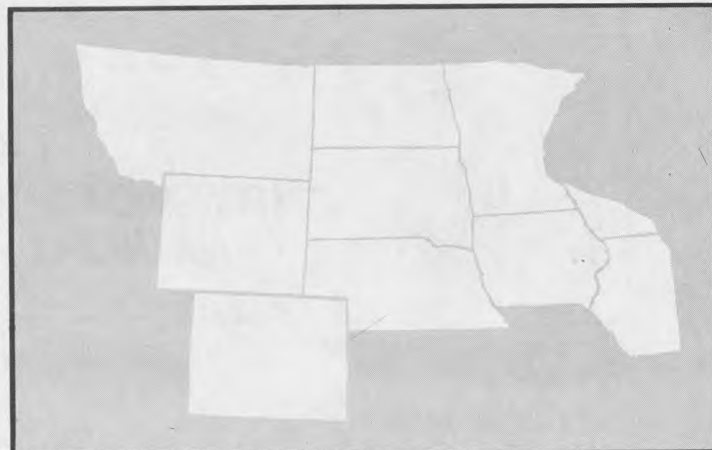


NORTHWESTERN Banker

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View 10 Per Cent Home Mortgage Rate

Unless inflation is checked, home mortgage interest rates could hit 10%, according to Lon Worth Crow, Jr., president of the Mortgage Bankers Association of America.

Mr. Crow sounded his warning following the Federal Reserve's increase in the discount rate from 5.25% to 5.5%. He said it is essential for the home mortgage market that the Fed is able "to convince investors that inflation is not going to be a way of life in this country."

The MBA president also acknowledged that the Fed's action may seem to be "distasteful medicine," but said it's something that "will have to be taken to effect a longer run cure."

Meantime, there continues to be concern in the mortgage market over inflation driving investors away from home loans. And many mortgage men still are convinced that the Federal Housing Administration and the Veterans Administration will have to take prompt action to raise their rates if the FHA and VA programs are to be kept alive.

"The increase of the prime rate banks charge favored customers to 6.75% has compounded the problem faced by FHA and VA," one mortgage industry leader said.

He and other authorities in the home finance field contended that they have never before seen the prime rate at the same level as the FHA rate. There usually has been a 1% higher rate on the long-term government-backed mortgage loans, these authorities noted.

Regardless, it is still considered doubtful that the Johnson Administration will make use of the flexible interest authority Congress granted this year to hike the FHA and VA ceilings before January 20.

The Nixon Administration, however, is expected to move quickly to make the FHA and VA rates more competitive.

Meantime, the new mortgage study commission set up by Congress to study mortgage interest rates is expected to get down to serious business January 6. The establishment of the commission was part of the

statute that gives the executive branch flexibility to adjust FHA and VA rates—authority that extends to next October 1.

The 15-member commission, including 10 members of Congress, must make its report to Congress on the mortgage situation by April 1.

ABA Vice President To Head Houston Bank

Nat S. Rogers, 48, vice president, ABA, has resigned as president and chairman of the \$331 million-deposit Deposit Guaranty National Bank, Jackson, Miss. He will take over February 18 as president of the \$995 million-deposit First-City National Bank, Houston.

New Kansas Commissioner

W. L. Webber, 75, senior vice president, Security National Bank, Kansas City, has been appointed state bank commissioner, effective January 1. He will succeed John A. O'Leary, who resigned to become a Class A director of the Federal Reserve Bank of Kansas City, Mo.

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IOWA NEWS

CLINTON: The Clinton National Bank has filed an application with the Comptroller of Currency for permission to establish a facility at 1442-1446 Lincolnway here.

CORALVILLE: Frank J. Eicher Company, Inc., of Iowa City has purchased controlling interest in the Coralville Bank and Trust Company from Robert H. Isensee of Mason City. The sale is effective January 3. No personnel changes are anticipated.

CRESCO: Funeral services were held Friday, December 27, for Jean A. Thomson, 64, president of the Cresco Union Savings Bank. Mr. Thomson died in Naples, Fla.

He had heart surgery in Houston in October.

JEFFERSON: William H. Brenton has been elected chairman of the board of the Jefferson State Bank, succeeding his father, the late Harold Brenton. Russell G. Holt has been promoted from vice president to executive vice president, and Roger R. Rinderknecht has been named assistant cashier.

NEBRASKA NEWS

BATTLE CREEK: The Battle Creek State Bank recently held an open house for bankers of northeast Nebraska. Approximately 120 bankers attended the event.

FORT CALHOUN: Charter application by the proposed Fort Calhoun Bank has been denied by the State Banking Department.

OMAHA: M. J. Warren, co-chairman of the board of directors of First Mid America Inc., has been elected to the board of directors of the Omaha Chamber of Commerce.

PANAMA: The Bank of Panama recently held open house in its new bank building. Approximately 375 people attended the open house.

MINNESOTA NEWS

BLOOMINGTON: An application has been filed with the State Commerce Department for a proposed



Viking State Bank to be located at 1400 East 78th Street here. Incorporators named in the application are: James H. Sorenson, William B. Brown and Aldrich R. Casey, all of Bloomington; Jack C. Wallace, St. Paul; Milfred R. Johnson, Edina; Lowell W. Bliss, Minneapolis. Proposed capital is \$600,000, consisting of \$200,000 common capital, \$200,000 surplus and \$200,000 undivided profits. No date has been set for hearing on the application.

CLAREMONT: An amendment authorizing an increase in capital stock from \$25,000 to \$85,000 by a stock dividend of \$50,000 and the sale of \$10,000 additional stock has been approved for the Security State Bank of Claremont by the State Department of Commerce.

DULUTH: Russell G. Johnson has been named assistant cashier at the Western National Bank. He has been employed in various departments of the bank for the past 15 years.

LAKE CITY: Edward C. Gohl, director of the Lake City State Bank since 1956, has died unexpectedly at his home following a heart attack. He was 66.

MINNEAPOLIS: The Federal Reserve Board has approved the application of First Bank System, Inc., for a new bank to be known as Plymouth National Bank, located on the North Side here. John M. Warder, assistant to the president of First Bank System, has been named president of the new facility.

NEW LONDON: The State Department of Commerce has authorized an amendment of the Farmers State Bank of New London to increase



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the amount of its capital stock from \$80,000 to \$90,000 by stock dividend.

OWATONNA: Norman L. Wickow, vice president and trust officer at the Security Bank and Trust Company, has been promoted to senior vice president and trust officer. He has served as vice president at the bank since 1951. Joseph Slezak, assistant cashier, has been promoted to assistant vice president, and Allen Fox, assistant cashier, has been elected cashier.

ROCHESTER: Dr. James Priestley, retired senior surgeon at the Mayo Clinic, has been elected to the board of directors of the First National Bank, filling the vacancy created by the death last summer of Dr. Charles Mayo.

ROSEVILLE: Application for the proposed First Mid-America National Bank to be located here has been denied by the Regional Comptroller of the Currency.

ST. PAUL: Three armed bandits took an estimated \$30,000 from the Western State Bank here in a noon holdup on December 17.

TWO HARBORS: An open house was held recently at the First National Bank in honor of Edward J. Nauha, bank president, who has completed nearly 44 years of service with the bank.

SOUTH DAKOTA NEWS

BROOKINGS: Funeral services were held recently for Horace Fishback, Jr., president of the First National Bank, who died in Minneapolis at the age of 74. The First National Bank was founded by Mr. Fishback's father.

GREGORY: Leslie Hertz of Bone-steel has joined the insurance department of the Northwestern National Bank.

PARKER: The Parker State Bank recently held an open house in its new building. Construction of the new building began last spring.

NORTH DAKOTA NEWS

JAMESTOWN: Robert W. Solien has been elected vice president of the Jamestown National Bank. He was most recently serving as vice president at the First National Bank of East Grand Forks. Clifford Herrick, formerly assistant examiner with First Bank System, has been named an operations officer at the bank.

HALLIDAY: An open house recently was held in the new bank building of the Union Bank here.

WAHPETON: Gary L. Puppe has been named agricultural representative at the Citizens First National Bank. He has been employed as assistant Richland County agent since February, 1967.

ILLINOIS NEWS

CHICAGO: The \$1.6 billion deposit Northern Trust Company has become the first Illinois state-chartered bank to take advantage of a new amendment to the state constitution which allows Illinois state banks to branch overseas. Northern Trust has applied to the Federal Reserve Board for permission to open a branch in London.

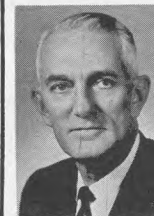
OAK PARK: The following new officers have been elected at the Oak Park National Bank: James M. Glass, vice president and executive trust officer; Ralph M. Johnsen, vice president and trust officer; Calvin C. Foist, vice president; Grace L. Dahl, assistant vice president and trust officer; Paul Bertrand and Frank R. Stone, III, assistant vice presidents.

Independent Bankers Plan For Las Vegas Convention

Registration forms have been mailed to all members of the Independent Bankers Association for the annual convention in Las Vegas on March 17-19. Headquarters will be the Sahara Hotel.

A special chartered flight is being arranged by Angus Cotton, chairman, and K. W. Jackson, president, Lone Rock Bank, Lone Rock, Iowa. The flight will leave Des Moines March 16 and return on March 20. The cost is \$100 per person for a round trip ticket. Hotel reservations should be made through the Independent Bankers Association.

A pre-convention trip is also being arranged by Otto Preus, vice president of the Marquette National Bank in Minneapolis, Minn. The pre-convention tour will leave on March 3 for Old Mexico and will arrive in Las Vegas on March 16. Write to Mr. Preus for further details.



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COLORADO NEWS

DENVER: Lamar Wiggins has been promoted from assistant cashier to assistant vice president at the South Denver National Bank. Mrs. Wandene Acker and Miss Mary Newman have been elected assistant cashiers. Mr. Wiggins has

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been with the bank since 1963. Mrs. Acker joined the bank in 1966 and Miss Newman in 1964.

DENVER: Neil F. Roberts, president of the Denver U. S. National Bank, has been named vice chairman of the board and chief executive officer. John D. Hershner will move up to the bank presidency from executive vice president. Both changes will become effective January 1. Roger D. Knight, Jr., board chairman, will continue in that position, as well as chairman of the executive committee.

DENVER: Harold E. Angelo, senior vice president and trust officer of the Colorado National Bank, has been elected to the bank's board of directors. Thirteen other staff members have been promoted. They are: Van Holt Cozart and E. Bowman McLean, both of the commercial loan department, to vice presidents. Keith R. Ostling, Charles W. Kirk and Frank Perschbacher, assistant vice presidents; Charles A. Schley, from accounting officer to assistant controller; Daniel W. Whalen, Jr., and Alene DeVore, from personal trust officers to trust officers; Harlan W. DeGooyer, from personal trust officer to loan officer for the bank's small business

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administration division. The four other employees elected to officer status are: D. Barry Wyatt, operations officer in the processing division; James W. Vinyard, personal trust officer; Joseph W. Williamson, systems and programming officer; Richard B. Loth, loan officer for the international division.

DENVER: Charles E. Stroh, assistant vice president at the American National Bank, has been promoted to vice president. Jerard L. Selinfreund has been named assistant vice president to head the Master Charge Card department, and Mrs. Katie C. Davidson has been promoted from real estate counselor to mortgage loan officer.

ENGLEWOOD: Four Englewood banks have gone on record opposing the opening of another commercial bank, the proposed Citizens State Bank of Englewood, in the Englewood area. The four banks, three of which appeared at a recent hearing on the new bank's charter application, are the First National Bank of Englewood, Continental National Bank and Key Savings and Loan Association. Filing a written protest, but not taking part in the hearing, was the Republic National Bank. Hearing on the charter application filed in September by a group headed by John C. Murphy and M. O. Shivers, Jr., was recessed on December 20 until January 2.

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