



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

July 12, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

American Bank, National Association
Charter Number 22286
234 5th Avenue Southwest
LeMars, Iowa 51031

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 American Bank, National Association, LeMars, Iowa, prepared by The Comptroller of the Currency, the institution's supervisory agency, as of July 12, 1996. 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 overall lending level is reasonable, given the institution's size, financial condition, and credit needs of the assessment area. The majority of the bank's loans are within its assessment area. Management does an excellent job of lending to farms and businesses of different sizes. Management makes consumer loans of various sizes to consumers across all income levels.

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

SMALL INSTITUTION ASSESSMENT CRITERIA	<u>American Bank, N.A.</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	Analysis not meaningful because all BNA's in the bank's assessment area are middle-income.		
Response to Complaints	No CRA complaints were received since the prior exam.		

DESCRIPTION OF INSTITUTION

American Bank's (AB's) financial condition, asset size, and product offerings do not limit its ability to meet the community's credit needs. AB is owned by Ambanc Company Inc., a multi-bank holding company.

AB's main bank is located in LeMars, IA with a branch in Remsen, IA. AB has two automated teller machines (ATM's), one in LeMars and one in Remsen. As of June 30, 1996, AB has \$45 million in total assets. Loans totaling \$27 million represent 60% of total assets on the same date. The bank's primary credit products are agriculture (49% of total loans), consumer (26%), and commercial (21%).

DESCRIPTION OF THE BANK'S ASSESSMENT AREA

AB's assessment area meets the requirements of the CRA regulation. The assessment area consists of six block numbering areas (BNA's), which make-up all of Plymouth County. All six BNA's are middle-income. Individuals can refer to the CRA Public File for a map outlining the bank's assessment area.

The assessment area has a population of 23,328. The HUD 1996 Iowa statewide non-metropolitan median family income is \$37,000. Household incomes within the assessment area are: 20% low-income, 14% moderate, 21% middle, and 45% upper. The Plymouth county economy focuses on service industries, agriculture, retail trade, and manufacturing. Two community contacts with local business people identified agriculture, residential, commercial, and consumer lending as the major community credit needs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan to Deposit Ratio

The bank's overall lending level is good and reflects a reasonable response to community credit needs. The bank's loan-to-deposit ratio of 62% (the average of the last 12 quarters since the prior CRA examination) is reasonable and varied from 57% to 68%. AB's loan-to-deposit has steadily increased over the past 12 quarters. Examiners averaged 5 other local bank's loan-to-deposit ratios and calculated the average at 56%, with a range from 35% to 79%.

Lending In Assessment Area

A majority of all bank loans lie within its assessment area. An internal report prepared by bank management and reviewed by examiners shows 75% of all AB's outstanding loans (by number and dollar volume) are within the bank's assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA
(continued)

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

Management does an excellent job of lending to farms and businesses of different sizes. Examiners randomly sampled 18 farm and 13 business loans. Individual note amounts from the farm/business loan sample are reflected in the following table.

Note Origination Amount	# of notes	%
\$0 - \$100,000	71	86%
\$100,001 - \$250,000	9	11%
\$250,001-\$500,000	1	1%
\$500,001 and over	2	2%

Management makes consumer loans of various sizes to consumers across all income levels. A review of the consumer loan trial balance shows over 75% of the consumer loans have current balances less than \$10,000. During our compliance review, examiners noted numerous loans to low-and moderate-income consumers.

Geographic Distribution of Loans

Examiners did not conduct an analysis of the geographic loan distribution within the assessment area since all BNA's within that area are considered middle income.

Response to Complaints

The bank received no written complaints related to AB's performance under CRA.

Examiners found no substantive violations of the anti-discrimination laws and regulations as a result of the fair lending review.