



LARGE BANK

Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219

Public Disclosure

November 17, 2004

Community Reinvestment Act Performance Evaluation

**First National Bank in Howell
Charter Number: 14144**

**101 East Grand River
Howell, MI 48843**

Office of the Comptroller of the Currency

**Detroit Field Office
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Southfield, MI 48034**

NOTE: This document is an evaluation of this 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. This evaluation is not, and should not 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.

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Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of **First National Bank in Howell (FNB in Howell)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	First National Bank in Howell Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		X
High Satisfactory			
Low Satisfactory			
Needs to Improve		X	
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

Lending Test

- The distribution of the bank’s loans represents an excellent dispersion among business customers of different sizes and among home mortgage borrowers of different income levels.
- FNB in Howell has an excellent geographic distribution of loans in its assessment area (AA).
- Lending levels reflect good responsiveness to the AA credit needs.
- A substantial majority of the bank’s loans were made in the AA.

Investment Test

- FNB in Howell has a low level of qualified community development (CD) investments.
- The bank exhibited poor responsiveness to credit and community economic development needs through CD investments.

Service Test

- FNB in Howell’s delivery systems are readily accessible to all portions of the AA. The bank’s branch network system was found to provide excellent service to the AA.
- The bank’s business hours and services do not vary in a way that inconvenience certain portions of its AA, particularly low- and moderate-income geographies and individuals.
- FNB in Howell provides an adequate level of CD services to the AA. The bank did demonstrate some innovativeness in providing CD services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-

couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home Mortgage Loans: Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

FNB in Howell is a full-service intrastate bank headquartered in Howell, Michigan. As of September 30, 2004, the bank reported total assets of \$464 million, total deposits of \$411 million, and tier one capital of \$43 million. FNB in Howell has nine branch offices including its main office located in Howell, Michigan. Four of the branches are located in Howell, two in Brighton, one in Fowlerville, one in Hartland, and one in Whitmore Lake. The bank opened two branch offices in middle-income tract areas during the evaluation period. The bank's AA is Livingston County, which is located in the southeast section of Michigan's lower peninsula. A further description of the AA is provided in appendix B.

FNB in Howell is a subsidiary of FNBH Bancorp Inc., which is a \$464 million one-bank holding company located in Howell, Michigan. The bank offers a wide range of products, which include commercial, consumer, and residential mortgage loans. FNB in Howell has a variety of deposit products including: savings, checking, certificates of deposit, and money market deposit accounts. Other services include debit cards, ATM cards, safe deposit boxes, wire and cable transfers, and money orders.

FNB in Howell reported net loans of \$332 million as of September 30, 2004 or 71.7 percent of total assets. The bank's loan portfolio consists of 79.0 percent commercial loans, 10.9 percent consumer loans, and 10.1 percent residential mortgage loans.

FNB in Howell was rated "outstanding" under the small bank performance standards at its last CRA evaluation dated November 15, 1999. This is the bank's first evaluation under Large Bank CRA examination procedures.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period is from November 15, 1999 through November 17, 2004. The start of the evaluation period corresponds to the date that the prior evaluation was performed. We analyzed Home Mortgage Disclosure Act (HMDA) loans from January 1, 2001 through December 31, 2003. This evaluation excluded the 2000 HMDA data (see Data Integrity section below for explanation). This review also included small loans to businesses and small farm loans from January 1, 2000 through December 31, 2003. This information was compared to the 1990 and 2000 U.S. Bureau of the Census demographic data to assist in evaluating the bank's lending performance. The review of CD loans, qualified investments, and CD services was evaluated from November 15, 1999 through November 17, 2004.

Analyses of HMDA and CRA data for 2000, 2001, and 2002 were performed based on 1990 U.S. Census data. Analyses of 2003 HMDA and CRA data were performed based on 2000 U.S. Census data. This is consistent with the manner in which financial institutions were required to file data and consistent with the manner in which aggregate peer data was generated by the regulatory agencies. Accordingly, lending data from 2003 is presented in separate tables from the 2000 through 2002 data within appendix C. Geographic and borrower distribution conclusions under the Lending Test were drawn by blending the bank's record of lending under each of these time periods. Weightings were based on the relative number of loans under each time period for each product individually. Consequently, performance with the 1990 census data received greater weight.

Data Integrity

Prior to conducting this CRA evaluation, we tested the accuracy of the bank's data, including data made available to the public in accordance with HMDA and the CRA regulation. Public data includes home mortgage lending, small loans to businesses, and small farm loans. We also reviewed the accuracy of non-public data for qualified investments, CD services, and CD loans. Our review disclosed significant public data errors which management corrected prior to this CRA evaluation, with the exception of the 2000 HMDA data. Therefore, we excluded the 2000 HMDA data, and based our evaluation on data that is accurate.

Selection of Areas for Full-Scope Review

FNB in Howell has one AA comprised of Livingston County. Full-scope examination procedures were used to assess the bank's performance. Livingston County is part of the Ann Arbor Metropolitan Statistical Area (MSA 0440). Refer to appendix B for a description of the AA.

Ratings

The bank's overall rating is based on the large bank performance standards in the Livingston County AA. This included the Lending, Investment, and Service Tests. The Lending Test is given the most weight in arriving at the overall CRA rating. When drawing conclusions for the Lending Test, loan products were generally weighted according to their relative volume. The

Service and Investment Tests receive less weight, but are both weighted equally in arriving at the overall CRA rating.

Other

We contacted community representatives to assist in developing a market profile for the full-scope AA. We contacted an organization involved in providing affordable housing and a real estate company. We determined the opportunities to make CD loans, qualified investments, and to provide CD services do exist within the Livingston County AA.

Fair Lending Review

We did not find any evidence of illegal discrimination or other illegal credit practices.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "Outstanding." Based on this full-scope review, the bank's performance in the Livingston County AA is excellent.

Lending Activity

Refer to Tables 1 Lending Volume and 1 Other in appendix C for the facts and data used to evaluate the bank's lending activity.

The bank has exhibited good loan volume in light of its deposit market share, loan volume, and ranking among other lenders. Furthermore, lending activity during the evaluation period was good in meeting the community needs of the Livingston County AA.

During the evaluation period the bank made a total of 3,707 or \$407.5 million of home mortgage, small business, and small farm loans. This was comprised of 78.6 percent small loans to businesses and 21.1 percent home mortgage loans. Small farm lending represented less than 1 percent of the total number of loans. Among home mortgage loan originations and purchases, home mortgage refinance represented 74.5 percent, home purchase 14.0 percent, home improvement 11.0 percent, and multi-family housing loans was 0.5 percent.

The following represents FNB in Howell's market share and ranking among lenders in the Livingston County AA based on the most recent mortgage data available. FNB in Howell is an active small business lender and provides adequate home mortgage lending in Livingston County based on the 2002 market share information. The 2002 peer small business data disclosed FNB in Howell ranked first among financial institutions with a 35.5 percent small business market share based on the total dollar volume. FNB in Howell ranked second with a 14.6 percent market share in small business lending based on the number of loans granted in 2002. FNB in Howell's market share for home improvement loans based on the number of loans was 7.0 percent and ranked fourth among lenders; home mortgage refinance represented 1.1 percent and ranked 22; home purchase loans was 0.8 percent and ranked 27 among lenders in Livingston County. According to the June 2003 FDIC Deposit Market Share Report FNB in Howell had the highest deposit market share of 23.3 percent in the Livingston County.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of FNB in Howell's home mortgage loans by income level is excellent. The bank's performance of lending in low-income geographies was not evaluated since there were no low-income census tract areas in the AA. The percentages of home

purchase, home improvement, and home refinance loans in moderate-income geographies substantially exceed the percentages of owner-occupied housing units that are within those geographies. The one exception to this was the bank's 2003 home refinance lending in moderate-income areas, which was only slightly above the owner-occupied housing units in this geographic area. In addition, FNB in Howell's 2002 market share for each product line in moderate-income geographies exceeds the bank's overall market share for those product lines in the AA. The bank granted four multifamily loans during the evaluation period all of which were in moderate-income areas.

Small Loans to Businesses

Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

In the AA, the geographic distribution of small loans to businesses is excellent. There are no low-income census tracts in the AA. However, the bank's portion of small loans to businesses in moderate-income areas in the AA exceeds the portion of businesses that are within these moderate-income geographies. The bank's market share of loans in the moderate-income geographies is above its overall market share.

Small Loans to Farms

Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

No meaningful analysis was performed given the limited activity over the review period.

Lending Gap Analysis

Maps and reports detailing FNB in Howell's lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

A substantial majority of the bank's loans were within the Livingston County AA. During the review period 87.5 percent of the bank's home mortgage loans and 86.2 percent of small loans to businesses and farms were made within the bank's AA. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrowers

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of FNB in Howell's home mortgage loans by borrower income level is excellent. The percentage of FNB in Howell's home purchase, home improvement, and home refinance loans to both low-income and moderate-income borrowers substantially exceeds the percentage of low-income and moderate-income families living throughout the AA. FNB in Howell's 2002 market shares to low-income borrowers and moderate-income borrowers for each of the three product lines exceeds the bank's overall market share for those product lines in the AA.

Small Loans to Businesses

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

In the AA, the borrower distribution of small loans to businesses is excellent. The portion of FNB in Howell's loans extended to businesses with revenues of \$1 million or less slightly exceeds the portion of area businesses that have revenues of \$1 million or less. Furthermore, FNB in Howell's market share of loans to businesses with revenues of \$1 million or less significantly exceeds its overall market share to businesses in the AA.

Small Loans to Farms

Refer to Table 12 in the appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

No meaningful analysis was performed given the limited activity over the review period.

Community Development Lending

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

FNB in Howell's CD lending record had a neutral impact on the Lending Test conclusions. The bank reported no CD loans over the evaluation period.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusion. While none of FNB in Howell's lending programs are considered innovative, the bank does offer a broad range of loans products to help meet the community needs. The bank offers residential mortgage, consumer, and commercial loans. The bank is an active lender to homebuilders in its AA. The bank does grant loans under the Small Business Administration (SBA) loan program.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

FNB in Howell performance under the Investment Test is rated “needs to improve.” Based on a full-scope review the bank has a poor level of qualified CD investments in Livingston County AA.

Refer to Table 13 in appendix C for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period, FNB in Howell had qualifying investments totaling \$69.8 thousand in the AA. Investments were limited to donations made to 15 organizations that provided affordable housing and community services targeted to low- or moderate-income individuals. This reflects a low level of responsiveness to meeting the community needs given the bank’s size and financial resources. None of the bank’s qualified investments were considered innovative and/or complex. In drawing our conclusions, we recognized that qualified investments opportunities exist in the market. Refer to the Market Profile section in appendix B.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

FNB in Howell’s performance under the Service Test is rated “outstanding.” Based on a full-scope review, the bank’s delivery systems are readily accessible to all portions of Livingston County AA. FNB in Howell’s branch network provides excellent service to the AA. The bank provides an adequate level of CD services.

Retail Banking Services

Refer to Table 14 in appendix C for the facts and data used to evaluate the distribution of the bank’s branch delivery system and branch openings and closings.

The bank’s accessibility of its service delivery systems in its AA is considered excellent. FNB in Howell’s service delivery systems are readily accessible to geographies and individuals of different income levels throughout the AA. The bank’s AA contains no low-income census tracts and three moderate-income tracts. FNB in Howell has a branch office in each of the three moderate-income tracts, which reflects strong responsiveness in trying to reach these moderate-income areas. In the Livingston County AA, the distribution of FNB in Howell’s branch offices throughout moderate-income geographies (33 percent) exceeds the distribution of the population (6 percent) living in such geographies. This reflects favorably on the bank’s efforts for its service delivery systems to reach these moderate-income geographies. The bank’s nine branch offices in its AA is the largest network of any one bank in Livingston County. During the evaluation period the bank opened two branch offices in Howell and Whitmore Lake. Both offices are located in middle-income tracts. The bank did not close any branch offices during the evaluation period.

The bank's business hours and services offered do not vary in a way that would inconvenience any portions of the AA, particularly low- and moderate-income geographies and/or individuals. Branch hours are comparable among the different locations regardless of the income level. All branch offices have the same drive-up hours. FNB in Howell offers drive-up service on Saturday and 24 hour ATMs at each branch office. Branch lobby hours are the same with extended hours at three office locations. The bank offers extended hours at a grocery store branch to better meet and service the grocery store customers. In addition, the bank has Saturday lobby hours at its main office in Howell and the Challis Road office in Brighton. This is provided to better service customers with their loan needs and deposit account service. Both of these branches are located in moderate-income areas. All branch offices take residential mortgage and consumer loan applications. There are commercial loan officers at two branch offices in Brighton and at the bank's main office in Howell. The bank's commercial loan officers meet loan customers at their place of business or where it is most convenient from them.

The bank offers a wide-range of alternative delivery systems, which includes ATM machines at each of its branch offices, telephone bank, internet banking, bill payment service, and debit cards. There was no data available to demonstrate the degree in which these alternative delivery systems have impacted the low- and moderate-income segments of the community. Therefore, we placed little weight for these alternative systems under the Service Test.

Community Development Services

FNB in Howell provides an adequate level of CD services to the Livingston County AA.

The bank's CD services were primarily limited to bank employees and directors participating on boards and committees of organizations involved in affordable housing and community services targeted at low- or moderate-income individuals. Employees and directors participated in three affordable housing organizations and four organizations that provided community services to low- and moderate-income individuals. The bank did demonstrate innovativeness during the evaluation period by providing financial expertise and the use of two houses rent-free to an organization that provides services to low- and moderate-income individuals.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (01/01/2000 to 12/31/2003), but excluded 2000 HMDA loans. Investment and Service Tests and CD Loans: (11/15/1999 to 11/17/2004)	
Financial Institution	Products Reviewed	
First National Bank in Howell (FNB in Howell) Howell, MI	HMDA, Small Business, Small Farm, and Community Development Loans.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Livingston County	Full-Scope	N/A

Appendix B: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

FNB in Howell's AA (Livingston County) – Based on 1990 U.S. Census	2
FNB in Howell's AA (Livingston County) – Based on 2000 U.S. Census	3

Below is the market profile and demographic information from the 1990 U.S. Census and 2000 U.S. Census. This information was used to better assess the bank's performance over the evaluation period.

FNB in Howell's AA (Livingston County) – Based on 1990 U.S. Census

Demographic Information for Full-Scope Area: (Livingston County)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	22	0%	9.1%	68.2%	22.7%	0%
Population by Geography	115,645	0%	8.9%	66.1%	25.0%	0%
Owner-Occupied Housing by Geography	32,871	0%	7.7%	66.6%	25.7%	0%
Businesses by Geography	9,115	0%	8.6%	71.0%	20.4%	0%
Farms by Geography	474	0%	8.4%	74.1%	17.5%	0%
Family Distribution by Income Level	31,714	12.7%	16.7%	27.4%	43.2%	0%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	9,339	0%	14.6%	68.9%	16.5%	0%
Median Family Income						
HUD Adjusted Median Family Income for 2002	\$45,123					
Households Below the Poverty Level	\$77,700					
	4.43%					
			Median Housing Value			\$98,625
			Unemployment Rate			2.53%

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

FNB in Howell's AA (Livingston County) – Based on 2000 U.S. Census

Demographic Information for Full-Scope Area: (Name of MA or Non-metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	52	0%	5.8%	61.5%	32.7%	0%
Population by Geography	156,951	0%	6.2%	63.0%	30.8%	0%
Owner-Occupied Housing by Geography	48,780	0%	4.8%	64.0%	31.2%	0%
Businesses by Geography	9,501	0%	9.6%	64.0	26.4%	0%
Farms by Geography	498	0%	3.2%	76.3%	20.5%	0%
Family Distribution by Income Level	43,650	12.6%	16.6%	25.7%	45.1%	0%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	12,732	0%	10.6%	69.7%	19.7%	0%
Median Family Income		Median Housing Value				\$183,585
HUD Adjusted Median Family Income for 2002	\$67,765		Unemployment Rate			1.75%
Households Below the Poverty Level	\$77,700 3.43%					

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 U.S. Census, and 2002 HUD updated MFI.

FNB in Howell's AA is comprised of Livingston County which is located in southeastern section of Michigan's lower peninsula. This area is a mix of urban, suburban, and rural neighborhoods. Livingston County is the fastest growing county in Michigan. The City of Howell is the county seat of Livingston County. The County has many small towns such as Pinckney, Hartland, Hamburg Township, Brighton Township, and Fowlerville. Livingston County is among the top counties in the state in terms of family income and home sale price. The HUD adjusted median family income for 2002 was \$77,700. The average home sale price in 2002 was \$237,672. The AA is comprised of 52 census tracts based on 2000 census information. There are no low-income tracts and only three moderate-income tracts in the AA.

FNB in Howell is ranked first with a 23.3 percent market share of insured deposits according to the June 30, 2003 FDIC Market Share Report. The deposit market share of Fifth Third Bank has 15.6 percent, National City Bank 11.1 percent, and Republic Bank was 10.2 percent. Competition is strong, with 12 banks having 40 offices in the county. There are 10 large regional banks, two community banks, and a number of credit unions servicing Livingston County.

The economy in Livingston County is considered good. The October 2004 unemployment rate for Livingston County was 3.2 percent and was well below the State of Michigan unemployment rate of 6.6 percent. Of the major employers, General Motors provides employment to 2,125 individuals, Howell Public Schools to 1,054, Allmerica/Citizens Insurance to 950, and Brighton Area Schools to 925 employees. There are a substantial number of Livingston County residents who work outside Livingston County.

Assessment Area Needs

We contacted an organization involved in providing affordable housing and a real estate company. We also used the computer Internet to identify opportunities where the bank could participate in CD loans, qualified investments, and CD services. The members of the community we contacted during the evaluation identified a need for affordable housing. The community contacts indicated that high housing prices in Livingston County put home buying beyond reach of many people.

We determined that opportunities to make CD loans, qualified investments, and to provide CD services do exist within FNB in Howell's AA. Our review identified housing-related organizations that are directed at providing affordable housing for the AA. There are also a number of organizations that provide a variety of services directed at low- and moderate-income people. Through these organizations banks can donate money, provide loans, and participate in providing financial expertise. Our review did find opportunities to make qualified investments other than donations, which included low-income housing tax credits.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses

(regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments

are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

Table 14. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME		Geography: LIVINGSTON COUNTY				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002 excluding year 2000 home mortgage loans						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Howell 2002 Assess	100.00	492	54,756	2,329	245,352	7	189	0	0	2,828	300,297	100.00

* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is From November 15, 1999 to December 31, 2002.

*** Deposit Data as of December 31, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Lending Volume

LENDING VOLUME		Geography: LIVINGSTON COUNTY				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Howell Assess	100.00	292	34,316	584	72,783	3	63	0	0	879	107,162	100.00

* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

**The evaluation period for Community Development Loans is From January 01, 2003 to November 17, 2004.

*** Deposit Data as of December 31, 2003. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Howell 2002 Assessment Area	84	100.00	0.00	0.00	7.73	19.05	66.62	61.90	25.65	19.05	0.83	0.00	3.00	0.64	0.78	

* Based on 2002 Peer Mortgage Data: Central Region.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Howell Assessment Area	26	100.00	0.00	0.00	4.83	7.69	63.98	84.62	31.19	7.69	0.00	0.00	0.00	0.00	0.00	

* Based on Peer Data is not available.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Howell 2002 Assessment Area	55	100.00	0.00	0.00	7.73	27.27	66.62	60.00	25.65	12.73	6.97	0.00	22.92	5.63	4.84	

* Based on 2002 Peer Mortgage Data: Central Region.

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Howell Assessment Area	31	100.00	0.00	0.00	4.83	12.90	63.98	83.87	31.19	3.23	0.00	0.00	0.00	0.00	0.00	

* Based on Peer Data is not available.

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Howell 2002 Assessment Area	351	100.00	0.00	0.00	7.73	14.25	66.62	62.96	25.65	22.79	1.06	0.00	3.39	0.99	0.84									

* Based on 2002 Peer Mortgage Data: Central Region.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Howell Assessment Area	233	100.00	0.00	0.00	4.83	5.58	63.98	78.11	31.19	16.31	0.00	0.00	0.00	0.00	0.00									

* Based on Peer Data is not available.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography *					
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Howell 2002 Assessment Area	2	100.00	0.00	0.00	22.42	100.00	71.33	0.00	6.26	0.00	25.00	0.00	50.00	0.00	0.00	

* Based on 2002 Peer Mortgage Data: Central Region.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography *					
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Howell Assessment Area	2	100.00	0.00	0.00	36.88	100.00	58.45	0.00	4.68	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on Peer Data is not available.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Howell 2002 Assessment Area	2,329	100.00	0.00	0.00	8.59	13.78	71.05	64.66	20.36	21.55	14.62	0.00	15.50	14.56	17.96									

* Based on 2002 Peer Small Business Data: US and PR.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Howell Assessment Area	584	100.00	0.00	0.00	9.66	10.62	63.97	75.17	26.37	14.21	0.00	0.00	0.00	0.00	0.00									

* Based on Aggregate Small Business Data Only.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Howell 2002 Assessment Area	7	100.00	0.00	0.00	8.44	14.29	74.05	71.43	17.51	14.29	22.22	0.00	0.00	12.50	100.00									

* Based on 2002 Peer Small Business Data: US and PR.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Howell Assessment Area	3	100.00	0.00	0.00	3.21	0.00	76.31	100.00	20.48	0.00	0.00	0.00	0.00	0.00	0.00									

* Based on Aggregate Small Farm Data Only.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]					
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp	
Full Review:																
Howell 2002 Assessment Area	84	100.00	12.75	28.40	16.70	29.63	27.37	18.52	43.18	23.46	0.95	3.24	1.02	0.47	0.80	

^{*} Based on 2002 Peer Mortgage Data: Central Region.

^{**} As a percentage of loans with borrower income information available. No information was available for 3.57% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 1990 Census information.

^{****} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]					
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp	
Full Review:																
Howell Assessment Area	26	100.00	12.56	42.31	16.61	15.38	25.75	34.62	45.08	7.69	0.00	0.00	0.00	0.00	0.00	

^{*} Based on Peer Data is not available.

^{**} As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Howell 2002 Assessment Area	55	100.00	12.75	41.51	16.70	35.85	27.37	15.09	43.18	7.55	7.24	27.42	8.80	3.63	2.07	

* Based on 2002 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 3.64% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Howell Assessment Area	31	100.00	12.56	31.03	16.61	24.14	25.75	27.59	45.08	17.24	0.00	0.00	0.00	0.00	0.00	

* Based on Peer Data is not available.

** As a percentage of loans with borrower income information available. No information was available for 6.45% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 2000 Census information.

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					Market Share [*]				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Howell 2002 Assessment Area	351	100.00	12.75	18.75	16.70	34.52	27.37	24.11	43.18	22.62	1.24	3.20	1.91	0.81	0.82	

* Based on 2002 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 4.27% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: LIVINGSTON COUNTY					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share [*]				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Howell Assessment Area	233	100.00	12.56	20.70	16.61	28.63	25.75	29.07	45.08	21.59	0.00	0.00	0.00	0.00	0.00	

* Based on Peer Data is not available.

** As a percentage of loans with borrower income information available. No information was available for 2.58% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 2000 Census information.

**** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: LIVINGSTON COUNTY			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share [*]	
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans ^{****}	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Howell 2002 Assessment Area	2,329	100.00	78.17	75.83	72.18	16.83	10.99	14.62	33.22

* Based on 2002 Peer Small Business Data: US and PR.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2003).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: LIVINGSTON COUNTY			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share [*]	
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans ^{****}	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Howell Assessment Area	584	100.00	70.65	79.28	68.84	16.95	14.21	0.00	0.00

* Based on Aggregate Small Business Data Only.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2003).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: LIVINGSTON COUNTY			Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share [*]	
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans ^{****}	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Howell 2002 Assessment Area	7	100.00	95.15	100.00	100.00	0.00	0.00	22.22	40.00

* Based on 2002 Peer Small Business Data: US and PR.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2003).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: LIVINGSTON COUNTY			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share [*]	
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans ^{****}	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Howell Assessment Area	3	100.00	91.77	100.00	100.00	0.00	0.00	0.00	0.00

* Based on Aggregate Small Business Data Only.

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2003).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 13. Qualified Investments

QUALIFIED INVESTMENTS									
				Geography: Livingston County		Evaluation Period: Nov. 15, 1999 TO Nov. 17, 2004			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
FNB in Howell's Assessment Area	0	0	13	70	13	70	100%	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 14. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Livingston County Evaluation Period: Nov. 15, 1999 TO Nov. 17, 2004																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Livingston County	100%	9	100%	0%	33%	56%	11%	2	0			+1	+1	0%	6.3%	62.6%	31.1%

