Loans

The bank's CD lending exhibits adequate responsiveness to the CD credit needs of LMI individuals in the bank's AA. As allowed by interagency guidance, the bank elected to present, for CD credit, certain residential mortgage loans. In 2017, the bank originated a total of 169 residential mortgage loans totaling \$33.3 million in this AA. Of the total, we gave CD consideration to 17 loans originated to low-income borrowers, and 27 loans originated to moderate-income borrowers. Loans to LMI borrowers in 2017 totalled \$6.2 million. Ninety-one percent of loans to LMI borrowers in 2017 were for amounts that were below the median home price; the average loan amount for low-income borrowers was \$122 thousand, while the average loan to moderate-income borrowers was \$153 thousand.

Number and Amount of Qualified Investments

FNBG's CD investments (in the form of donations) demonstrate adequate responsiveness to needs within the AA. Management made numerous donations totaling \$128.8 thousand to qualifying CD organizations during the evaluation period. Donations provide needed services to LMI individuals (76.7 percent of the total), and help support economic development in Campbell County (23.3 percent of the total).

Extent to Which the Bank Provides Community Development Services

The bank's level of CD services demonstrates overall adequate responsiveness to the needs within its AA. We evaluated both the bank's retail banking services and CD services.

The distribution of the bank's branches and service delivery systems is adequate and accessible to individuals of different income levels within the AA. In addition to the main banking office, management operates two branches offering various loan and deposit products. The bank also provides twenty-four hour telephone banking, and online banking that includes bill pay services.

The level of CD services demonstrates adequate responsiveness to the community development needs of the AA. Bank employees and members of bank management volunteer at various community development organizations. Together, they provided over two thousand hours of CD services during the evaluation period to qualifying CD organizations. Bank employees and management served in such capacities as board members, Presidents, Vice Presidents and Treasurers of CD organizations as well as

mentors and financial literacy teachers for local students, at-risk youth and youth living in emergency shelter facilities.

Responsiveness to Community Development Needs

Overall, FNBG's CD loans, investments, and services demonstrate adequate responsiveness to the community development needs and opportunities that exist in the AA. FNBG is one of the primary lenders and depository banks in the area, offering loan and deposit products and services that meet the needs of all individuals and geographies in the AA, regardless of income levels. The bank is active in making home loans affordable to low- and moderate-income families, and making donations to help address community needs. Bank employees are active in representing FNBG and providing CD services within the AA, including services targeted to LMI individuals, and activities that facilitate economic development.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan 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”).

Time Period Reviewed	Lending Test: (05/05/2015 to 12/31/2017) Community Development Test: (05/05/2015 to 04/02/2018)	
Financial Institution	Products Reviewed	
First National Bank of Gillette Gillette, Wyoming	Home Loans Business Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Converse County Bank		None
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
<u>Wyoming</u> Campbell County AA	Full-Scope	

Appendix B: Community Profiles for Full-Scope Areas

Campbell County AA

Demographic Information for Full Scope Area: Campbell County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	7	0.00	0.00	42.86	57.14	0.00
Population by Geography	48,013	0.00	0.00	37.99	62.01	0.00
Owner-Occupied Housing by Geography	12,651	0.00	0.00	38.24	61.76	0.00
Business by Geography	2,920	0.00	0.00	47.33	52.67	0.00
Farms by Geography	129	0.00	0.00	46.51	53.49	0.00
Family Distribution by Income Level	12,193	15.03	12.72	21.07	51.19	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	3,383	0.00	0.00	40.76	59.24	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		72,833 74,700 7%	Median Housing Value Unemployment Rate (2015 ACS US Census)		208,428 2.31%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2015 ACS US Census, 2017 FFIEC Updated MFI

The Campbell County AA includes all of Campbell County, Wyoming and has seven CTs. In 2015 and 2016, five CTs were designated as middle-income and two were designated as upper-income. In 2017, three CTs were designated as middle-income and four were designated as upper-income. FNBG operates three branches and five ATMs in this AA. All are located in the city of Gillette, which is in the approximate center of the AA. Campbell County has a population of 48 thousand according to data collected in the 2015 Census. Most of the population is centered in the city of Gillette, which is the county seat.

A March 2018 Moody's Analytics Report indicates that the state of Wyoming is undergoing a sluggish recovery, based on rising industrial production, house price appreciation, and multifamily residential construction in the state. Payrolls have been rising somewhat since early 2017. However, the low unemployment rate reflects a diminished labor force. The state budget is running a deficit, and lawmakers are planning more spending cuts. The state has been experiencing population loss the past couple years, as workers leave for opportunities elsewhere.

Primary industries in Campbell County include mining, oil and natural gas production, and ranching. According to the Campbell County website, "30 percent of the nation's coal is produced in area surface mines." According to Bureau of Labor Statistics calculations, the annual unemployment rate in Campbell County was 4.0 percent in 2015, 7.1 percent in 2016,

and 4.9 percent in 2017. In comparison, the annual average unemployment rate in the state of Wyoming was 4.3 percent in 2015, 5.3 percent in 2016, and 4.2 percent in 2017.

According to the June 30, 2017 FDIC Deposit Market Share Report, ten commercial banks have at least one branch in the Campbell County AA. FNBG has the largest market share with 45 percent of AA deposits. The competitor with the next highest market share is First Interstate Bank, which holds 27 percent of AA deposits.

The 2017 FFIEC Median Family Income Report indicates an adjusted MFI of \$74,700 for the non-MSA portion of Wyoming, which includes Campbell County. Data collected in the 2015 ACS estimates reflects that 15 percent of the families living in Campbell County are low-income, 13 percent are moderate-income, 21 percent are middle-income, and 51 percent are upper-income. Seven percent of all households have income levels that fall below the poverty level.

We conducted one community contact interview for the Campbell County AA in conjunction with this examination. Our contact stated the local economy has been impacted by a downturn in the energy industry. In 2016, approximately 500 area coal miners were laid off in one day. This resulted in vacant homes as some families decided to leave the area. The economy has been recovering over the past six months. The contact indicated that banks that serve Campbell County are generally meeting the credit needs of the population, and that there are limited opportunities to participate in large community development or affordable housing projects given the more rural nature of the county.

According to Realtor.com, the median listing price of homes on the market in Campbell County has been relatively stable over a three year time period, hovering near \$200 thousand, up to around \$230 thousand at the high end. However, a negative trend was noted in 2016, in line with the coal mine layoffs, and median listing prices trended down to a low of approximately \$195 thousand near the end of 2016 and early 2017. While home prices are generally affordable in this AA, some low-income families still struggle to afford homeownership. For example, an affordable payment for a low-income family is up to \$934 per month (based on income at 50 percent of the median); this is based on an industry-standard measure of home affordability, which equates to 30 percent of income as affordable. A standard 30-year mortgage payment based on the median housing value of \$208,428 would be \$1,119 per month, and this assumes no down payment, a five percent interest rate, and excludes real estate taxes, insurance, and other homeowner expenses. This helps generally illustrate the potential expense of home ownership.