



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

March 8, 2004

Community Reinvestment Act Performance Evaluation

**Bank Calumet, N.A.
Charter Number: 14379**

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Hammond, Indiana 46320**

Office of the Comptroller of the Currency

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NOTE: 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.

Table of Contents

Overall CRA Rating	3
Definitions and Common Abbreviations	4
Description of Institution	8
Scope of Evaluation	9
Fair Lending Review	11
State Ratings	
State of Indiana.....	12
State of Illinois	23
Appendix A: Scope of Evaluation	A-1
Appendix B: Summary of State Ratings	B-1
Appendix C: Market Profiles for Areas Receiving Full-Scope Reviews.....	C-1
Appendix D: Tables of Performance Data	D-1

Overall CRA Rating

Institution’s CRA Rating: This institution is rated "Outstanding."

The following table indicates the performance level of Bank Calumet, N.A. with respect to the Lending, Investment, and Service Tests:

Performance Levels	Bank Calumet, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory*			
Low Satisfactory			
Needs to Improve			
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:

- Bank Calumet, N.A.’s overall lending to borrowers of different income levels is excellent.
- The geographic distribution of Bank Calumet, N.A.’s home mortgage and small business lending shows an overall good record of lending in low- and moderate-income geographies.
- The bank’s level of community development lending was excellent and had a positive effect on the overall lending test rating.
- Bank Calumet, N.A. made an overall excellent level of qualified investments.
- Bank Calumet, N.A. provides an overall excellent level of community development 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 statistical 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 statistical 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 statistical area (PMSA), metropolitan statistical area (MSA), or consolidated metropolitan area (CMSA), 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

Bank Calumet, N.A. (Bank Calumet) is a \$1 billion interstate institution headquartered in Hammond, Indiana. It is a subsidiary of Bank Calumet Incorporated (BCI). BCI is a one-bank holding company located in Hammond, Indiana.

During this evaluation BCI owned Mortgage Advisors Inc., a mortgage subsidiary who specialized in FHA, VA and conventional loans on one-to-four- family residential real estate. The operations of Mortgage Advisor, Inc. were discontinued during the first quarter of 2002. The operations of the mortgage subsidiary did not affect Bank Calumet's CRA performance. None of the data from the mortgage subsidiary was used in this evaluation.

Bank Calumet serves two different markets, one in Indiana and the other in Illinois. The Indiana assessment area (AA) is a portion of the Gary, Indiana MA. The Illinois AA includes a portion of the Chicago, Illinois MA. See the **Market Profiles** in Appendix C for additional details.

Bank Calumet delivers banking services through 29 banking center locations. Twenty-six of these offices are in Indiana and three are in Illinois. Bank Calumet has ATMs at each of its locations.

Bank Calumet offers traditional deposit services and a wide variety of lending products. Also, the bank's lending efforts are both commercial and retail related. All of the products are offered at all branch locations.

There are no financial, legal or other factors, which impede the bank's ability to meet the credit needs of its communities. On December 31, 2003, Bank Calumet had a loan-to-deposit ratio of 72 percent. The Tier 1 Capital was \$92 million. Loans represented 58 percent of total assets. The loan portfolio was comprised of commercial and commercial real estate loans (46 percent), residential real estate loans (48 percent), consumer loans (5 percent) and other loans (1 percent).

Scope of the Evaluation

Evaluation Period/Products Evaluated

We reviewed home mortgage and small business loans for the time period of January 1, 2000 to December 31, 2002. Community development loans were reviewed from October 18, 2000 through March 8, 2004.

Our review of investments included an analysis of the investment portfolio and the donations and grants made between October 18, 2000 and March 8, 2004. We considered investments and donations or grants to organizations that have community development as their primary purpose.

Our evaluation of bank services included analyzing the bank's branch and ATM network for the availability and effectiveness of delivering retail-banking services. We analyzed the effect of changes in branch locations since our previous CRA examination. We also considered the extent and innovativeness of the bank's community development services in meeting the credit needs of its AAs.

Data Integrity

The Community Reinvestment Act (CRA) requires that banks collect and maintain certain data regarding originations and purchases of small business, small farm and Home Mortgage Disclosure Act (HMDA) loans. This information is maintained in the bank's Public File. As part of our evaluation, we tested the bank's publicly filed HMDA and CRA data for accuracy.

The HMDA data was determined to be accurate. However, an initial review of the CRA data revealed errors relating to the revenue code field. Bank Calumet corrected the errors relating to the CRA data. Therefore, this evaluation of small loans to businesses was based on accurate data.

We also verified information on bank-identified community development loans, qualified investments and community development services to ensure the activities met the regulatory definitions. This evaluation was based only on those community development loans, investments, and services that qualified under the regulatory definitions.

Selection of Areas for Full-Scope Review

Since Bank Calumet has only one MA in each state where the bank has an office, we reviewed both AAs using full-scope reviews. We refer to the AA located within the Gary, Indiana MA as the Gary, Indiana MA. We refer to the AA located within the Chicago, Illinois MA as the Chicago, Illinois MA.

Ratings

The bank's overall rating is a blend of the state ratings. Since the majority of Bank Calumet's loan and deposit activity occurs in the State of Indiana, the overall rating was strongly influenced by the performance in this state. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

We found no evidence of illegal discrimination or other illegal credit practices.

State Rating

State of Indiana

CRA Rating for Indiana:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- Bank Calumet’s lending to borrowers of different income levels is excellent.
- The geographic distribution of Bank Calumet’s home mortgage and small business lending shows a good record of lending in low- and moderate-income geographies.
- The bank’s level of community development lending was excellent and had a positive effect on the overall lending test rating.
- Bank Calumet made an excellent level of qualified investments in the Gary, Indiana MA.
- Bank Calumet’s delivery systems are readily assessible to low-and moderate-income persons.
- Bank Calumet is responsive to the needs and services of the community through its leadership in numerous community development organizations.

Description of Institution’s Operations in Indiana

Bank Calumet performs the vast majority of its operations in the state of Indiana. All of the operations in Indiana are within the Gary, Indiana MA. Twenty-six of the twenty-nine bank offices are located in this AA. Bank Calumet has \$786 million of deposits from this AA. Over 88 percent of the bank’s loans are made in the Gary, Indiana MA.

Refer to the **Market Profile** for the State of Indiana in Appendix C for detailed demographics and other performance context information for the AA.

Scope of Evaluation in Indiana

Since Bank Calumet operates in only one MA in the State of Indiana, we performed a full-scope review for the Gary, Indiana MA.

During the examination, we conducted one community contact in the Gary, Indiana MA. The contact was with an economic development nonprofit organization. The contact

stated that affordable housing and small business financing were primary needs within the community. The contact mentioned that Bank Calumet as an active participant within the community.

LENDING TEST

Conclusions for Gary Indiana MA

The bank's performance under the Lending Test in Indiana is rated "Excellent". Based on a full-scope review, the bank's performance in the Gary, Indiana MA is excellent.

Lending Activity

Refer to Table 1 in the state of Indiana section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Bank Calumet's lending activity reflects excellent responsiveness to AA credit needs. Information on deposit market share, compiled by the FDIC as of June 30, 2003, shows that the bank's deposit market share compares favorably to different loan product market shares. The bank ranks third out of 19 institutions (84 percentile) with a deposit market share of 12.25 percent in Lake County, Indiana.

Bank Calumet originates a wide variety of mortgage loans. During this evaluation period, Bank Calumet originated 2,043 home mortgage loans in the Gary, Indiana MA. This equates to 66 percent of the loans originated or purchased during the evaluation period. Twenty-six percent represents home purchase, 20 percent represents home improvement, and 54 percent represents home mortgage refinance loans. The remaining 1 percent is multi-family loans. Based on 2002 aggregate HMDA data, Bank Calumet ranks fourth out of 410 HMDA reporters (99 percentile) with a 3.68 percent market share. Bank Calumet ranks 14th of 291 lenders (95 percentile) for home purchase lending with a market share of 2.1 percent. Bank Calumet ranks 3rd of 79 lenders (96 percentile) for home improvement loans with a market share of 9.15 percent and 5th of 335 lenders (99 percentile) for home refinance loans with a market share of 4.09 percent.

The bank also originates commercial loans. During this evaluation period, Bank Calumet originated 1,022 small loans to businesses in the Gary, Indiana MA. This equates to 33 percent of the loans originated during the evaluation period. Based on the 2002 Small Business Aggregate data published by the FFIEC, Bank Calumet ranks 10th of 91 lenders (89 percentile) with a 4.03 percent market share for small business loans.

Distribution of Loans by Income Level of the Geography

The geographic distribution of Bank Calumet's home mortgage loans and small loans to businesses reflected good penetration throughout the AA.

Home Mortgage Loans

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

The bank originated only a minimal number of multifamily loans. Therefore, an analysis of multifamily loans is not meaningful.

The geographic distribution of home purchase loans is adequate. The bank did not originate any loans within the bank's low-income geography. However, the percentage of owner-occupied units in that geography is less than 1 percent thus the opportunity to make loans in the low-income geography is very limited. There are only 243 owner occupied units in the low-income geography. The percentage of home purchase loans made in the moderate-income geographies is below the percentage of owner-occupied units in those geographies. Based on 2002 aggregate HMDA data, Bank Calumet ranks 31 out of 118 lenders (74 percentile) originating or purchasing home purchase loans in the 12 moderate-income geographies within the bank's AA. The 30 institutions ranking above Bank Calumet are large regional banks and large mortgage brokers. The market share for loans made in the moderate-income geographies is below the overall market share for home purchase loans.

The geographic distribution of home improvement loans is excellent. The percentage of home improvement loans made in the bank's low-income geography exceeds the percentage of owner-occupied units in that geography. The percentage of home improvement loans made in the bank's moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. The bank's market share in the low-income geography and the market share for loans made in the moderate-income geographies significantly exceed the overall market share for home improvement loans.

The geographic distribution of home refinance loans is good. The percentage of home refinance loans made in the bank's low-income geography was somewhat lower than the percentage of owner-occupied units in that geography. The opportunity to make home refinance loans in the low-income geography is limited. There are only 243 owner occupied units in the low-income geography. The percentage of refinance loans made in the bank's moderate-income geographies is below the percentage of owner-occupied units in those geographies. Competition for home refinance loans is strong from regional and large mortgage brokers. Bank Calumet ranks 8 out 153 (95 percentile) lenders originating home refinance loans in the banks moderate-income geographies. Bank Calumet's market share in the low-income geography exceeds the overall market share for refinance loans. The market share for refinance loans made in

the moderate-income geographies in the AA is less than the overall market share for refinance loans.

Small Loans to Businesses

Refer to Table 6 in the state of Indiana section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is good in the Gary, Indiana MA. Bank Calumet's percentage of lending in low-income geographies substantially meets the percentage of businesses located in that geography. Bank Calumet's percentage of small business lending in the moderate-income geographies is somewhat below the percentage of the businesses located in those geographies. Competition for small business loans in the bank's AA is strong with the market dominated by large regional and one local financial institution. Bank Calumet ranks 8 out of 91 lenders (90 percentile) originating small business loans in the moderate-income geographies within the bank's AA. Bank Calumet's market share in low-income geographies is below the overall market share for small loans to businesses. Bank Calumet's market share in moderate-income geographies exceeds its overall market share for small loans to businesses.

Lending Gap Analysis

Maps and reports detailing Bank Calumet'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

Bank Calumet's inside/outside ratio analysis was performed at the bank-wide level. A substantial majority of home mortgage loans and small business loans, originated or purchased by Bank Calumet over the evaluation period, were within the Gary, Indiana and Chicago, Illinois MAs. Overall, Bank Calumet originated 78 percent of its home mortgage loans and small business loans within the AAs. Seventy-one percent of the bank's home mortgage loans and 84 percent of its small business loans were extended within the AAs. This analysis includes loans made within the Chicago, Illinois MA 1600 and the Gary, Indiana MA 2960. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geographies.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of Bank Calumet's home mortgage loans and small loans to businesses reflects an excellent dispersion among borrowers of different income levels throughout the AA.

Consideration was given to the inability of low-income families to afford even a low-priced home. Refer to the **Market Profile** in Appendix C of this evaluation for more information.

Home Mortgage Loans

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

The distribution of lending to borrowers of different income levels for home purchase loans is excellent. The percentage of home purchase loans made to low-income borrowers is less than the percentage of low-income families in the AA. However, approximately 8 percent of the households in the AA are living below the poverty level making it difficult for residents to purchase homes. The percentage of home purchase loans made to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. Market share for loans made to low-income borrowers is below the over all market share for home purchase loans. Market share for moderate-income borrowers is below the overall market share for home purchase loans.

The distribution of lending to borrowers of different income levels for home improvement loans is excellent. The percentage of home improvement loans made to low-income borrowers exceeds the percentage of low-income families in the AA. The percentage of home improvement loans made to moderate-income borrowers significantly exceeds the percentage of moderate-income families in the AA. Market share for home improvement loans made to low-income borrowers and moderate-income borrowers significantly exceeds the overall market share.

The distribution of lending to borrowers of different income levels for home refinance loans is good. The percentage of refinance loans made to low-income borrowers is less than the percentage of low-income families in the AA. However, approximately 8 percent of the households in the AA are living below the poverty level making it difficult for residents to purchase homes. The percentage of refinance loans made to moderate-income borrowers substantially meets the percentage of moderate-income families in the AA. Market share for refinance loans made to low-income borrowers is below the overall market share. Market share for moderate-income borrowers is near to the overall market share in the AA for refinance loans.

Small Loans to Businesses

Refer to Table 11 in the state of Indiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of lending to businesses of different sizes is good in the Gary, Indiana MA. The percentage of loans to businesses with revenues of less than \$1 million

substantially meets the percentage of small businesses in the AA. Bank Calumet's market share for loans to businesses with revenue of \$1 million or less exceeds its overall small business market share.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Indiana section of appendix D for the facts and data used to evaluate the bank's level of community development lending.

Bank Calumet's community development lending had a positive impact on the overall lending test rating. Bank Calumet made \$7.6 million in community development loans during this evaluation period. The bank's volume of loans was responsive to the identified credit needs of economic development needs and affordable housing. Some examples of the community development loans are listed below.

- Bank Calumet participated in a loan for the construction of section 42 housing. Bank Calumet's portion of the participation was \$972 thousand. The purpose of the loan was to construct Section 42 housing in a low-income geography in Hammond, Indiana. Section 42 housing provides affordable housing to those at 60 percent of the median income. The project is a planned-112 unit-development targeted by the City of Hammond for revitalization and to provide affordable housing for low-income individuals and families.
- Four loans to a local community development corporation (CDC), totaling \$1.2 million were used to purchase computers for local schools where the student population is primarily low-or moderate-income. Funds were also used to fund the installation of an Internet infrastructure for a predominately low- and moderate-income city.
- Bank Calumet originated \$3.9 million in a participation loan to construct a 176-unit apartment complex. The project will be divided equally between Section 42 housing units and market rate units in Valparaiso, Indiana. The loan provides affordable housing to 88 low-and moderate-income individuals or families.
- Bank Calumet originated \$1.5 million in a participation loan to construct a Section 42 housing development in Jasper County, Indiana. The loan provided affordable housing to low-and moderate-income individuals or families.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test conclusions for the Gary, Indiana MA. Bank Calumet provides a number of flexible lending programs designed to help meet credit needs of low- and moderate-income borrowers in its AA. Details of many of these products are highlighted below.

My Community Mortgage: This program provides low- and moderate-income borrowers more flexible underwriting terms, lower down payment requirements and down payment assistance. During the evaluation period, Bank Calumet made 61 of loans, totaling \$4.1 million, of which 60 loans totaling \$3.7 million is allocated to the Gary, Indiana MA.

Rental Property Loan Program: The Neighborhood Investment Program (below market financing and flexible underwriting) program was expanded to include rental property. These loans improved rental units for mostly low-and moderate-income persons in the older urban communities. During the evaluation period the bank originated 84 loans, totaling approximately \$6.8 million, of which 76 loans totaling \$6.1 million is allocated to the Gary, Indiana MA.

Urban Enterprise Zone Loans: This program provides small business lending incentives in the Hammond, Indiana Enterprise Zone. During this evaluation period 61 loans, totaling approximately \$13.4 million were originated.

Emergency Loan Program: This program is offered to low- and moderate-income borrowers and provides low interest financing (3 percent) to help meet unexpected expenditures such as heating, plumbing or roof repairs. Two of these loans, totaling \$4 thousand were made during this evaluation period.

Purdue Entrepreneurship Program: This program is offered through a partnership with the Purdue Calumet Entrepreneurship Center. It provides interest free tuition loans to low- and moderate-income students. Bank Calumet made four loans totaling \$12 thousand during this evaluation period.

Small Business Initiative: This program is a \$1.5 million revolving loan fund formed by Bank Calumet to stimulate the formation and expansion of small businesses in the bank's AA. Loans are offered at one percent below the bank's prime rate and to qualify, the business must have 20 or fewer employees and annual sales of less than \$750 thousand. During this evaluation period, Bank Calumet originated 11 of these loans for approximately \$930 thousand, of which 10 loans totaling \$837 thousand is allocated to the Gary, Indiana MA.

INVESTMENT TEST

Conclusions for Gary Indiana MA

The bank's performance under the Investment Test in Indiana is rated " Outstanding." Based on a full-scope review, the bank's performance in the Gary Indiana MA is excellent. Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Bank Calumet demonstrates an excellent level of responsiveness to community development needs. The AA represents a portion of the Gary, Indiana MA, where many investment opportunities are available to assist with the needs within the various communities. The bank has devoted its efforts to contributing to those investments that provide the most direct benefit to this AA.

Bank Calumet provided qualified investments within its AA through cash contributions, grants, and purchases of securities. Qualifying investments totaled \$7.2 million. Specific noteworthy investments included:

Hammond Public Library: During 2002, the bank purchased a special purpose bond totaling \$955 thousand to fund the construction of a new public library. The library is located in a low-income geography. It is part of a revitalization plan for downtown Hammond, which is also located in an Empowerment Zone.

City of Hammond: During 2000, the bank purchased a municipal bond, totaling \$825 thousand. The bond was used to fund the construction of the Hammond Criminal Justice Facility. The facility is located in downtown Hammond, a low-income geography. The project is part of a revitalization plan for downtown Hammond, and is also located in an Empowerment Zone.

Additional grants and donations were provided to various qualifying community development organizations in this AA. Bank Calumet contributed to 96 different organizations, totaling \$936 thousand during the evaluation period.

SERVICE TEST

Conclusions for Gary Indiana MA

The bank's performance under the Service Test in Indiana is rated "Outstanding." Based on a full-scope review, the bank's performance in the Gary, Indiana MA is excellent. The level of community development services provided by Bank Calumet to this AA was a factor in determining the overall rating for the Service Test.

Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Bank Calumet has a good distribution of delivery systems that are readily accessible to individuals and geographies of different income levels throughout the AA. In the Gary, Indiana MA, Bank Calumet operates twenty-six full-service branches, including a mobile branch. Three of Bank Calumet's branches, including the main office are located in the low-income geography and one additional facility is located in a moderate-income geography. The percentage of Bank Calumet's offices in the low-income geography significantly exceeds the percentage of the population living in such geographies. The percentage of Bank Calumet's offices in the moderate-income geographies is significantly below the percentage of the population living in those geographies. However, five of the branches located in the middle-income geographies are within one mile of surrounding moderate-income geographies. And one branch located in upper-income geography is within two miles of a moderate-income geography.

Since our last performance evaluation, Bank Calumet opened eight new branches. The opening of these branches has improved the bank's accessibility to low- and moderate-income areas. Two of the new branches are located in low-income geographies. One is a mobile unit that provides services to two government housing projects and an in-school student bank. The housing projects are located in a low-income geography of Hammond, Indiana. The school is located in a moderate-income geography in Gary, Indiana. Four of the new branches are located in middle-income geographies. Two of the four new branches opened in the middle-income geographies are adjacent to three moderate-income geographies. The remaining two new branches are in the upper-income geographies. One of the two new branches located in upper-income geographies is adjacent to a moderate-income geography. Bank Calumet did not close any branches in the AA during this evaluation period.

Bank Calumet's hours of operation and services offered by branches throughout the AA are responsive to the needs within the AA. Hours and services in the AA, including the availability of loan officers for all loan products, are comparable among locations regardless of the income level of the geography. Banking hours and services provided Monday through Friday are supplemented by Saturday hours at 24 of the 26 branches. Only the main office and the mobile branch do not offer Saturday hours, but the drive-up located a few blocks away is open on Saturday. One of the bank's branches located in

a low-income geography provides extended service Monday through Saturday from 9 AM to 8 PM and Sunday from 11 AM to 5 PM. Five branches located in middle-income geographies and four branches located in upper-income geographies have similar extended service hours.

Bank Calumet operates twenty-six ATMs within this AA. Each full-service branch has a full service 24-hour ATM. Additionally, there are four freestanding ATM units. The freestanding units provide cash dispensing services only.

Bank Calumet offers other alternative delivery systems including bank-by-phone and Internet banking. Internet banking allows customers to make account transfers, obtain balance information, and arrange for bill payment. Individuals can also obtain loan applications via the Internet and actually apply on-line. Bank Calumet does not, however, monitor the usage of these alternative delivery services by low-and moderate-income individuals. Therefore, we did not place significant weight on these alternative delivery systems when drawing our CRA performance conclusions.

Community Development Services

Bank Calumet has been involved with an excellent number of community development activities within the Gary, Indiana MA. In many instances, representatives of the bank have acted in a leadership capacity. Involvement has been in organizations targeted to low-and moderate-income persons or areas that are affordable housing, educational, social service, and economic development related. Several examples of community development services where the bank exhibited leadership are detailed below.

Bank Calumet's President's Council: Founded by the bank's Chairman and Chief Executive Officer, Bank Calumet's Presidents' Council is a mentoring forum that meets every other month with high school students from Hammond public schools. More than 50 percent of the students from these schools are from low- or moderate-income families. Students learn about economic issues, student loans, car loans and other lending and credit related topics. Beginning in 2003, students who attend regularly for a two-year period are eligible for a \$1000 college scholarship.

Gary City Wide Development Corporation: Bank Calumet established this community development corporation when a predecessor organization was dismantled. Members formed the present organization and continued to meet with Gary city officials and other interested parties to plan the revitalization of the city of Gary. This city is economically depressed and has a significant percentage of low- and moderate-income families. The activities included rehabbing houses and directing construction of new houses in identified areas. Over time, it became apparent that that the area needed additional attention. A special task force of bankers and Gary based realtors was formed under the leadership of Bank Calumet officers.

Northwest Indiana Forum: An executive officer is past chairman and current member of the executive committee of this privately funded organization. The organization promotes economic development by soliciting new businesses and providing assistance

to existing businesses in northwest Indiana. Another bank executive serves on the Board of an affiliate of the forum, which assists communities in creating and retaining jobs and tax base by stimulating small business investment in plant and equipment through the Small Business Administration 504 loan program.

Lake County Development Commission: An executive officer serves as chairman of this commission. The commission studies the social, economic and infrastructure needs of Lake County. The commission members meet on a regular basis to discuss community credit needs and programs to overcome barriers to housing and employment for low- and moderate-income individuals.

Hammond Development Corporation: An executive officer of the bank serves as chairman of the loan committee for this corporation. The corporation was established to address the credit needs and provide mentors to individuals interested in establishing start-up small businesses.

Consumer Credit Counseling, Inc.: An officer serves as treasurer of this corporation. The corporation was established to provide credit counseling to individuals. As a result of this participation, Bank Calumet developed a product, Individual Development Account, to address the credit needs of individuals who had filed bankruptcies.

Bank Calumet sponsored a number of meetings at various schools in low- and moderate-income areas. These programs educate children and parents on how to save money, the availability of financial assistance for education through student loans, and how to establish credit.

The bank sponsored a number of seminars on affordable housing for low- and moderate-income individuals. The seminars included discussions on various loan related topics such as predatory lending practices, pre-qualifying for financing, credit counseling, choosing realtor, shopping for a home and closing the sale of their homes. Participants who completed all sessions qualified for discounts on closing costs.

The bank sponsored numerous small business seminars. The seminars were geared towards promoting economic development through new and start-up small businesses, discussions on how to write business plans and obtaining bank financing, financing growth and expansion in businesses etc. These were targeted to businesses in the low- and moderate-income geographies.

State Rating

CRA Rating for Illinois:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>High Satisfactory</u>

The major factors that support this rating include:

- The geographic distribution of Bank Calumet’s home mortgage and small business lending show an excellent record of lending in low- and moderate-income geographies.
- Bank Calumet’s lending to borrowers of different incomes is excellent.
- The bank’s level of community development lending was excellent and had a positive effect on the overall lending test rating.
- Bank Calumet made an excellent level of qualified investments in the Chicago, Illinois MA.
- Bank Calumet provides a high level of community development services within the Chicago, Illinois MA.

Description of Institution’s Operations in Illinois

Bank Calumet performs only a small percentage of its operations in the state of Illinois. All of the operations in Illinois are within the Chicago, Illinois MA. Three of the twenty-nine bank offices are located in the state. Only \$87 million (10 percent) of Bank Calumet’s deposits come from this AA. Only 12 percent of Bank Calumet’s loans are made in this AA.

Refer to the **Market Profile** for the State of Illinois in Appendix C for detailed demographics and other performance context information for the AA.

Scope of Evaluation in Illinois

Since Bank Calumet operates in only one MA in Illinois, we performed a full-scope review for the Chicago, Illinois MA.

LENDING TEST

Conclusions for Chicago Illinois MA

The bank's performance under the Lending Test in Illinois is rated "Outstanding." Based on a full-scope review, the bank's performance in the Chicago, Illinois MA is excellent.

Lending Activity

Refer to Table 1 in the state of Illinois section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Bank Calumet's lending activity reflects excellent responsiveness to AA credit needs. Information on deposit market share, compiled by the FDIC as of June 30, 2003, shows that the bank's deposit market share compares favorably to different loan product market shares. The bank ranks 149 out of 202 institutions (26 percentile) with a deposit market share of 0.06 percent in Cook County, Illinois.

Bank Calumet originates a wide variety of mortgage loans within this AA. In the Chicago, Illinois MA, Bank Calumet originated 189 home mortgage loans. This equates to five percent of all loans originated or purchased during the evaluation period. Twenty-one percent represent home purchase, 33 percent represent home improvement loans, and 47 percent represent home mortgage refinance loans. Multi-family loans were less than one percent.

Based on 2002 aggregate HMDA data, Bank Calumet ranks 35th of 383 HMDA reporters (91 percentile) with a 0.75 percent market share. Bank Calumet ranks 66th of 267 lenders (75 percentile) for home purchase lending with a market share of 0.35 percent. The bank ranks 4th of 71 lenders (94 percentile) for home improvement loans with a market share of 4.74 percent and 31 of 313 lenders (90 percentile) for home refinance loans with a market share of 0.81 percent.

The bank also originates commercial loans. In the Chicago, Illinois MA, Bank Calumet originated 204 small loans to businesses during the evaluation period. This equates to 50 percent of the loans originated during the evaluation period. Based on 2002 Small Business Aggregate data published by the FFIEC, Bank Calumet ranks 73rd of 316 lenders (77 percentile) with a 0.09 percent market share for small business loans.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of Bank Calumet's home mortgage loans reflects excellent penetration throughout the AA.

The bank originated only a minimal number of multifamily loans. Therefore, an analysis of multifamily loans is not meaningful.

The geographic distribution of home purchase loans is adequate. The bank did not make any home purchase loans in the low-income geography. However, the percentage of owner-occupied units in that geography is less than 1 percent. The opportunity to make loans in the low-income geography is limited as there are only 290 owner occupied units in the low-income geography. The percentage of home purchase loans made in the bank's moderate-income geographies is below the percentage of owner-occupied units in those geographies. The opportunity to grant loans within these geographies is limited since competition from multinational, regional, and Illinois based financial institutions is so strong. Based on 2002 aggregate HMDA data, Bank Calumet ranks 91 out of 146 lenders originating or purchasing home purchase loans in the moderate-income geographies in the bank's AA. The market share for loans made in the moderate-income geographies is below the overall market share for home purchase loans.

The geographic distribution of home improvement loans is excellent. The percentage of home improvement loans made in the bank's low-income geography significantly exceeds the percentage of owner-occupied units in that geography. The percentage of home improvement loans made in the bank's moderate-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The bank's market share in the low-income geography and in the moderate-income geographies significantly exceeds the overall market share for home improvement loans.

The geographic distribution of home refinance loans is excellent. The bank did not make any home refinance loans in the low-income geography. However, the percentage of owner-occupied units in that geography is less than 1 percent. The opportunity to make loans in the low-income geography is limited since there are only 290 owner occupied units in the low-income geography. The percentage of refinance loans made in the bank's moderate-income geographies exceeds the percentage of owner-occupied units in those geographies. The market share for refinance loans made in the moderate-income geographies exceeds the overall market share for refinance loans.

Small Loans to Businesses

Refer to Table 6 in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is excellent in the Chicago, Illinois MA. Bank Calumet's lending in the low-income geography significantly exceeds the percentage of businesses with revenues less than \$1 million located in that geography. The percentage of Bank Calumet's loans to businesses in the moderate-income geographies significantly exceeds the percentage of the businesses with revenues less than \$1 million located in those geographies. Bank Calumet's market share in low-income geographies is below the overall market share for small loans to businesses. Bank Calumet's market share in moderate-income geographies exceeds its overall market share for small loans to businesses.

Lending Gap Analysis

Maps and reports detailing Bank Calumet'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.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of Bank Calumet's home mortgage loans and small loans to businesses reflects an excellent dispersion among borrowers of different income levels throughout the full scope AA geographies.

Home Mortgage Loans

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

The distribution of lending to borrowers of different income levels for home purchase loans is excellent. The percentage of home purchase loans made to low-income borrowers significantly exceeds the percentage of low-income families in the AA. The percentage of home purchase loans made to moderate-income borrowers significantly exceeds the percentage of moderate-income families in the AA. Market share for loans made to low-income borrowers and moderate-income borrowers exceeds the overall market share for home purchase loans.

The distribution of lending to borrowers of different income levels for home improvement loans is excellent. The percentage of home improvement loans made to low-income borrowers is near the percentage of low-income families in the AA. The percentage of home improvement loans made to moderate-income borrowers exceeds the percentage

of moderate-income families in the AA. Market share for home improvement loans made to low-income borrowers exceeds the overall market share. Market share for moderate-income borrowers meets the overall market share for home improvement loans.

The distribution of lending to borrowers of different income levels for home refinance loans is good. The percentage of refinance loans made to low-income borrowers is below the percentage of low-income families in the AA. However, approximately 8 percent of the households in the AA are living below the poverty level making it difficult for residents to purchase homes. The percentage of refinance loans made to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. Market share for refinance loans made to low-income borrowers is below the overall market share. Market share for moderate-income borrowers meets the overall market share in the AA for refinance loans.

Small Loans to Businesses

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

The distribution of lending to businesses of different sizes is excellent in the Chicago, Illinois MA. The percentage of the bank's loans to businesses with revenues of less than \$1 million exceeds the percentage of small businesses in the AA. Bank Calumet's market share for loans to businesses with revenue of \$1 million or less exceeds its overall small business market share.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Illinois of appendix D for the facts and data used to evaluate the bank's level of community development lending.

Bank Calumet's community development lending had a positive impact on the overall lending test rating. Bank Calumet originated \$298 thousand in community development loans in the Chicago, Illinois MA during this evaluation period. These funds were used primarily for job training and affordable housing targeted to low- and moderate-income individuals. Some examples of the community development loans are listed below.

- The bank originated three loans, totaling \$49 thousand to a nonprofit organization located in the low-income geography in the bank's AA. The organization's purpose is to assist the unemployed through training, job assistance and transportation.
- The bank originated four unsecured loans, totaling \$75 thousand to a local church for the construction of affordable housing targeted to low- and moderate-income individuals and families in a low-income geography.

- The bank originated five loans, totaling \$167 thousand to a nonprofit organization in the low-income geography in the bank's AA. The organization's purpose is to provide job training targeted to youth from low-and moderate-income households.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test conclusions for the Chicago, Illinois MA. Details of some of these products are highlighted below.

Most of the products described below are offered in both the Gary, Indiana MA and Chicago, Illinois MA. The amounts originated could not be allocated between the two AAs. Therefore, we have allocated approximately 10 percent of the total number and dollar of these loans for the Chicago, Illinois MA. This is comparable to the percentage of deposits drawn from this AA.

My Community Mortgage: This program provides low- and moderate-income borrowers more flexible underwriting terms, lower down payment requirements and down payment assistance. During the evaluation period, Bank Calumet made 61 of these affordable housing loans for approximately \$4.1 million, of which six loans totaling \$410 thousand is allocated to the Chicago, Illinois MA.

Rental Property Loan Program: The Neighborhood Investment Program (below market financing and flexible underwriting) program was expanded to include rental property. These loans improve rental units for the low-and moderate-income persons who live in them. Offered in older urban communities, the bank originated 84 loans, totaling approximately \$6.8 million during the evaluation period, of which eight loans totaling \$680 thousand is allocated to the Chicago, Illinois MA.

Urban Enterprise Zone Loans: This program provides small business lending incentives in the in the Chicago Heights, Illinois Enterprise Zone. During this evaluation period the bank originated 37 loans, totaling \$3 million, all of which benefits the Chicago, Illinois MA.

Small Business Initiative: This program is a \$1.5 million revolving loan fund formed by Bank Calumet to stimulate the formation and expansion of small businesses in the bank's AA. Loans are offered at one percent below the bank's prime rate. To qualify, the business must have 20 or fewer employees and annual sales of less than \$750 thousand. During this evaluation period, Bank Calumet originated 11 of these loans for approximately \$930 thousand, of which one loan totaling \$93 thousand is allocated to the Chicago, Illinois MA.

Mortgage Assistance Program (MAP): This program is made available exclusively to low-and moderate-income borrowers. Low- and moderate-income first time homebuyers who lack the down payment and closing costs would qualify for this product. The bank will grant \$2.5 thousand secured by a junior lien. The junior lien is taken for the total amount of the grant and is released after 5 years. However, the

borrower must stay in property for 5 years for the lien to totally forgiven. Bank Calumet made five of these loan/grants, totaling \$12.5 thousand during the evaluation period.

INVESTMENT TEST

Conclusions for Chicago, Illinois MA

The bank's performance under the Investment Test in Illinois is rated "Outstanding." Based on a full-scope review, the bank's performance in the Chicago Illinois MA is excellent. Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Bank Calumet demonstrates an excellent level of responsiveness to credit and community development needs. This AA represents a portion of the Chicago, Illinois MA where many investment opportunities are available to assist with the needs within the various communities. The bank has devoted its efforts in contributing to those investments that provide direct benefits to this AA.

Bank Calumet provided qualified investments within its AA through cash contributions, grants, and purchases of securities. Qualifying investments totaled \$5.6 million in this AA. Specific noteworthy investments included:

CRA Qualified Mortgage Backed Securities: Bank Calumet invested in a mortgage-backed security totaling \$2.5 million. These securities are backed by home mortgage loans originated to low-or moderate-income persons located throughout the Chicago, Illinois MA.

Chicago Heights Park District: During 2001, the bank purchased a general obligation bond totaling \$1.3 million. The proceeds were used to fund park improvements in Chicago Heights, Illinois. This activity assists in attracting and retaining residents to Chicago Heights, Illinois, which is primarily low-and moderate-income, according to 2000 census data.

Additional grants and donations were provided to various community development organizations in this AA. Bank Calumet contributed to 23 different organizations, totaling \$72 thousand during the evaluation period.

The bank had one prior period investment during the evaluation period. This general obligation bond has an outstanding balance of \$469 thousand and is targeted to a primarily low-and moderate-income school district.

SERVICE TEST

Conclusions for Chicago, Illinois MA

The bank's performance under the Service Test in Illinois is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Chicago, Illinois MA is good.

Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Bank Calumet has an adequate distribution of delivery systems that are reasonably accessible to individuals and geographies of different income levels throughout the AA. In the Chicago, Illinois MA, Bank Calumet operates three full-service branches. The bank has no branches in either the one low-income or nine moderate-income geographies of the AA. However, two of the branches in middle-income geographies are within approximately one mile of five of the moderate-income geographies.

Since our last performance evaluation, Bank Calumet opened two new branches, both located in middle-income geographies. The opening of the new branches has improved the bank's accessibility to moderate-income areas since one of new branches is adjacent to a moderate-income geography. This new branch is located within approximately one mile of the moderate-income geography. Bank Calumet did not close any branches in the Chicago, Illinois MA during this evaluation period.

Hours and services in the AA, including the availability of loan officers for all loan products, are comparable among locations regardless of the income level of the geography. Banking hours and services provided Monday through Friday are supplemented by Saturday hours at all three branches. The three branches also have drive-ups, which provide extended service hours.

Bank Calumet operates three ATMs within this AA. Each full-service branch has a full service 24-hour ATM.

Bank Calumet offers other alternative delivery systems including bank-by-phone and Internet banking. Internet banking allows customers to make account transfers, obtain balance information, and arrange for bill payment. Individuals can also obtain loan applications via the Internet and actually apply on-line. Bank Calumet does not, however, monitor the usage of these alternative delivery services by low- and moderate-income individuals. Therefore, we did not place significant weight on these alternative delivery systems when drawing our CRA performance conclusions.

Community Development Services

Bank Calumet has been involved with a good number of community development activities within the Chicago, Illinois MA. In a few instances, the bank has acted in a leadership capacity. Involvement has been affordable housing, educational and small business related. Several examples are detailed below:

Bank Calumet's President's Council: Founded by the bank's Chairman and Chief Executive Officer, Bank Calumet's Presidents' Council is a forum that meets every other month with high school students selected from high schools in this AA. The majority of the students in these schools are from low- and moderate-income families. The council meetings involve dialog between the bank officers and students regarding needs of the students and their families, including providing a better understanding of the financial industry. Beginning in 2003, students who attend regularly for a two-year period are eligible for a \$1000 college scholarship or technical training and are also provided employment opportunities with the bank.

Bank Calumet sponsored a number of meetings at various schools in low- and moderate-income areas. These programs educate children and parents on how to save money, the availability of financial assistance for education through student loans, and how to establish credit.

The bank sponsored a number of seminars on affordable housing for low- and moderate-income individuals. The seminars included discussions on various loan related topics such as predatory lending practices, pre-qualifying for financing, credit counseling, choosing realtor, shopping for a home and closing the sale of their homes. Participants who completed all sessions qualified for discount on closing costs.

The bank sponsored numerous small business seminars. The seminars were geared towards promoting economic development through new and start-up small businesses, discussions on how to write business plans and obtaining bank financing, financing growth and expansion in businesses etc. These were targeted to businesses in the low- and moderate-income geographies.

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 nonmetropolitan 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: January 1, 2000 to December 31, 2002 Investment Test: October 18, 2000 to March 8, 2004 Service Test: October 18, 2000 to March 8, 2004	
Financial Institution		Products Reviewed
Bank Calumet, N.A. (Bank Calumet) Hammond, Indiana		HMDA, Small Business & Community Development loans, Investments, and Services
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Gary, Indiana MA Gary Indiana MA #2960 Chicago, Illinois MA Chicago Illinois MA #1600	Full-Scope Full-Scope	

Appendix C: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews

State of Indiana.....	C-2
State of Illinois	C-4

State of Indiana Full-Scope Area

Gary, Indiana MA

Demographic Information for Full Scope Area: Bank Calumet IN AA - 1990 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	54	1.85	22.22	53.70	22.22	0.00
Population by Geography	324,092	1.00	15.28	53.01	30.70	0.00
Owner-Occupied Housing by Geography	84,671	0.29	12.50	53.96	33.25	0.00
Business by Geography	8,892	2.65	15.60	48.55	33.20	0.00
Farms by Geography	171	0.00	7.60	52.05	40.35	0.00
Family Distribution by Income Level	87,892	16.09	16.93	25.77	41.21	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	29,026	2.19	24.99	54.33	18.49	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		36,921 56,800 8.63%	Median Housing Value Unemployment Rate (1990 US Census)		62,118 5.7%	

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

The AA is located in Lake County, a portion of the Gary, Indiana Metropolitan Area (MA 2960). It includes 54 geographies located in northwestern portion of Lake County. One of these is low-income and 12 are moderate-income. The AA includes the communities of Black Oak, Unincorporated Calumet Township, Crown Point, Glen Park, Griffith, Hammond, Highland, Hobart, Merrillville, Munster, St. John, Schererville, and Winfield. This AA includes geographies where the bank has a branch and where a substantial portion of the bank's loans have been originated. This AA was drawn in accordance with the regulation and does not arbitrarily exclude low- or moderate-income areas.

Bank Calumet has 26 offices located throughout the MA. As of June 30, 2003, 90 percent of Bank Calumet's deposits were derived from this MA. Over the evaluation period, 92 percent of the home mortgage loans and 83 percent of the small loans to businesses were derived from this MA.

Bank Calumet's deposits in Lake County, Indiana approximate \$786 million. This deposit amount equates to a 12 percent deposit market share based on FDIC deposit market share data as of June 30, 2003. Bank Calumet ranks as the third largest deposit taking institution in the county. The leading deposit taking institution dominates the market with 22 percent market share. Major competitors in this area include Bank One, Indiana, Centier Bank, Citizens Financial Services, Inc., Mercantile National Bank, and Sand Ridge Bank.

Since the last examination, the AA has experienced some decline in its economic conditions. This is in part due to a decline in the steel industry and the movement of anchor commercial businesses from central business districts to the suburbs. Several remaining steel companies have filed bankruptcy, resulting in a major loss in jobs in the area. The 2000 census data reflect more low-and moderate census tracts than in 1990 census data, within the bank's AA. Also, there is a higher poverty level within the Hammond and Gary areas.

The overall poverty level is moderately high, thereby impacting a low-income family's ability to afford a home. Using 1990 census data, 8 percent of the households in the AA are living below the poverty level. The level of poverty is more concentrated in Gary and Hammond where the number of households below poverty approximates 16 percent. Income of the low-income borrower is \$28,400 or less. The average median housing price is \$62,118. Much of the housing stock is out of the affordability range for the low-income borrower.

The employment base and primary industries in the AA are service oriented (37 percent), followed by retail trade (18 percent). Major local employers within the AA or employing a significant number persons within the AA include Ispat International N. V., LTV Corporation, Saint Margaret Mercy Healthcare Centers, Community Hospital, Horseshoe Casino and Hotel, Showboat Mardi Gras Casino, and Harrah's East Chicago Casino.

The average unemployment rate for Lake County is somewhat high at 5.9 percent for 2003. This is higher than the average state unemployment rate in 2003 of 5.0 percent and the Gary, Indiana MA average unemployment rate in 2003 of 5.7 percent. The average national unemployment rate for 2003 is slightly higher, at 6.0 percent. The municipalities within the AA reflect a wide range of unemployment rates for the fourth quarter of 2003. The unemployment rates range from 2.9 percent to 12 percent. The highest percentage is concentrated in Gary, Indiana (12 percent) and Hammond, Indiana (6.3 percent).

One community contact was made in this MA during the evaluation. The contact represented an economic development nonprofit organization. There is a primary need for decent affordable housing loans for low-and moderate-income individuals. This includes the construction and permanent financing for the purchase and rehabilitation of older, abandoned homes and new, affordable and mixed-income housing. There is also a primary need for small business financing that promotes economic development. Businesses are in need of access to capital for operational cost, business equipment and supplies. Examples include small business loans that are less than \$35 thousand and revolving loan funds. Industry-based job training programs are needed.

Based on discussions with community contacts, bank management and our research, unmet credit and community development needs exist in the AA. A moderate level of community resources and opportunities for partnerships exist to facilitate activities to address these unmet credit and community development needs. Competition for

community development loans, investments, and services is strong and consists primarily of the other financial institutions operating in the AA.

State of Illinois Full-Scope Area

Chicago, Illinois MA

Demographic Information for Full Scope Area: Bank Calumet AA IL - 1990 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	43	2.33	20.93	62.79	13.95	0.00
Population by Geography	184,032	1.84	20.70	63.49	13.97	0.00
Owner-Occupied Housing by Geography	48,179	0.60	14.79	67.65	16.96	0.00
Business by Geography	7,398	1.18	14.75	62.22	21.86	0.00
Farms by Geography	115	2.61	19.13	64.35	13.91	0.00
Family Distribution by Income Level	49,992	18.93	20.39	26.73	33.95	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	19,657	3.53	28.44	62.13	5.90	0.00
Median Family Income		42,758	Median Housing Value		73,241	
HUD Adjusted Median Family Income for 2002		75,400	Unemployment Rate (1990 US Census)		6.7%	
Households Below Poverty Level		8.46%				

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

Source: 1990 US Census and 2002 HUD updated MFI

Bank Calumet's AA consists of the southeastern section of Cook County, Illinois, part of the Chicago Metropolitan Area (MA 1600). The AA is comprised of 43 geographies. Of these one is low-income and 9 are moderate-income. The AA includes all or a portion of the communities of Calumet City, Chicago Heights, Ford Heights, Flossmoor, Homewood, Lansing, Olympia Fields, Park Forest, and Steger. This AA includes geographies where the bank has a branch and where a substantial portion of the bank's loans has been originated. This AA was drawn in accordance with the regulation and does not arbitrarily exclude low- or moderate-income areas.

Bank Calumet has three offices located in this AA. As of June 30, 2003, 10 percent of Bank Calumet's deposits were derived from this AA. In addition, over the evaluation period, 8 percent of Bank Calumet's home mortgage and 17 percent of small loans to businesses were originated or purchased in this AA.

Bank Calumet's deposits in Cook County, IL approximate \$87 million. This deposit amount equates to a 0.06 percent deposit market share based on FDIC deposit market share data as of June 30, 2003. This ranks Bank Calumet as one of the smallest deposit taking institutions in the AA. There is significant competition for financial services in this AA. Major competitors in this area are Bank One, Illinois, LaSalle Bank National Association, Harris Trust and Savings Bank, Northern Trust Company, and Citibank Federal Saving Bank.

The AA economy is predominately service oriented (39 percent) and retail trade (20 percent). Major employers in the area include St. James Hospital, Ford Motor Company, Roadway International and Rhone – Poulenc Basic Chemical Company.

The average unemployment rate for Cook County is high, at 7.1 percent for 2003. This is higher than the 2003 average state unemployment rate of 6.6 percent and the 2003 Chicago, Illinois MA average unemployment rate of 6.7 percent. The 2003 national average unemployment rate is at 6.0 percent. The municipalities within the AA reflect higher unemployment rates for the fourth quarter of 2003, ranging from 6.3 percent to 9.5 percent.

One community contact was made in this AA during the evaluation. The contact represented an economic development organization. The contact stated the primary credit needs are lending for affordable housing and small business financing.

Based on the demographics of the AA, and the identified need for more affordable housing and small business financing, unmet credit and community development needs exist in the AA. Community resources and opportunities for partnership opportunities are moderate. Competition for community development loans, investments, and services is strong and consists primarily of the other financial institutions operating in the AA.

Appendix D: Tables of Performance Data

Table of Contents

CONTENT OF STANDARDIZED TABLE.....	D-2
TABLES OF PERFORMANCE DATA.....	D-5

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 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- 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. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table 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 households within each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

Table 14. 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 15. 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: ILLINOIS AND INDIANA				Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002						
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:												
State of Indiana												
Gary, Indiana MA	88.28	2,043	158,763	1,022	117,971	0	0	9	2,218	3,074	278,952	90.03
Statewide/Regional	.06							2	5,372	2	5372	
State of Illinois												
Chicago, Illinois MA	11.66	189	9,323	204	16,085	0	0	13	298	406	25,706	9.97

* 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, 2000 to March 8, 2004.

*** Deposit Data as of June 30, 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: ILLINOIS AND INDIANA					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Purchase 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:																								
State of Indiana																								
Gary, Indiana MA	524	93.07	0.29	0.00	12.50	4.39	53.96	39.12	33.25	56.49	2.16	0.00	0.86	1.11	3.80									
State of Illinois																								
Chicago, Illinois MAs	39	6.93	0.60	0.00	14.79	10.26	67.65	79.49	16.96	10.26	0.35	0.00	0.26	0.47	0.00									

* 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.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: ILLINOIS AND INDIANA				Evaluation Period: JANUARY 1, 2000 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:															
State of Indiana															
Gary, Indiana MA	405	86.72	0.29	0.74	12.50	17.04	53.96	57.04	33.25	25.19	9.15	100.00	17.95	9.65	5.37
State of Illinois															
Chicago, Illinois MA	62	13.28	0.60	3.23	14.79	24.19	67.65	67.74	16.96	4.84	4.74	25.00	8.00	4.69	1.43

* 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 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: ILLINOIS AND INDIANA				Evaluation Period: JANUARY 1, 2000 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:															
State of Indiana															
Gary, Indiana MA	1,105	92.70	0.29	0.18	12.50	5.70	53.96	38.64	33.25	55.48	4.09	5.56	2.65	3.43	4.95
State of Illinois															
Chicago, Illinois MA	87	7.30	0.60	0.00	14.79	19.54	67.65	62.07	16.96	18.39	0.81	0.00	1.19	0.81	0.60

* 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 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: ILLINOIS AND INDIANA				Evaluation Period: JANUARY 1, 2000 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:															
State of Indiana															
Gary, Indiana MA	9	90.00	4.78	0.00	6.70	11.11	60.60	77.78	27.92	11.11	3.85	0.00	0.00	5.56	0.00
State of Illinois															
Chicago, Illinois MA	1	10.00	2.36	0.00	24.83	100.00	68.20	0.00	4.62	0.00	0.00	0.00	0.00	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 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															
Geography: ILLINOIS AND INDIANA															
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:															
State of Indiana															
Gary, Indiana MA	1,022	83.36	2.65	2.54	15.60	7.93	48.55	41.00	33.20	48.53	4.03	2.53	4.55	3.24	5.57
State of Illinois															
Chicago, Illinois MA	204	16.64	1.18	2.45	14.75	40.20	62.22	43.14	21.86	14.22	0.09	0.03	0.24	0.08	0.05

* 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 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: ILLINOIS AND INDIANA					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Purchase 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:																
State of Indiana																
Gary, Indiana MA	524	93.07	16.09	4.61	16.93	19.24	25.77	29.86	41.21	46.29	2.43	1.24	1.36	2.37	3.98	
State of Illinois																
Chicago, Illinois MA	39	6.93	18.93	26.32	20.39	42.11	26.73	21.05	33.95	10.53	0.42	0.52	0.47	0.48	0.00	

* Based on 2002 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 4.62% of loans originated and purchased by Bank Calumet.

*** 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 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT															Geography: ILLINOIS AND INDIANA					Evaluation Period: JANUARY 1, 2000 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:																								
State of Indiana																								
Gary, Indiana MA	405	86.72	16.09	17.37	16.93	26.30	25.77	27.05	41.21	29.28	9.65	15.63	11.72	6.33	8.97									
State of Illinois																								
Chicago, Illinois MA	62	13.28	18.93	16.67	20.39	30.00	26.73	35.00	33.95	18.33	5.16	7.69	5.08	4.12	4.35									

* Based on 2002 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 0.86% of loans originated and purchased by Bank Calumet.

*** 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 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: ILLINOIS AND INDIANA					Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance 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:																								
State of Indiana																								
Gary, Indiana MA	1,105	92.70	16.09	4.13	16.93	15.38	25.77	24.90	41.21	55.58	4.76	1.74	3.58	4.30	6.21									
State of Illinois																								
Chicago, Illinois MA	87	7.30	18.93	12.20	20.39	30.49	26.73	28.05	33.95	29.27	1.08	0.57	1.07	1.19	1.32									

* Based on 2002 Peer Mortgage Data: Central Region.

** As a percentage of loans with borrower income information available. No information was available for 5.87% of loans originated and purchased by Bank Calumet.

*** 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 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: ILLINOIS AND INDIANA			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:									
State of Indiana									
Gary, Indiana MA	1,022	83.36	62.34	56.36	71.92	15.85	12.23	4.03	6.91
State of Illinois									
Chicago, Illinois MA	204	16.64	63.94	64.71	84.31	8.33	7.35	0.09	0.20

* 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 6.20% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: ILLINOIS AND INDIANA									
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002									
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:									
State of Indiana									
Gary, Indiana MA	0	0	103	\$7,236	102	\$7,236	100	0	0
State of Illinois									
Chicago, Illinois MA	1	469	30	\$5,172	30	\$3,106	55.06	0	0
Statewide/Regional					1	2,535	44.94		

* '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 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: ILLINOIS AND INDIANA																	
Evaluation Period: JANUARY 1, 2000 TO DECEMBER 31, 2002																	
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:																	
State of Indiana																	
Gary, Indiana MA	90	26	90	11.54	3.85	42.31	42.31	8	0	2	0	4	2	1.00	15.28	53.01	30.70
State of Illinois																	
Chicago, Illinois MA	10	3	10	0.00	0.00	100	0.00	2	0	0	0	2	0	1.84	20.70	63.49	13.97