

PRESS RELEASE
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Contact:

September 12, 2012

Louise A Walker, President & CEO
FIRST NORTHERN COMMUNITY BANCORP
& FIRST NORTHERN BANK
P.O. Box 547
Dixon, California
(707) 678-3041

First Northern Bank Offers Loan Tips for Small-Business Owners
5 Tips to Increase Your Chance of Getting a Small-Business Bank Loan

Dixon, Calif. — Earlier this month, the Sacramento Business Journal ranked First Northern Bank No. 5 in a list of the Top 25 Small-Business Lenders in the Sacramento region.

“Small business loans are the key to keep communities growing and people working,” President/CEO Louise Walker says. “We believe that, but our actions speak louder than words. Need a loan? First Northern has money to lend!”

Yes, that’s right. First Northern Bank has the funds and *wants* to make loans to small-business owners who have the ability to survive and thrive in our challenging economy — and today’s low interest rates make this an especially good time to apply.

First Northern advises interested small-business owners to ask themselves the following questions:

1. Have you developed and maintained an ongoing business relationship with your banker?

Relationships count in the banking world. To effectively serve customers, bankers need to understand their customers’ goals, anticipated financial needs and current financial situation. This level of understanding can come only from a continuous dialogue between the banker and the customer.

Many times, the advice a banker gives is far more important than the product or service they offer. Your banker’s advice can be more targeted and focused on your business’s needs if they know your current financial situation and plans for the future.

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2. **Does your business need a loan — or an equity infusion?** It's important to understand the difference between loans and equity. Loans need to be repaid over a defined time period. Equity investments are permanent funds that serve as "shock absorbers" so businesses can weather both good times and bad.

Banks are in business to make loans. Equity funds should come from the business owners.

3. **Can you clearly explain your firm's "value proposition?"** You should be able to explain why customers should do business with you and how you'll compete effectively in your chosen target market segments.

4. **Do you have a business plan that covers best, most likely, and worst case scenarios?** We all know that things in life don't always work as planned. Your banker should understand all three scenarios since you're asking for the bank's support through good times and bad. Developing alternative business plans shows your banker that you understand both the risks and opportunities of operating in your industry.

It's better to understand risks upfront and develop a game plan to deal with them before applying for a loan. Since your banker deals with many small businesses, he or she may have helpful ideas to help you survive and thrive in today's challenging economy.

5. **Have you developed at least two ways to repay the loan?** Bankers look for both a primary and secondary source of loan repayment. Primary sources of repayment relate to how much cash your business or investment is capable of generating. Secondary repayment sources could include pledging business or personal collateral, or a loan guarantee by the firm's owners, suppliers or customers.

The more certainty that the banker has that the loan will be paid "as agreed," the more likely that you will not only receive a favorable loan decision, but also the best interest rate.

First Northern offers a number of business loan products to fit many borrowers' needs, and is an SBA Preferred Lender. More information about First Northern's business loan programs may be found on our website, at www.thatsmybank.com/business/loans.

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About First Northern Bank

First Northern Bank, an independent community bank headquartered in Solano County since 1910, serves Solano, Yolo, Sacramento, Placer and the west slope of El Dorado County. First Northern has 10 branches located in Dixon, Davis, West Sacramento, Fairfield, Vacaville, Winters, Woodland, Downtown Sacramento, Roseville, and Auburn, and has a full service Trust Department in Sacramento. First Northern Bank also offers 24/7 real estate mortgage loans, SBA loans, and non-FDIC insured Investment & Brokerage Services at each branch location. Real Estate Mortgage Loan offices are located in Davis and Roseville, and real estate loan representatives are available to meet customers at any of the Bank's branches by appointment. The Bank specializes in relationship banking and employs experts in the area of small business, commercial, agribusiness, and real estate lending, as well as wealth management, and is rated as a "Superior" 5-Star Bank by BauerFinancial Inc. (www.bauerfinancial.com). The Bank can be found on the Web at www.thatsmybank.com.

Forward-Looking Statements

This press release may include certain "forward-looking statements" about First Northern Community Bancorp (the "Company"). These forward-looking statements are based on management's current expectations and are subject to certain risks, uncertainties and changes in circumstances. Actual results may differ materially from these expectations due to changes in global political, economic, business, competitive, market and regulatory factors. More detailed information about these risk factors is contained in the Company's most recent reports filed with the Securities and Exchange Commission on Forms 10-K, 10-Q and 8-K, each as it may be amended from time to time, which identify important risk factors that could cause actual results to differ materially from those contained in the forward-looking statements. The financial information contained in this release should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's most recent reports on Form 10-K and Form 10-Q. The Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances arising after the date on which they are made. For further information regarding the Company, please read the Company's reports filed with the SEC and available at www.sec.gov.

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