

NEWS

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Community Banks Unaffected Amid Talk of National Credit Crunch

Washington, D.C. October 10, 2007 — The Independent Community Bankers of America (ICBA), which represents 5,000 community banks nationwide, said today that community banks remain a stable source of mortgage and small business loans even as the national mortgage market is being buffeted by talk of a credit crunch.

“With all the talk in the media about credit woes, the truth is it’s business as usual at most community banks,” commented Fred Postlewait, President and Chief Executive Officer of Oregon Coast Bank, an ICBA member headquartered in Newport, Oregon. “Community banking is built on customer relationships. We’re here to not only help local families and businesses get loans, but to help them get loans they can afford for the long-term. We won’t put a family or a business in a property they can’t afford to keep.”

“Wall Street may be suffering but Main Street’s community banks are in solid shape and open for business,” said Camden Fine, ICBA president and CEO. “Community banks are the foundation of our nation’s diversified financial system. A credit crunch like we’re seeing now is exactly why the nation needs the community banking industry – to ensure that credit remains consistently and widely available in good times and bad.”

Fine added that the community banking business is weathering this latest crisis in the mortgage market because community banks are well run and highly capitalized.

Notably, community banks provide a stable and reliable source of mortgage money, whether they sell mortgage loans into the secondary market or hold them on their own books. ICBA member mortgages have a delinquency rate that is well below the national rate for one-to-four-unit residential properties, an indication of the conservative financial principles community banks hold.

About ICBA

The Independent Community Bankers of America, the nation’s voice for community banks, represents 5,000 community banks of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. For more information, visit www.icba.org.