



BANK OF ALPENA

We built our future... Let us build yours

BANK OF ALPENA IS PLEASED TO INTRODUCE THEIR NEWEST ADDITION — FINANCIAL SERVICES OF NORTHERN MICHIGAN

The start of the New Year brings exciting new beginnings and an enhanced financial services package as Bank of Alpena partners with Financial Services of Northern Michigan and Julie Ferguson, Investment Executive of Infinex Investments, Inc.

Financial Services of Northern Michigan, located at Bank of Alpena, offers access to Securities through Infinex Investments, Inc. member NASD/SIPC. Infinex Investments, Inc. is endorsed by the Michigan Bankers Association, and concentrates exclusively on meeting the needs of community banks and their customers.

Julie Ferguson, Investment Executive of Infinex and Chartered Retirement Plans SpecialistSM, brings with her over twelve years of related experience in investment and retirement planning services. While Financial Services of Northern Michigan will offer access to non-deposit, full-service brokerage products such as mutual funds, individual stocks, corporate and municipal bonds, unit investment trusts and treasury securities, Ferguson will work with individuals and business owners as a strategic partner by providing the most up-to-date information on investment and retirement plan options available.



*Julie Ferguson
Investment Executive of
Infinex Investments, Inc.*

"I realize there is no 'one size fits all' solution for a successful investment portfolio. Financial Services of Northern Michigan was created to help meet our customers unique financial goals and objectives, and I am here to provide specific suggestions regarding the selection of an investment product, establish criteria for evaluating performance, and to conduct regular reviews during every phase of your financial journey," says Ferguson.

"Furthermore," Ferguson states, "I compare investing to planting a garden or an orchard. There are many different investments, or 'seeds' out there. Each type of investment/seed could produce a different result. Some seeds may produce immediate results, such as a summer flower or vegetable garden, or some may be planted for the long-term, such as a fruit tree. I see my purpose as Investment Executive to help individuals or business owners identify which seed is most suitable to fit their objective, and to help them plant and nurture it in such a way that it will bear fruit when it is in season. Those who have had experience with gardening know that regular attention, such as watering, weeding and fertilization might help a garden grow. Likewise, regular reviews and fine-tuning of your investment portfolio will keep your portfolio in an environment that is conducive to meeting your individual goals and objectives."

By partnering with Financial Services of Northern Michigan and Julie Ferguson, Bank of Alpena solidifies its commitment to our community to provide outstanding financial services. We encourage you to call Julie Ferguson, Investment Executive of Infinex, for an appointment. She is available to review your current investment portfolio or retirement planning options. Julie can be reached at Financial Services of Northern Michigan, located within Bank of Alpena, by calling (989)358-3437.

Investment and insurance products and services are offered through INFINEX INVESTMENTS, INC. Member NASD/SIPC. In Massachusetts, insurance products are offered through Infinex Insurance Agency of Massachusetts, Inc. Infinex and the bank are not affiliated. Products and services made available through Infinex are not insured by the FDIC or any other agency of the United States and are not deposits or obligations of, nor guaranteed or insured by any bank or bank affiliate. These products are subject to investment risk, including the possible loss of value.

**At Bank of Alpena we appreciate your business and we value your friendship.
We hope we will continue to meet your highest expectations.
Our wishes to all of you for a Happy, Healthy and Prosperous New Year!**

THE MORTGAGE MINUTE

One of the first questions I am asked when I pre-qualify a client for a new home mortgage is “what’s the interest rate?” Believe it or not that’s a hard question to answer, *BECAUSE* there are so many factors that enter into *what interest rate you’ll receive for your mortgage*. We like to quote the best rate possible, but sometimes for many reasons it’s not always possible to give a client the best rate.

The major factors that affect the interest rate for mortgages are *credit and credit score, loan to value (how much money you will have to put down, if any) and how verifiable is your information, such as income and assets?*

For instance, if the client has a great credit score, 720 or higher, they might qualify for the best rate. If a client has a 720 credit score and wants to finance 100% of the purchase price or appraised value (whichever is less) they might not get the best rate. If a client has a 720 credit score and has 20% to put down on a home they might qualify for the best rate. If a client has a 720 credit score, 20% down payment and NO verifiable income they might not get the best rate.

A good guideline to keep in mind is: the higher the risk, the higher the rate. The uniqueness of the deal may also affect the rate of the mortgage.

*Linda Sansom, Vice President of Mortgages
Bank of Alpena*

\$\$\$\$\$ Why not start the New Year with a resolution to save more money? **\$\$\$\$\$**
Here are some ideas to get you started:

Pay yourself first by asking your employer to directly deposit part of your paycheck into your savings account. Even better, increase your 401(k) deductions to help meet your goal. It is always easier to save money if it doesn't hit your pocket first. To make saving a habit, save for something specific, like a vacation or for holiday shopping. You will be more inclined to set that money aside. Keep in mind that little things can add up. Track your expenses for a few weeks in order to see where your money goes. Eliminate the things in your life that cost you money, but bring you no benefit. Once you add up the savings, you'll be surprised how quickly you can meet your savings goals.

COMING IN 2007- BANK OF ALPENA WILL BE OFFERING CHRISTMAS CLUBS!
A great way to budget for your holiday shopping or save for a special vacation.

A CARING COMMUNITY

Once again, this past December, the management and staff of Bank of Alpena participated in the Volunteer Center's annual Christmas Wish List Program. More than forty-five gifts were purchased and delivered to the Center for distribution to needy children in the area.

"The habit of giving only enhances the desire to give." - Walt Whitman

COOK'S CORNER – Meals in Minutes for Busy Weekday Nights:

Tuna Alfredo: Cook bow tie pasta with frozen mixed vegetables and drain well. Add canned, drained tuna and a jar of Alfredo sauce; heat and serve.

Steak Supper: Broil your favorite type of steak. In a saucepan, add 2 tsp. soy sauce to a package of frozen mushrooms in butter sauce and heat according to package directions. Top steaks with the mushroom sauce and serve with instant mashed potatoes and your favorite vegetable or a tossed salad.

Answer the following Challenge Question, clip out the coupon and return to Bank of Alpena for a chance to win a \$25 gift card. The gift card is from the Bank of Alpena. No purchase, account opening, or investment required. (drawing date: 3/30/07)

Question:
What does Julie Ferguson, Investment Executive of Infinex Investments, compare investing to?

Answer: _____

Name: _____

Phone #: _____



Member FDIC
Equal Housing Lender

468 N. Ripley Blvd.
P.O. Box 218
Alpena, MI 49707
Phone: 989-358-9900
Fax: 989-358-9909

www.bankofalpena.com
Editor: Marilyn Worm