



**LARGE BANK**

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

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## **Public Disclosure**

**March 14, 2005**

# **Community Reinvestment Act Performance Evaluation**

**Old National Bank  
Charter Number: 8846**

**1 Main Street  
Evansville, IN 47708**

**Office of the Comptroller of the Currency**

**Midsized Bank Supervision  
440 South LaSalle Street 2700  
Chicago, IL 60605**

**NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

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## Overall CRA Rating

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

The following table indicates the performance level of **Old National Bank (ONB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Old National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
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:

- The bank's lending activity reflects adequate responsiveness to the credit needs of the assessment areas (AAs).
- The geographic and borrower distribution of home mortgage loans by income is adequate.
- ONB did a good job of originating small loans to businesses of different income levels.
- The number and dollar volume of community development (CD) loans is excellent. CD lending was a major factor in the bank's high satisfactory rating under the Lending Test.
- The bank has a good level of CD investments based on the needs and opportunities available in its AAs.
- ONB's branch offices are readily accessible to geographies and individuals of different income levels.
- Bank management provides a high level of CD services to residents in its AAs.

## 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.

**Assessment Area (AA):** One or more geographical areas that are delineated by banks and used to evaluate the bank's record of helping to meet the community's credit needs. AAs must contain one or more metropolitan areas, or political subdivisions such as counties, cities or towns. AAs must include geographies in which the bank has its main office, branches, and deposit taking automated teller machines.

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are

classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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

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

## Description of Institution

Old National Bank (ONB) is a midsize, interstate bank headquartered in Evansville, Indiana. ONB is a wholly owned subsidiary of Old National Bancorp, a \$9 billion bank holding company headquartered in Evansville, Indiana.

ONB's business strategy focuses primarily on small and mid-sized commercial and retail banking. Loan product offerings include mortgage loans for one-to-four family residences, multifamily residences, home equity lines of credit, commercial loans and lines of credit, and various consumer loans.

As of December 31, 2004, ONB had total assets of \$8.7 billion, total loans of \$5.5 billion, total deposits of \$5.4 billion, and Tier One capital of \$643 million. ONB offers traditional commercial and retail banking services with a loan portfolio representing 64 percent of the bank's total assets. The substantial majority to the bank's loan portfolio consists of loans secured by real estate at 57 percent. Approximately 20 percent of the portfolio is commercial loans, 14 percent are loans to individuals, and nine percent consists of agricultural and other loans.

The bank operates 115 branch offices located in five states. Its main office is located in Evansville, Indiana. ONB has additional branch offices in the states of Illinois, Kentucky, Ohio, and Tennessee.

There are no legal, financial, or other impediments that would prevent the bank from meeting the credit needs of its AAs. The bank competes with several nationwide and regional banks, community banks, mortgage companies, and credit card lenders. However, ONB is capable of meeting the needs of its AAs in a manner consistent with its resources and business strategy.

In 2004, ONB opened one branch office in the Louisville, Kentucky MA. However, because the bank did not have a branch office in this MA for most of this evaluation period, ONB's performance in this MA was not included in our analysis.

ONB was rated "Satisfactory" at its last CRA evaluation dated January 2, 2001.



## Scope of the Evaluation

### Evaluation Period/Products Evaluated

With the exception of CD loans, the evaluation period for the Lending Test is January 1, 2001, through December 31, 2004. For CD loans, the Investment Test, and the Retail Banking portion of the Service Test, the evaluation period is January 2, 2001 through March 14, 2005.

We reviewed ONB's originations and purchases of home mortgage loans and small loans to businesses. We evaluated small loans to farms only in the AAs with sufficient volume to reach conclusions.

We did not consider ONB's performance in the Louisville, Kentucky MA in our analysis. The bank did not have a physical presence in this geography for most of this evaluation period. It was added to the list of AAs in 2004. Therefore, any analysis of ONB's performance in this geography would be given so little weight as to have no meaningful impact on the overall conclusions.

Although the evaluation covers loans originated from January 1, 2001 through December 31, 2004, the loan data included on the tables in Appendix D of this evaluation is limited to loans originated during 2003. During the evaluation period, the federal government made significant changes to areas designated as Metropolitan Areas. The revisions reflect demographic changes identified from the federal government's 2000 census count.

### Data Integrity

We verified a sample of the Home Mortgage Disclosure Act (HMDA) reported loans, small loans to businesses, and CD loans to determine the accuracy of ONB's loan data. This included HMDA loans originated during 2001, 2002, 2003, and 2004.

We found significant errors in the HMDA loan data and small loans to business data. As a result, bank management agreed to review all reported loan data for this evaluation period and correct the errors. We selected a sample of the bank's corrected loan data to determine its accuracy. We found the corrected data to be substantially accurate, which allows us to correctly determine the bank's performance under the CRA.

However, because the bank had already submitted the inaccurate HMDA data, which was used to tabulate market share results in the bank's AAs, we were unable to include any market share analysis for home mortgage loans in this evaluation.

We reviewed information on the bank's CD loans, qualified investments and CD services to ensure the items met the regulatory definition. Although some of the CD loans, investments and activities submitted by management for consideration did not

qualify under the CRA, our analysis is based entirely on those items that meet regulatory qualifications.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, a sample of AAs within that state was selected for full-scope reviews. Every multi-state metropolitan area in which the bank has branches in more than one state received a full-scope review.

Our analysis included full-scope examination procedures for the Evansville, Indiana-Henderson, Kentucky Multi-state MA, Muncie, Indiana MA, Vermillion County Illinois MA, Owensboro, Kentucky MA, Drake County, Ohio AA, and the Clarksville, Tennessee AAs. Approximately 41 percent by dollar and 43 percent by number of the bank's loans were originated in the full-scope AAs.

We performed limited scope examination procedures in the Bloomington, Indiana MA, Indianapolis, Indiana MA, Terre Haute, Indiana MA, the Combined Indiana Non-MA AAs and the Combined Kentucky Non-MA AAs.

Please refer to Appendix A for additional information on the scope of our review.

### **Ratings**

The bank's overall rating is a blend of the multistate metropolitan area rating and state ratings. ONB's performance in the Evansville, Indiana – Henderson, Kentucky AA, and in the States of Indiana and Illinois were most heavily weighted in arriving at overall conclusions. These states contain the vast majority of the bank's branch offices and a majority of its loan originations.

The multi-state metropolitan area rating(s) and state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

We placed more weight on the distribution of home purchase, home improvement, small loans to businesses and CD loans when reaching conclusions on ONB's Lending Test performance. The bank originates comparatively fewer small loans to farms and few multifamily home loans. In addition, community contacts did not list home mortgage refinance loans as an identified credit need for low-income families.

## **Fair Lending Review**

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

**Multistate Metropolitan Area Rating  
Evansville, Indiana – Henderson, Kentucky  
Multi-state Metropolitan Area**

**CRA rating for the Evansville, Indiana – Henderson, Kentucky Multistate  
Metropolitan area: Satisfactory**

**The Lending Test is rated: High Satisfactory**

**The Investment Test is rated: High Satisfactory**

**The Service Test is rated: Outstanding**

The major factors that support this rating

- The geographic distribution of loans is adequate. ONB did an adequate job of originating home purchase loans and small loans to businesses in low- and moderate-income geographies.
- ONB's borrower distribution for home mortgage loans and small loans to businesses and farms reflects good dispersion among borrowers of different income levels in this AA.
- The bank did an excellent job of originating CD loans in the AA.
- ONB has a good level of qualified investments (by dollar) based on the needs and opportunities available, as well as, the bank's size and financial capacity.
- ONB's branch offices are readily accessible to geographies and individuals of different income levels.
- Bank management provides a high level of CD services to AA residents.

**Description of Institution's Operations in Evansville, Indiana -  
Henderson, Kentucky Multi-state Metropolitan Area #21780**

ONB's AA consists of the entire multi-state metropolitan area. The larger cities in this AA include Evansville, Indiana and Henderson, Kentucky, which are separated by the Ohio River. The bank operates 20 branch offices in this AA with 5 percent in low-income geographies and 35 percent in moderate-income geographies, 45 percent in middle-income geographies and 15 percent in upper-income geographies. The AA contains 31 percent of ONB's total deposits. The AA's offices account for 22 percent of the total number and 26 percent by dollar of loans purchased/originated during this evaluation period.

ONB has a regional money-center bank and smaller community banks competing in this AA. Competitors include Fifth Third Bank, Integra Bank, and the Bank of Evansville.

Refer to the market profile for the Evansville, Indiana – Henderson, Kentucky multi-state metropolitan area in Appendix C for detailed demographics and other performance context information.

## **LENDING TEST**

### **Lending Activity**

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

ONB's lending activity is good in the Evansville, Indiana – Henderson, Kentucky MA AA.

In the Evansville, Indiana – Henderson, Kentucky MA, 72 percent, 26 percent, and 2 percent of the loans originated/purchased were home mortgage loans, small loans to businesses, and small loans to farms, respectively. Among home mortgage loans, 29 percent, 10 percent, and 61 percent were home purchase, home improvement, and home mortgage refinance loans, respectively. Multifamily loans represented less than 1 percent of total loans in this AA.

ONB's lending activity is good given its deposit market share. ONB ranks first in terms of deposits among depository institutions with a 42 percent market share. Based on 2003 Aggregate CRA data, ONB ranks fourth and second among all lenders for small loans to businesses and farms with a 12 percent and 27 percent market share, respectively. While ONB's market share of small loans to businesses and farms is lower than its deposit market share, this performance is adequate. As previously mentioned, home mortgage loan market share data was not used to evaluate ONB's performance due to data integrity issues.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of ONB's home mortgage loans and small loans to businesses and farms is adequate. The number of multifamily loans originated/purchased in this AA is not significant enough to perform a meaningful analysis. We placed more weight on the distribution of home purchase loans and small loans to businesses, compared to home mortgage refinance loans because they represent the largest percentage of loans originated/purchased within the AA.

### **Home Mortgage Loans**

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

### **Home Purchase Loans**

The geographic distribution of home purchase loans is adequate. In 2003, the portion of home purchase loans in low-income geographies is lower than the portion of owner-occupied housing units that are within those geographies. However, only 2 percent of the housing units in low-income geographies are owner-occupied. That level of owner-occupancy makes it very difficult to originate home purchase loans.

The portion of home purchase loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of home purchase loans in low-income geographies is somewhat lower than the portion of owner-occupied housing units within those geographies. The portion of home purchase loans in moderate-income geographies is lower than the portion of owner-occupied housing units.

### **Home Improvement Loans**

The geographic distribution of home improvement loans is excellent. In 2003, the portion of home improvement loans in low- and moderate-income geographies exceeds the portion of owner-occupied housing units within those geographies. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Home Mortgage Refinance Loans**

The geographic distribution of home mortgage refinance loans is adequate. In 2003, the portion of home mortgage refinance loans in low-income geographies is somewhat lower than the portion of owner-occupied housing units within those geographies. The portion of home mortgage refinance loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of home mortgage refinance loans in low- and moderate-income geographies is lower than the portion of owner-occupied housing units within low- and moderate-income geographies, respectively.

### **Small Loans to Businesses**

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

The geographic distribution of small loans to businesses is adequate. In 2003, the portion of small loans to businesses in low-income geographies is lower than the portion of businesses within those geographies. ONB's market share of loans in low-income geographies is somewhat lower than its overall market share. The portion of small loans to businesses in moderate-income geographies is near the portion of businesses within those geographies. However, the bank's market share of loans in moderate-income geographies exceeds the bank's overall market share. In 2004, ONB's

performance is better than in 2003. In this period, the portion of small business loans in low-income geographies is lower than the portion of businesses in those geographies. The portion of small loans to businesses in moderate-income geographies is near the portion of businesses within those geographies. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Small Loans to Farms**

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

The geographic distribution of small loans to farms is adequate. In 2003, the portion of small loans to farms in moderate-income geographies is somewhat lower than the portion of farms within those geographies. However, due to low loan volume, the percentage difference is represented by two loans. ONB's market share of loans in moderate-income geographies is somewhat lower than its overall market share. Dunn and Bradstreet data indicates there are only five farms located in the four low-income census tracts. This low number of farms is not significant enough to perform a meaningful analysis. In 2004, ONB's performance is better than in 2003. In this period, the portion of small loans to farms in moderate-income geographies exceeds the portion of farms within those geographies. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of small loans to farms in moderate-income geographies is significantly lower than the portion of farms located within those geographies.

### **Lending Gap Analysis**

We reviewed summary reports detailing ONB's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

### **Inside/Outside Ratio**

A substantial majority (86 percent) of home mortgage loans originated/purchased by ONB during the evaluation period was within the bank's AAs in Indiana, Illinois, Kentucky, Ohio, and Tennessee. ONB originated/purchased 87 percent, 73 percent, 90 percent, and 92 percent of home purchase, home mortgage refinance, home improvement, and multifamily loans respectively, within all of its AAs. The bank originated/purchased 89 percent and 83 percent of small loans to businesses and farms, respectively, within all of the its AAs. All CD loans were originated/purchased within the bank's AAs. We gave positive consideration to this record of lending within the AAs when drawing conclusions relative to the overall geographic distribution of lending by income level of geography.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution for home mortgage loans and small loans to businesses and farms reflects good dispersion among borrowers of different income levels in this AA.

### **Home Mortgage Loans**

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

In evaluating the borrower distribution of home mortgage loans, we considered the number of families that live below the poverty level (7 percent of families) and the barriers that this may have on home ownership.

### **Home Purchase Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home purchase loans, an identified credit need. In 2003, the portion of home purchase loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home purchase loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Home Improvement Loans**

ONB has done an excellent job of addressing the low- and moderate-income borrower credit needs for home improvement loans, an identified credit need. In 2003, the portion of home improvement loans to low-income borrowers equals the portion of AA families who are low-income. The portion of home improvement loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Home Mortgage Refinance Loans**

ONB has done an adequate job of addressing the low- and moderate-income borrower credit needs for home mortgage refinance loans. In 2003, the portion of home mortgage refinance loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income borrowers is near the portion of AA families who are moderate-income. In 2004, ONB's performance is better than in 2003. In this period, the portion of home mortgage refinance loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income families exceeds the portion of AA families who are moderate-income. In the period 2001 to 2002, ONB's performance is similar to 2003.



### **Small Loans to Businesses**

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

The borrower distribution of small loans to businesses is excellent. In 2003, the portion of ONB's loans extended to businesses with revenues of \$1 million or less exceeds the portion of area businesses that have revenue levels of \$1 million or less. ONB's market share to the \$1 million or less borrowers exceeds its overall market share. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of loans extended to businesses with revenues of \$1 million or less is somewhat lower than the portion of area businesses with revenues of \$1 million or less.

### **Small Loans to Farms**

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

The borrower distribution of small loans to farms is excellent. In 2003, the portion of ONB's loans extended to farms with revenues of \$1 million or less exceeds the portion of area businesses that have revenue levels of \$1 million or less. ONB's market share to the \$1 million or less borrowers exceeds its overall market share. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Community Development Lending**

Refer to Tables 1 (Lending Volume) in Appendix D for the facts and data used to evaluate the bank's lending activity.

The level of CD lending is excellent and has a positive impact on the bank's overall Lending Test performance for the AA. During the evaluation period, ONB originated 23 CD loans totaling \$30.1 million. The CD loans were particularly responsive to the AA's small business and low- and moderate-income housing needs. As a result, the bank's Lending Test rating for the AA was raised to High Satisfactory. The following examples highlight the bank's CD lending in the AA:

- The bank provided \$2.06 million for the construction of 112 affordable housing units for low- and moderate-income AA residents.
- The bank provided \$1.6 million or 60 percent of the cost for plant expansion and new job creation at a small manufacturing facility in the AA. A local CDC provided an additional loan to cover the remaining 40 percent of the project's cost.
- The bank provided \$1.4 million to construct 27 affordable housing units for low- and moderate-income AA residents.

## Product Innovation and Flexibility

ONB offers various loan products with flexible features to help meet AA credit needs. While the bank provided descriptions of its flexible lending programs, they did not provide specific loan data by AA. As a result, product innovation and flexibility had a neutral impact on the Lending Test conclusions.

The following are some examples of ONB's innovative and flexible loan programs.

The **Open Door Mortgages** provides 97 percent financing with no private mortgage insurance requirements. Down payment funds can come from personal savings, gifts from a family member, or in the form of a grant from a qualified agency. The loans are restricted to low-to-moderate-income borrowers who complete a Department of Housing and Urban Development approved home ownership counseling program.

The **Freddie Mac Affordable Gold Series** is a home purchase loan product that's targeted to borrowers with limited funds for down payments and closing costs. This series of loan products includes 15-, 20-, and 30-year, fixed rate, fully amortizing mortgages.

The **Old National 100** offers 100 percent financing for home purchase loans and borrowers can use up to three percent of the loan proceeds for closing costs.

## INVESTMENT TEST

Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the Investment Test is rated High Satisfactory. Based on the full-scope review, the bank's performance is good in the Evansville, Indiana – Henderson, Kentucky Mutli-state MA.

ONB demonstrated good responsiveness to the CD investment needs in the AA. The bank provided \$3.1 million in qualified investments during this evaluation period. Total qualified investments for this AA were \$5.1 million. Specific investments include:

- \$2.2 million in Low-income Housing Tax Credit investments. ONB's funds were used to fund construction of multi-family low-income housing units in the AA. The bank's investments were divided among three separate low-income housing developments projects in the AA.
- ONB provided \$921,280 in charitable contributions to organizations that provide CD services to businesses and individuals throughout the AA. These include 372 separate financial contributions to organizations with a CD focus.

Additionally, ONB holds prior period investments of \$1.99 million. This represents the remaining portion of the bank's CD investments originated prior to this evaluation period.

## **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.

The distribution of retail delivery systems is accessible to geographies and individuals of different income levels. The percentage of branch offices in low- and moderate-income geographies substantially exceeds the percentage of the population in these geographies.

The hours of operation and banking services offered at ONB's branch are good. ONB's hours and services offered do not vary significantly by branch location. Each branch provides access to traditional deposit and loan products. With few exceptions, branches are open on Monday through Saturday.

Branch closures resulted in a decrease of one branch in moderate-income geographies. However, its impact on access to banking products and services for low- and moderate-income individuals or was not significant.

Particularly noteworthy is the bank's new main branch office, which opened during this evaluation period. The branch is located on the first level of ONB's recently completed headquarters building and is located in Evansville, Indiana's downtown business district. This project was a major step forward in the community's long-term neighborhood revitalization goals for Evansville's downtown business district and was a major factor in ONB's Outstanding Service Test rating for the AA.

In addition, ONB offers access to its products and services through several alternative delivery systems. These include automated teller machines (ATMs), telephone banking services, and computer banking. The bank does not monitor the usage of these alternative delivery systems by low- and moderate-income individuals; therefore, significant weight was not placed on these delivery systems when drawing our conclusions on ONB's performance under the Service Test.

### **Community Development Services**

ONB's performance in providing CD services in the AA is excellent. Bank employees provide a large number of CD services to a wide variety of groups that focus on low- and moderate-income housing and small business development.

These CD services are highly responsive to the AA's identified needs. The volume of CD services provided along with the level of responsiveness to AA needs had a positive

impact on ONB's performance under the Service Test in the Evansville, Indiana – Henderson, Kentucky Multi-State MA AA. ONB's record of responsiveness to the AA's CD service needs helped ONB achieve an Outstanding Service Test rating for the AA.

Some examples of these services include:

- An employee serves on a local affordable housing task force that works with public and private sector groups to address housing needs of low- and moderate-income residents.
- An employee serves on an economic development roundtable that studies affordable housing and small business development needs in Evansville.
- One employee provided expertise in finance to a training center that provides skills training to low- and moderate-income youth.
- One employee serves on the Board of Directors of an economic development organization that focuses on affordable housing for low- and moderate-income residents and support services for small businesses in downtown Evansville.
- An employee served on the advisory board of an organization that targets low-income geographies for affordable housing.
- Several employees provide training on money management skills at financial literacy classes and workshops that targets low- and moderate-income individuals.
- One employee provided technical support to a community action group, including coordinating meetings, preparing agendas, and scheduling speakers.
- An employee served as chairperson for a small business development workshop sponsored by a local small business development corporation.
- An employee provided technical support to an organization that builds housing for low-income residents.

## State Rating

### State of Indiana

<b>CRA Rating for Indiana<sup>1</sup>:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>High Satisfactory</b>
<b>The Service Test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating:

- The distribution of home mortgage loans by borrower income is good and the distribution of small loans to businesses by borrower income is excellent.
- The geographic distribution of home mortgage loans by income is poor and the geographic distribution of small business loans by income was adequate.
- ONB did a good job of originating CD loans. CD lending had a positive impact on the bank's performance.
- ONB provided a good amount of CD investments within the AAs.
- The bank's retail delivery systems are accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in Indiana

ONB's AAs in the State of Indiana consist of the Muncie, Indiana MA, Bloomington, Indiana MA, and the Terre Haute, Indiana MA. The non-MA AAs include the following Indiana Counties: Fountain, Warren, Putnam, Dubois, Grant, Jay, Orange, Wayne, Parke, Perry, Spencer, Knox, Davies, Martin, and Randolph. The largest cities included in ONB's AAs are Indianapolis, Bloomington, Muncie and Terre Haute markets

The bank operates 63 branch offices (excluding Evansville) within the state. The Indiana offices comprise 41 percent of ONB's total deposits and 52 percent of the total number of ONB's loans. Competition includes numerous smaller community banks and other regional banks such as Integra Bank and Fifth Third Bank.

Refer to the market profiles for the State of Indiana in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>1</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## **Scope of Evaluation in Indiana**

Our analysis included full-scope examination procedures for the Muncie, Indiana MA #3462. Approximately 7 percent of the bank's loans were made in this AA. We performed limited-scope procedures for the Bloomington, Indiana MA #1402, Indianapolis, Indiana MA #2690, Terre Haute MA #4546, and the bank's combined Non-MA areas. The ratings for the State of Indiana are based primarily on results of those areas that received full-scope reviews. Please refer to the table in Appendix A for additional information on the scope of our review.

We conducted one community contact interview in the Muncie, Indiana MA. We contacted a locally based economic development organization that focuses on small business development. The contact indicated that one of the primary credit needs for the AA was start-up and operating funds for small businesses.

## **LENDING TEST**

### **Lending Activity**

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

ONB's lending activity in the Muncie MSA # 34620 is adequate.

In the Muncie, Indiana MA, 74 percent, 25 percent, and 1 percent of the loans originated/purchased were home mortgage loans, small loans to businesses, and small loans to farms, respectively. Among home mortgage loans in the AA, 24 percent, 14 percent, and 62 percent were home purchase, home improvement, and home mortgage refinance loans, respectively. Multifamily loans represented less than 1 percent of total loans in this AA.

ONB's lending activity is adequate in the AA given its deposit market share. ONB ranks second in terms of deposits among depository institutions with a 24 percent market share. Based on 2003 Aggregate CRA data, ONB ranks fourth and third among all lenders for small loans to businesses and farms with a 10 percent and 15 percent market share, respectively. While ONB's market share of small loans to businesses and farms is lower than its deposit market share, this performance is adequate. As previously mentioned, home mortgage loan market share data was not used to evaluate ONB's performance due to data integrity issues.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of ONB's home mortgage loans and small loans to businesses in Muncie is poor. The number of multifamily loans and small loans to farms originated/purchased in this AA and the number of owner-occupied housing units in low-income geographies is not significant enough to perform a meaningful analysis. Census data for year 2000 indicates there are only 35 owner-occupied housing units in low-income geographies. We placed more weight on the distribution of home purchase loans and small loans to businesses, and less weight to home mortgage refinance loans.

### **Home Mortgage Loans**

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

### **Home Purchase Loans**

The geographic distribution of home purchase loans is poor. In 2003, the portion of home purchase loans in moderate-income geographies is significantly lower than the portion of owner-occupied housing units within those geographies. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is better than in 2003. In this period, the portion of home purchase loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies.

### **Home Improvement Loans**

The geographic distribution of home improvement loans is excellent. In 2003, the portion of home improvement loans in moderate-income geographies exceeds the portion of owner-occupied housing units within those geographies. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Home Mortgage Refinance Loans**

The geographic distribution of home mortgage refinance loans is adequate. In 2003, the portion of home mortgage refinance loans in moderate-income geographies is significantly lower than the portion of owner-occupied housing units within this geography. In 2004, ONB's performance is better than in 2003. In this period, the portion of home mortgage refinance loans in moderate-income geographies exceeds the portion of owner-occupied housing units within those geographies. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Small Loans to Businesses**

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

The geographic distribution of small loans to businesses is good. In 2003, the portion of small loans to businesses in low-income geographies equals the portion of businesses within this geography. ONB's market share of loans in the low-income geographies exceeds its overall market share. The portion of small loans to businesses in moderate-income geographies is somewhat lower than the portion of businesses within those geographies. The bank's market share of loans in moderate-income geographies is somewhat lower than its overall market share. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is better than in 2003. In this period, the portion of small loan to businesses in low-income geographies is somewhat lower than the portion of businesses within those geographies. The portion of small loans to businesses in moderate-income geographies is near the portion of businesses within those geographies.

### **Small Loans to Farms**

The number of small loans to farms originated/purchased is not significant enough to perform a meaningful analysis.

### **Lending Gap Analysis**

We reviewed reports detailing ONB's lending activity for home mortgage loans and small loans to businesses and farms to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

### **Inside/Outside Ratio**

As described under the Evansville, Indiana – Henderson, Kentucky Lending Test, a substantial majority (86 percent) of home mortgage loans originated/purchased by ONB during the evaluation period was within the bank's AAs in Indiana, Illinois, Kentucky, Ohio, and Tennessee. ONB originated/purchased 87 percent, 73 percent, 90 percent, and 92 percent of home purchase, home mortgage refinance, home improvement, and multifamily loans respectively, within all of its AAs. The bank originated/purchased 89 percent and 83 percent of small loans to businesses and farms, respectively, within all of the its AAs. All CD loans were originated/purchased within the bank's AAs. We gave positive consideration to this record of lending within the AAs when drawing conclusions relative to the overall geographic distribution of lending by income level of geography.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of ONB's home mortgage loans and small loans to businesses reflects adequate dispersion among borrowers of different income.

### **Home Mortgage Loans**

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



In evaluating the borrower distribution of home mortgage loans, we considered the number of families that live below the poverty level (9 percent of families) and the barriers that this may have on home ownership.

### **Home Purchase Loans**

ONB has done an adequate job of addressing the low- and moderate-income borrower credit needs for home purchase loans, an identified credit need. In 2003, the portion of home purchase loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home purchase loans to moderate-income borrowers is near the portion of AA families who are moderate-income. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Home Improvement Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home improvement loans. In 2003, the portion of home improvement loans to low-income borrowers exceeds the percentage of AA families who are low-income. The portion of home improvement loans to moderate-income borrowers is near the portion of AA families who are moderate-income. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is better than in 2003.

### **Home Mortgage Refinance Loans**

ONB has done an adequate job of addressing the low- and moderate-income borrower credit needs for home mortgage refinance loans. In 2003, the portion of home mortgage refinance loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. However, the portion of home mortgage refinance loans to moderate-income borrowers is only somewhat lower than the portion of AA families who are moderate-income. In 2004, ONB's performance is better than in 2003. In this period, the portion of home mortgage refinance loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income families is somewhat lower than the portion of AA families who are moderate-income. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Small Loans to Businesses**

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

The borrower distribution of small loans to businesses is excellent. In 2003, the portion of ONB's loans extended to businesses with revenues of \$1 million or less exceeds the portion of area businesses that have revenue levels of \$1 million or less. ONB's market share to the \$1 million or less borrowers exceeds its overall market share. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of ONB's loans extended to

businesses with revenues of \$1 million or less is somewhat lower than the portion of area businesses that have revenue level of \$1 million or less.

### **Small Loans to Farms**

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

The number of small loans to farms originated/purchased is not significant enough to perform a meaningful analysis.

### **Community Development Lending**

The bank did not originate any CD loans in the AA during this evaluation period.

### **Product Innovation and Flexibility**

Please refer to the described under the Evansville, Indiana – Henderson, Kentucky Lending Test section of this evaluation for a description of the innovative and/or flexible lending programs offered by ONB.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the, Terre Haute MA, and Combined Non MA AAs is not inconsistent with the bank's overall High Satisfactory performance under the Lending Test in Indiana. In the Bloomington MA and Indianapolis MA, the bank's performance is stronger than the bank's overall performance in the state. Refer to the Tables 1 through 12 in Appendix D for the facts and data that support these conclusions.

The stronger performance in the Bloomington and Indianapolis AAs is partly attributed to the overall good geographic and borrower distribution of home mortgage loans, small loans to businesses, and small loans to farms.

Particularly noteworthy is the bank's CD lending in the Bloomington MA, Indianapolis MA, Terre Haute MA, and the Combined Non MA AAs in Indiana. On a combined basis, ONB originated 37 CD loans totaling \$61.6 million. The following are some examples of ONB's CD loans:

- ONB provided \$2.1 million in financing for a multiunit apartment building for low- and moderate-income residents in the downtown section of Bloomington. The neighborhood was targeted for economic revitalization by the city government.
- ONB provided \$2 million to a financial intermediary that provides funding for low-income housing in the Indianapolis MA. The loan was used to fund the groups seasonal operating needs.

- ONB provided \$1.075 million to construct 10 housing units for low-income families in the Indianapolis MA. The bank's loan was combined with funding from the Federal Home Loan Bank grant program and other federal and state agency low-income housing program funding on this project.
- ONB provided \$400,000 to a local organization that develops housing for low- and moderate-income residents in the Terre Haute AA. The bank's loan was used to construct 11 units of affordable housing for low- and moderate-income senior citizens.

ONB's performance in these AAs had a positive impact on its overall performance under the Lending Test in the State of Indiana, helping to raise the state rating from Low Satisfactory to High Satisfactory.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Indiana is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Muncie, Indiana MA is good.

Refer to Table 14 in the State of Indiana section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

ONB demonstrated good responsiveness to the AA's identified CD needs. Based on information obtained through community contacts, opportunities to originate CD investments in the AA are limited. During this evaluation period, ONB has \$341,000 in qualified investments allocated to the AA.

ONB's investment represents the allocated portion of a larger investment in the CRA Qualified Investment Fund (QIF). The QIF is a mutual fund that makes investments in qualified investment securities on behalf of its shareholders. The fund makes investments in securities offered throughout the nation and can target its purchases to fund projects in each shareholder's (bank's) AA. To date, over 120 regulated financial institutions have invested over \$200 million through the QIF.

During this evaluation period, ONB invested \$7.9 million in the QIF. Bank management allocates its investment in the QIF to individual AAs based on the percentage of ONB's deposits within the AA and compares that percentage to its Tier I capital.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in Indianapolis, Indiana MA and the Indiana combined Non-MA AAs is not inconsistent with the bank's overall High Satisfactory performance under the Investment Test in Indiana. In the Terre Haute, Indiana MA, the bank's performance is stronger than the

bank's overall performance in the state. In the Bloomington, Indiana MA, the bank's performance is weaker than the bank's overall performance in the state.

In the Terre Haute AA, ONB holds prior period investments totaling \$2 million. This represents investments in Low-Income Housing Tax Credits for the construction of affordable low-income housing units. By dollar volume, this is the largest CD investment among ONB's Indiana AAs and had a positive impact on the overall Investment Test rating for Indiana.

In the Bloomington AA, the dollar volume of CD investments (\$100,000) is low in comparison to identified needs and the bank's capacity to make CD investments. However, this did not materially detract from the bank's overall good performance under the Investment Test.

Refer to the Table 14 in the State of Indiana section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Indiana is rated High Satisfactory. Base on full-scope reviews, the bank's performance in the Muncie, Indiana MA is good.

### **Retail Banking Services**

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

ONB's distribution of delivery systems is reasonably accessible to geographies and individuals of different incomes levels. Only five percent of ONB's branch offices are located in the AA. Although ONB does not have branches in low-income geographies, five percent of the AA's population lives in low-income geographies. The percentage of branches in moderate-income geographies was below the percentage of the population in moderate-income geographies.

All of the branches have relatively similar hours of operation and offer traditional banking products and services. ONB closed four branch offices and opened one branch during this evaluation period. This resulted in a net decrease of one branch in each of the moderate-, middle-, and upper- income geographies.

The bank offers various alternative delivery systems including ATMs, telephone banking, and computer banking. The bank does not monitor the use of these systems by low- and moderate-income persons. As a result, we did not place significant weight on these systems to reach conclusions on ONB's performance under the Service Test.

## **Community Development Services**

ONB provides an adequate level of CD services in the AA. While the CD services are non-complex, they are responsive to the community's needs. Examples of CD services include:

- An employee provides financial expertise to a certified CD corporation that focuses on housing and small business development needs for various communities including Muncie.
- One employee works with nonprofit organization that delivers CD services to low- and moderate-income families in the AA.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Terre Haute MA is not inconsistent with its overall High Satisfactory performance in Indiana. Performance in the Indianapolis MA was weaker than the overall Service Test performance. Performance in the Bloomington MA and the Combined Non MA AAs is stronger than ONB's overall performance for the state.

The weaker performance in the Indianapolis MA is attributable to the lack of branch offices in low- or moderate-income geographies. The stronger performance in the Bloomington MA and the Combined Non MA AAs is attributable to the fact that the percentage of branches in low- and moderate-income geographies is greater than the percentage of the population residing in those geographies. Also, management provided a higher level of CD services in the limited-scope AAs when compared to the full-scope AA.

ONB's performance in these AAs had a positive impact on its overall Service Test performance in the State of Indiana, helping to support its High Satisfactory rating.

Refer to the Tables 1 through 12 in Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Illinois

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

The major factors that support this rating:

- The distribution of home mortgage loans and small loans to businesses by borrower income is good.
- ONB did a good job of originating CD loans, which had a positive impact on the overall Lending Test rating.
- ONB provided a good amount of qualified investments in the AA.
- The bank's retail delivery system is readily accessible to geographies and individuals of different incomes levels.

### Description of Institution's Operations in Illinois

ONB's AAs in the State of Illinois consists of the Vermillion County MA. (Danville), and the following (Non MA) counties: Jackson, Williams, Montgomery, Saline, Lawrence, Clark, Wabash, and Jefferson. Some of the larger cities in the bank's Non MA AA include, Carbondale, Mt. Vernon, and Mt. Carmel, Illinois.

In 2004, the bank added portions of the St. Louis, Missouri - Illinois multi-state MA to its list of Illinois AAs. However, because the bank did not have a branch office in that AA for most of this evaluation period, that AA was not included in our analysis.

In total, ONB operates 16 branch offices within the state. Three branches are in the Vermillion MA and 13 branches are located throughout the Non-MA AAs. The Illinois branches comprise 14 of ONB's total deposits. ONB's Illinois offices account for 13 percent of the total number and 11 percent of total dollar volume of loans.

ONB competes with numerous smaller community banks in its Illinois AAs. Major competitors include several community banks, regional banks and nation-wide banks.

Refer to the market profiles for the State of Illinois in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

## Scope of Evaluation in Illinois

Our analysis included full-scope examination procedures for the Vermillion County MA. We performed limited-scope procedures in the combined Non-MA AAs. Approximately 3 percent of the bank's loans were made in the Vermillion MA. Please refer to the table in Appendix A for additional Information on the scope of our review.

We conducted one community contact interview in the Vermillion County MA during this examination. We contacted a representative of Danville's city government. The contact indicated a need for low cost home rehabilitation financing for low- and moderate-income residents and funding to increase the number of manufacturing jobs particularly for low- and moderate-income individuals in Danville.

## LENDING TEST

### Lending Activity

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

ONB's lending activity in the Vermillion County MA is adequate. Over the evaluation period, 56 percent, 33 percent, and 11 percent of the ONB's loans were home mortgage loans, small loans to businesses, and small loans to farms, respectively. Among home mortgage loans, 26 percent, 14 percent, and 60 percent were home purchase, home improvement, and home mortgage refinance loans, respectively. ONB did not originate any multifamily loans in this AA.

ONB's lending activity is adequate given its deposit market share. ONB ranks first in terms of deposits among depository institutions with a 21 percent market share. Based on 2003 Aggregate CRA data, ONB ranks third and second among all lenders for small loans to businesses and farms with a 12 percent and 26 percent market share, respectively. While ONB's market share of small loans to businesses is lower than its deposit market share, this performance is adequate. As previously mentioned, home mortgage loan market share data was not used to evaluate ONB's performance due to data integrity issues.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of home mortgage loans and small loans to businesses is adequate. The number of multifamily loans and number of farms in moderate-income geographies in this AA is not significant enough to perform a meaningful analysis. Dunn and Bradstreet data indicates there are only seven farms located in moderate-income geographies. There are no low-income geographies in this AA. We placed more weight on the distribution of home purchase loans and small loans to businesses and less weight to home mortgage refinance loans.

## **Home Mortgage Loans**

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

## **Home Purchase Loans**

The geographic distribution of home purchase loans is adequate. In 2003, the portion of home purchase loans in moderate-income geographies exceeds the portion of owner-occupied housing units within those geographies. In the periods 2001 to 2002 and 2004, ONB's performance is worse than in 2003. In the period 2001 to 2002, the portion of home purchase loans in moderate-income geographies is somewhat lower than the portion of owner-occupied housing units within those geographies. In 2004, ONB did not originate any home purchase loans in moderate-income geographies. However, due to low loan volume, the percentage difference is represented by three loans.

## **Home Improvement Loans**

The geographic distribution of home improvement loans is good. In 2003, the portion of home improvement loans in moderate-income geographies exceeds the portion of owner-occupied housing units within those geographies. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of home improvement loans in moderate-income geographies is somewhat lower than the portion of owner-occupied housing units within those geographies.

## **Home Mortgage Refinance Loans**

The geographic distribution of home mortgage refinance loans is poor. In 2003, the portion of home mortgage refinance loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies. In the periods 2001 to 2002 and 2004, ONB's performance is similar to 2003.

## **Small Loans to Businesses**

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

The geographic distribution of small loans to businesses is good. In 2003, the portion of small loans to businesses in moderate-income geographies exceeds the portion of businesses within those geographies. ONB's market share of loans in moderate-income geographies exceeds its overall market share. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of small loans to businesses in moderate-income geographies is somewhat lower than the portion of businesses within those geographies.



## **Small Loans to Farms**

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

The number of farms in moderate-income geographies is not significant enough to perform a meaningful analysis.

## **Lending Gap Analysis**

We reviewed summary reports detailing ONB's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

## **Inside/Outside Ratio**

A substantial majority (86 percent) of home mortgage loans originated/purchased by ONB during the evaluation period was within the bank's AAs. ONB originated/purchased 87 percent, 73 percent, 90 percent, and 92 percent of home purchase, home mortgage refinance, home improvement, and multifamily loans respectively, within all of its AAs. The bank originated/purchased 89 percent and 83 percent of small loans to businesses and farms, respectively, within all of the its AAs. All CD loans were originated/purchased within the bank's AAs. We gave positive consideration to this record of lending within the AAs when drawing conclusions relative to the overall geographic distribution of lending by income level of geography.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of home mortgage loans and small loans to businesses and farms reflects good dispersion among borrowers of different income levels in the AA. We placed more weight on the distribution of home mortgage refinance loans, then small loans to businesses, and then home purchase loans because they represent the largest percentage of loans originated/purchased within the AA.

## **Home Mortgage Loans**

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

In evaluating the borrower distribution of home mortgage loans, we considered the number of families that live below the poverty level (10 percent of families) and the barriers that this may have on home ownership.

### **Home Purchase Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home purchase loans, an identified credit need. In 2003, the portion of home purchase loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. The portion of home purchase loans to moderate-income borrowers is near the portion of AA families who are moderate-income. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is better than in 2003. In this period, the portion of home purchase loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home purchase loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income.

### **Home Improvement Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home improvement loans, an identified credit need. In 2003, the portion of home improvement loans to low- and moderate-income borrowers exceeds the portion of AA families who are low-and moderate-income, respectively. In the periods 2001 to 2002 and 2004, ONB's performance is worse than in 2003. In 2004, the portion of home improvement loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. The portion of home improvement loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income. In the period 2001 to 2002, the portion of home improvement loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home improvement loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income.

### **Home Mortgage Refinance Loans**

ONB has done an adequate job of addressing the low- and moderate-income borrower credit needs for home mortgage refinance loans. In 2003, the portion of home mortgage refinance loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. However, the portion of home mortgage refinance loans to moderate-income borrowers is near the portion of AA families who are moderate-income. In the periods 2001 to 2002 and 2004, ONB's performance is weaker than in 2003. In these periods, the portion of home mortgage refinance loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income borrowers is somewhat lower than the portion of AA families who are moderate-income.

### **Small Loans to Businesses**

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

The borrower distribution of small loans to businesses is good. In 2003, the portion of ONB's loans extended to businesses with revenues of \$1 million or less is somewhat lower than the portion of area businesses that have revenue levels of \$1 million or less. However, ONB's market share to the \$1 million or less borrowers exceeds its overall market share. In 2004, ONB's performance is better than in 2003. In this period, the portion of ONB's loans extended to businesses with revenues of \$1 million or less exceeds the portion of area businesses that have revenues levels of \$1 million or less. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of ONB's loans extended to businesses with revenues of \$1 million or less is lower than the portion of area businesses that have revenue levels of \$1 million or less.

### **Small Loans to Farms**

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

The borrower distribution of small loans to farms is adequate. In 2003, the portion of ONB's loans extended to farms with revenues of \$1 million or less is lower than the portion of area farms that have revenues of \$1 million or less. ONB's market share to the \$1 million or less borrowers equals its overall market share. In the periods 2001 to 2002 and 2004, ONB's performance is worse than in 2003. In 2004, the portion of ONB loans extended to farms with revenues of \$1 million or less is near the portion of area farms that have revenues of \$1 million or less. In the period 2001 to 2002, the portion of ONB's loans extended to farms with revenues of \$1 million or less is somewhat lower than the portion of area farms that have revenues of \$1 million or less.

### **Community Development Lending**

Refer to Table 1 of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

ONB did a good job of originating CD loans in the AA. The bank originated four CD loans totaling \$700,000. The largest CD loans was a \$400,000 working capital loan in Danville, Illinois to a not-for-profit organization that delivers job training and housing services to low- and moderate-income individuals. ONB also provided loans totaling \$300,000 to a local organization that provides day care and medical services to low- and moderate-income individuals.

The ONB's CD lending activities were a major factor in the bank's High Satisfactory rating under the Lending Test.

### **Product Innovation and Flexibility**

Please refer to the described under the Evansville, Indiana – Henderson, Kentucky Lending Test section of this evaluation for a description of the innovative and/or flexible lending programs offered by ONB.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Combined Non MSA AAs is stronger than the bank's overall performance in the state. The stronger performance in the Combined Non MSA AAs is attributed to the overall good performance in the geographic and borrower distribution of home mortgage loans, small loans to businesses, and small loans to farms versus the adequate performance for the State of Illinois. The stronger performance was a major factor in the bank achieving the High Satisfactory rating under the Lending Test in the State of Illinois.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in State of Illinois is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Vermillion, Illinois MA is good.

Refer to Table 14 in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

ONB exhibited an adequate level of responsiveness to CD investment needs. CD investments totaled \$182,000 for the AA. That amount includes the \$113,000 that management allocated to the AA from the bank's \$7.9 million invested in the QIF. Please refer to the Investment Test section for the State of Indiana in this evaluation for a detailed description of the QIF and the bank's allocation methodology.

In addition, the bank provided five charitable contributions totaling \$69,000 to local organizations with a CD focus.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Illinois Non MA AAs is stronger than its overall performance under the Investment Test for the State of Illinois.

The stronger performance in the limited-scope AAs is attributable to the excellent dollar volume of CD investments allocated to the AAs. ONB allocated \$969,350 from its investment in the QIF to its Non MA AAs. The bank also made over \$500,000 in charitable contributions to local organizations with a CD focus. ONB has \$758,186 invested in low Income Housing Tax Credits that originated during the prior evaluation period. The excellent level of CD investments in the limited-scope AAs helped to raise the overall State of Illinois rating under the Investment Test from Low Satisfactory to High Satisfactory.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the State of Illinois is rated High Satisfactory. Base on a full-scope review, the bank's performance in the Vermillion MA is good.

#### **Retail Banking Services**

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

ONB's distribution of delivery systems is readily accessible to geographies and individuals of different incomes levels. ONB has three branch offices in the AA. One branch is located in a low-income geography, one in a middle-income geography, and one in a upper-income geography. The percentage of branches in moderate-income geographies exceeds the percentage of the population in moderate-income geographies.

All of the branches have relatively similar hours of operation and offer traditional banking products and services. During this evaluation period, ONB closed four branch offices in the AA. This resulted in net decreases of one branch in the moderate-income geography and three in the middle-income geographies.

The bank offers various alternative delivery systems including ATMs, telephone banking, and computer banking. The bank does not monitor the use of these systems by low- and moderate-income persons. As a result, we did not place significant weight on these systems to reach conclusions on ONB's performance under the Service Test.

#### **Community Development Services**

ONB's record of providing CD services in the AA is adequate. Several officers and employees serve on the boards of directors or as officers of various CD services organizations. These services are responsive to the AA's needs. Some examples of these services include:

- An employee serves as President of CD Foundation that provides grants to child care centers, food pantries, and community education centers serving low- and moderate-income individuals.
- One employee serves on the Board of a local economic development council that works to secure funding for small businesses and neighborhood revitalization projects in the AA.
- An employee provides financial education to a local youth organization that serves low- and moderate-income families.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope review, the bank's performance under the Service Test in the Combined Non MA AAs is not inconsistent with ONB's overall High Satisfactory performance under the Service Test in Illinois.

## State Rating

### State of Kentucky

#### CRA Rating for Kentucky<sup>2</sup>:

The Lending Test is rated: **High Satisfactory**

The Investment Test is rated: **High Satisfactory**

The Service Test is rated: **Outstanding**

The major factors that support this rating:

- ONB did a good job of originating home mortgage loans and small loans to businesses and borrowers and geographies of different income levels.
- ONB's CD investments were responsive to the AA's identified needs. CD investments in the Non MA AA's strengthened the bank's performance under the Investment test.
- Retail delivery systems are readily available to geographies and individuals of different income levels.

### Description of Institution's Operations in Kentucky

ONB's AA in the State of Kentucky consists of the whole Owensboro, Kentucky MA. The Non MA AAs in Kentucky include all of Muhlenberg County, Hopkins County, and Union County. Larger cities in these areas are Greenville, Madisonville, and Morganfield.

In 2004, ONB added the Louisville, Kentucky MA #3114 to its list of Kentucky AAs. However, because the bank did not have a branch office in that AA for most of this evaluation period, that AA was not included in our analysis.

In total, ONB operates 12 branch offices within its Kentucky AAs. Four branches are located in the Owensboro MA and eight located in the Non MA AAs. The Kentucky branches comprise 10 percent of ONB's deposits and 10 percent of the total number of loans.

ONB competes with numerous smaller community banks in its Kentucky AAs. Major competitors include several community banks, regional banks and nation-wide banks.

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<sup>2</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Refer to the market profiles for the State of Kentucky in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

## **Scope of Evaluation in Kentucky**

Our analysis included full-scope examination procedures for the Owensboro, Kentucky MA. We used limited-scope procedures in the Non MA AAs. Please refer to the table in Appendix A for additional information on the scope of our review.

We conducted one community contact in the Owensboro, Kentucky MA during our review. We contacted a representative of a local economic development corporation based in Owensboro. The contact indicated that financing small and medium sized businesses to create jobs and home mortgage loans for low- and moderate-income individuals were primary credit needs for the AA.

## **LENDING TEST**

### **Lending Activity**

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

ONB's lending activity in the Owensboro MA is adequate.

In the Owensboro MA, 82 percent, 17 percent, and 1 percent of the loans originated/purchased were home mortgage loans, small loans to businesses, and small loans to farms, respectively. Among home mortgage loans, 33 percent, 5 percent, and 62 percent of the loans originated/purchased were home purchase, home improvement, and home mortgage refinance loans, respectively. Multifamily loans represented less than 1 percent of total loans in this AA.

ONB's lending activity is adequate given its deposit market share. ONB ranks fourth in terms of deposits among depository institutions with an 8 percent market share. Based on 2003 Aggregate CRA data, ONB ranks seventh and fifth among all lenders for small loans to businesses and farms with a 5 percent and 4 percent market share, respectively. While ONB's market share of small loans to businesses and farms is lower than its deposit market share, this performance is adequate. As previously mentioned, home mortgage loan market share data was not used to evaluate ONB's performance due to data integrity issues.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of ONB's home mortgage loans and small loans to businesses is adequate. The number of multifamily loans and small loans to farms



originated/purchased in this AA is not significant enough to perform a meaningful analysis. In 2004, there are no low-income geographies. See the Market Profile in Appendix C for details.

We placed more weight on the distribution of home purchase loans and small loans to businesses, compared to home mortgage refinance loans, because they were identified as primary credit needs in the AA.

### **Home Mortgage Loans**

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

### **Home Purchase Loans**

The geographic distribution of home purchase loans is adequate. In 2003, the portion of home purchase loans in the one low-income geography exceeds the portion of owner-occupied housing units within that geography. The portion of home purchase loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies. In 2004, ONB's performance is worse than in 2003. In this period, the portion of home purchase loans in moderate-income geographies is lower than the portion of owner-occupied housing units that are within those geographies. In the period 2001 to 2002, ONB's performance is better than in 2003. In this period, the portion of home purchase loans in the low-income geography exceeds the portion of owner-occupied housing units within that geography. The portion of home purchase loans in moderate-income geographies is somewhat lower than the portion of owner-occupied housing units within those geographies.

### **Home Improvement Loans**

The geographic distribution of home improvement loans is good. In 2003, the portion of home improvement loans in low- and moderate-income geographies respectively, exceeds the portion of owner-occupied housing units within those geographies. In 2004, ONB's performance is worse than in 2003. In this period, the portion of home improvement loans in moderate-income geographies is significantly lower than the portion of owner-occupied housing units within those geographies. However, due to low loan volume, the percentage difference is represented by two loans. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Home Mortgage Refinance Loans**

The geographic distribution of home mortgage refinance loans is poor. In 2003, the portion of home mortgage refinance loans in low- and moderate-income geographies is lower than the portion of owner-occupied housing units within low- and moderate-income geographies, respectively. In the period 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Small Loans to Businesses**

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

The geographic distribution of small loans to businesses is good. In 2003, the portion of small loans to businesses in the one low-income geography is somewhat lower than the portion of businesses within the one low-income geography. ONB's market share of loans in low-income geographies is somewhat lower than the bank's overall market share. The portion of small loans to businesses in moderate-income geographies exceeds the portion of businesses within those geographies. ONB's market share of loans in moderate-income geographies exceeds its overall market share. In 2004, ONB's performance is better than in 2003. In this period, the portion of small loans to businesses in moderate-income geographies exceeds the portion of businesses within those geographies. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Small Loans to Farms**

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

The number of small loans to farms originated/purchased is not significant enough to perform a meaningful analysis.

### **Lending Gap Analysis**

We reviewed summary reports detailing ONB's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

### **Inside/Outside Ratio**

A substantial majority (86 percent) of home mortgage loans originated/purchased by ONB during the evaluation period was within the bank's AAs in Indiana, Illinois, Kentucky, Ohio, and Tennessee. ONB originated/purchased 87 percent, 73 percent, 90 percent, and 92 percent of home purchase, home mortgage refinance, home improvement, and multifamily loans respectively, within all of its AAs. The bank originated/purchased 89 percent and 83 percent of small loans to businesses and farms, respectively, within all of the its AAs. All CD loans were originated/purchased within the bank's AAs. We gave positive consideration to this record of lending within the AAs when drawing conclusions relative to the overall geographic distribution of lending by income level of geography.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of ONB's home mortgage loans and small loans to businesses reflects adequate dispersion among borrowers of different income levels in the Owensboro MA. The number of small loans to farms originated/purchased in this AA is not significant enough to perform a meaningful analysis. We placed more weight on the distribution home mortgage refinance loans, then home purchase loans, and then small loans to businesses because they represent the largest percentage of loans originated/purchased within the AAs.

### **Home Mortgage Loans**

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

In evaluating the borrower distribution of home mortgage loans, we considered the number of families that live below the poverty level (9 percent of families) and the barriers that this may have on home ownership.

### **Home Purchase Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home purchase loans, an identified credit need. In 2003, the portion of home purchase loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home purchase loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income. In 2004, ONB's performance is better than 2003. In this period, the portion of home purchase loans to low- and moderate-income borrowers exceeds the portion of low- and moderate-income families in the AA. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Home Improvement Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home improvement loans. In 2003, the portion home improvement loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home improvement loans to moderate-income borrowers equals the portion of AA families who are moderate-income. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In the period, the portion of home improvement loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. The portion of home improvement loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income.

### **Home Mortgage Refinance Loans**

ONB has done a poor job of addressing the low- and moderate-income borrower credit needs for home mortgage refinance loans. In 2003, the portion of home mortgage

refinance loans to low-income borrowers is significantly lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income borrowers is somewhat lower than the portion of AA families who are moderate-income. In 2004, ONB's performance is better than in 2003. In this period, the portion of home mortgage refinance loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income. In the period 2001 to 2002, ONB's performance is similar to 2003.

### **Small Loans to Businesses**

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

The borrower distribution of small loans to businesses is excellent. The portion of ONB's loans extended to businesses with revenues of \$1 million or less exceeds the portion of area businesses that have revenue levels of \$1 million or less. ONB's market share to the \$1 million or less borrowers exceeds its overall market share to businesses for the AA. In the periods, 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Small Loans to Farms**

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

The number of small loans to farms originated/purchased is not significant enough to perform a meaningful analysis.

### **Community Development Lending**

Refer to Table 1 of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

ONB did an adequate job of originating CD loans in the AA. The bank originated one CD loan totaling \$1.3 million. The loan was used to fund operating funds to a CD service focused organization in the AA. The organization delivers job training and housing services to low- and moderate-income individuals.

### **Product Innovation and Flexibility**

Please refer to the described under the Evansville, Indiana – Henderson, Kentucky Lending Test section of this evaluation for a description of the innovative and/or flexible lending programs offered by ONB.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Combined Non MSA AAs is not inconsistent with the bank's overall High Satisfactory performance under the Lending Test in Kentucky.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Kentucky is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Owensboro, Kentucky MA is good.

Refer to Table 14 in the State of Kentucky section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

ONB exhibited a good level of responsiveness to CD investment needs. CD investments totaled \$347,000 for the AA. That amount includes \$267,000 that management allocated to the AA from ONB's \$7.9 million invested in the QIF. Please refer to the Investment Test section for the State of Indiana in this evaluation for a detailed description of the QIF and the bank's allocation methodology.

Also, the bank made 47 charitable contributions totaling \$81,000 to local organizations with a CD focus.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Kentucky Combined Non MA AAs is not inconsistent with the bank's overall High Satisfactory performance under the Investment Test in Kentucky. ONB's performance is stronger in the Non MA AAs of Kentucky. ONB originated \$977,000 in CD investments in the limited-scope areas. This includes over \$952,000 from the bank's QIF investments that were allocated to the AAs.

The dollar volume of CD investments in the limited-scope AAs helped to solidify the bank's High Satisfactory rating under the Investment Test.

Refer to the Table 14 in the State of (name of state) section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Kentucky is rated Outstanding. Based on full-scope reviews, the bank's performance in the Owensboro, Kentucky MA is excellent.

### **Retail Banking Services**

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

ONB's distribution of delivery systems is readily accessible to geographies and individuals of different income levels. There are no low-income geographies in the AA. The percentage of branches in moderate-income geographies exceeds the percentage of the population in moderate-income geographies. Middle-income geographies contain 60 percent of the AA's population and 75 percent of ONB's branch offices are located in middle-income geographies.

All of the branches have relatively similar hours of operation and offer traditional banking products and services. ONB did not open or close any branches in the AA during this evaluation period.

The bank offers various alternative delivery systems including ATMs, telephone banking, and computer banking. The bank does not monitor the use of these systems by low- and moderate-income persons. As a result, we did not place significant weight on these systems to reach conclusions on ONB's performance under the Service Test.

### **Community Development Services**

ONB provided an adequate level of CD services in the AA. Although the CD services are not complex, they are responsive to the AA's needs. Some examples of these services include:

- An employee provided financial literacy training to low- and moderate-income individuals.
- An employee serves on the Board of Directors of a local not-for-profit organization with a CD service, providing financial expertise on budgeting financial management.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the state's Non MSA AAs is not inconsistent with the bank's overall Outstanding performance under the Service Test in Kentucky.

## State Rating

### State of Ohio

#### CRA Rating for Ohio:

The Lending Test is rated: **High Satisfactory**

The Investment Test is rated: **Low Satisfactory**

The Service Test is rated: **High Satisfactory**

The major factors that support this rating:

- The geographic distribution of small loans to businesses is adequate.
- The distribution of small loans to businesses by income is excellent.
- ONB originated a CD loan in the AA.
- The number and dollar volume of CD investments is adequate given the limited number of opportunities to make CD investments.
- Retail delivery systems are accessible to borrowers of different income levels.

### Description of Institution's Operations in Ohio

ONB's AA in the State of Ohio includes all of Darke County, Ohio. The largest in the AA is Union City, Ohio. ONB operates one branch office in its Ohio AA. The branch comprises one percent of ONB's deposits and 0.5 percent of the total number of loans.

Competition for deposit and loan customers is strong with seven community banks competing in the AA.

Refer to the market profiles for the State of Ohio in Appendix C for detailed demographics and other performance context information for assessment area.

### Scope of Evaluation in Ohio

Our analysis included full-scope examination procedures for the Darke County, Ohio AA. Please refer to the table in Appendix A for additional information on the scope of our review.

We conducted one community contact interview in the AA during our review. We contacted a representative of the local village government in Union City. The contact did not identify any unmet or underserved credit need. He listed financing for small and medium sized businesses as a lending opportunity in the AA.



## **LENDING TEST**

### **Lending Activity**

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

ONB's lending activity is good. In the AA, 32 percent, 41 percent, and 27 percent of the loans originated/purchased were home mortgage loans, small loans to businesses, and small loans to farms, respectively. Among home mortgage loans, 22 percent, 32 percent, and 46 percent were home purchase, home improvement, home mortgage refinance, and multifamily loans, respectively. ONB did not originate any multifamily loans in this AA.

ONB's lending activity is good given its deposit market share. ONB ranks sixth in terms of deposits among depository institutions with a 7 percent market share. Based on 2003 Aggregate CRA data, ONB ranks tenth and third among all lenders for small loans to businesses and farms with a 3 percent and 9 percent market share, respectively. As previously mentioned, home mortgage loan market share data was not used to evaluate ONB's performance due to data integrity issues.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of ONB's small loans to businesses is adequate. The number of home purchase, home improvement, and home mortgage refinance loans originated/purchased in this AA is not significant enough to perform a meaningful analysis. There are no low-income geographies and only one moderate-income geography in this AA. The number of farms located in the moderate-income geography is not significant enough to perform a meaningful analysis. Dunn and Bradstreet data indicates there are only 12 farms located in the one moderate-income geography.

### **Home Mortgage Loans**

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

As stated above, the number of home purchase, home improvement, and home mortgage refinance loans in Darke County, Ohio is not significant enough to perform a meaningful analysis.

### **Small Loans to Businesses**

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

The geographic distribution of small loans to businesses is adequate. In the periods 2001 to 2002 and 2003, ONB did not originate/purchase any small loans to businesses in the one moderate-income geography. In 2004, the portion of small loans to businesses in the one moderate-income geography is significantly lower than the portion of businesses that are within this geography.

However, as discussed in the Market Profile for the State of Ohio in Appendix C, the one moderate-income geography is located in Greenville, Ohio. There are seven financial institutions located in Greenville, Ohio and ONB's closest branch to this moderate-income geography is located 12 miles away in Union City, Ohio. The strong competition and the non-proximity of ONB's branch to this one moderate-income geography explain the lower than expected loan volume.

### **Small Loans to Farms**

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

The number of farms located in the AA is not significant enough to perform a meaningful analysis.

### **Lending Gap Analysis**

We reviewed summary reports detailing ONB's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

### **Inside/Outside Ratio**

The substantial majority (86 percent) of home mortgage loans originated/purchased by ONB during the evaluation period was within the bank's AAs in Indiana, Illinois, Kentucky, Ohio, and Tennessee. ONB originated/purchased 87 percent, 73 percent, 90 percent, and 92 percent of home purchase, home mortgage refinance, home improvement, and multifamily loans respectively, within all of its AAs. The bank originated/purchased 89 percent and 83 percent of small loans to businesses and farms, respectively, within all of the its AAs. All CD loans were originated/purchased within the bank's AAs. We gave positive consideration to this record of lending within the AAs when drawing conclusions relative to the overall geographic distribution of lending by income level of geography.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of ONB's small loans to businesses and farms is excellent. The number of home purchase, home improvement, and home mortgage refinance loans originated/purchased in this AA is not significant enough to perform a meaningful analysis. We placed more weight on the distribution of small loans to businesses and

then small loans to farms because they represent the largest percentage of loans originated/purchased within the AAs.

### **Home Mortgage Loans**

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

### **Small Loans to Businesses**

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

The borrower distribution of small loans to businesses is excellent. In 2003, the portion of ONB's loans extended to businesses with revenues of \$1 million or less exceeds the portion of area businesses that have revenue levels of \$1 million or less. ONB's market share to the \$1 million or less borrowers exceeds its overall market share to businesses for the AA. In the periods, 2001 to 2002 and 2004, ONB's performance is similar to 2003.

### **Small Loans to Farms**

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

The number of farms located in the AA is not significant enough to perform a meaningful analysis.

### **Community Development Lending**

Refer to Table 1 of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

ONB did a good job of originating a CD loan in the AA. The bank originated one CD loan for \$65,000. The loan was made to a local CD corporation to purchase land for a new industrial park in the AA. The industrial park will be used to help attract small businesses to the AA.

### **Product Innovation and Flexibility**

Please refer to the described under the Evansville, Indiana – Henderson, Kentucky Lending Test section of this evaluation for a description of the innovative and/or flexible lending programs offered by ONB.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Ohio is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Darke County, Ohio AA is adequate.

Refer to Table 14 in the State of Ohio section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

ONB made five charitable contributions totaling \$2,000 to local organizations with a CD focus. Information obtained from our community contact interview indicated that opportunities to make CD investments are extremely limited in the AA. We did not identify any CD qualified investment securities available for purchase during this evaluation period. Union City Ohio has a small population of 1,800 residents. The most prominent opportunity for CD investment is the industrial park and ONB is supporting this project with its CD loan.

Based on the limited opportunities to make CD investments in the AA, the bank's performance is adequate.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Ohio is rated High Satisfactory. Base on full-scope reviews, the bank's performance in the Darke County, Ohio AA is good.

### **Retail Banking Services**

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

ONB's distribution of delivery systems is accessible to geographies and individuals of different incomes levels. ONB's branch office is located in a middle-income geography, which contains 73 percent of the AA's population. There are no low-income geographies in the AA and only 8 percent of the AA's population resides in moderate-income geographies.

The branch offers reasonable hours of operation and access to traditional banking products and services. ONB did not open or close any branches in the AA during this evaluation period.

The bank offers various alternative delivery systems including ATMs, telephone banking, and computer banking. The bank does not monitor the use of these systems by low- and moderate-income persons. As a result, we did not place significant weight on these systems to reach conclusions on ONB's performance under the Service Test.

### **Community Development Services**

CD services were minimal and had a neutral effect on the bank's rating under the Service Test.

## State Rating

### State of Tennessee

#### CRA Rating for Tennessee:

The Lending Test is rated: **Low Satisfactory**

The Investment Test is rated: **Outstanding**

The Service Test is rated: **High Satisfactory**

The major factors that support this rating:

- ONB's geographic distribution of loans is adequate.
- ONB's borrower distribution of loans is good.
- The level of lending activity during this evaluation period was adequate.
- The dollar volume of CD investments is excellent.
- Retail delivery systems are accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in Tennessee

Refer to the market profiles for the State of Tennessee in Appendix C for detailed demographics and other performance context information for the Clarksville, Tennessee AA.

ONB's AA in the State of Tennessee consists of the whole Clarksville, Tennessee MA. MA. Clarksville is the largest city in Montgomery County, Tennessee.

The bank operates five branch offices within the state. One branch is located in a moderate-income geography, two are located in middle-income geographies, and two are located in upper-income geographies. The Tennessee branches comprise 3 percent of ONB's deposits and four percent of the total number of loans.

ONB competes with numerous smaller community banks in its Tennessee AAs. Major competitors include several community banks, regional banks and nation-wide banks.

Refer to the market profiles for the State of Kentucky in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

## Scope of Evaluation in Tennessee

Our analysis included full-scope examination procedures for the bank's Clarksville, Tennessee MA AA. Please refer to the table in Appendix A for additional information on the scope of our review.

We conducted two community contact interviews in the AA during our review. We contacted a representative of a local economic development group and a representative of Clarksville's city government. The contacts did not identify any unmet credit or investment needs in the AA. They stated that local economic development groups need additional financial support. Also, several CD focused organization operate in the AA, providing opportunities for CD services and financial support.

## LENDING TEST

### Lending Activity

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

ONB's lending activity in the AA is adequate. In the AA, 48 percent, 51 percent, and 1 percent of the loans originated/purchased were home mortgage loans, small loans to businesses, and small loans to farms, respectively. Among home mortgage loans, 37 percent, 9 percent, 53 percent, and 1 percent were home purchase, home improvement, home mortgage refinance, and multifamily loans, respectively.

ONB's lending activity is adequate given its deposit market share. ONB ranks first in terms of deposits among depository institutions with a 16 percent market share. Based on 2003 Aggregate CRA data, ONB ranks fifth and third among all lenders for small loans to businesses and farms with a 10 percent and 13 percent market share, respectively. While ONB's market share of small loans to businesses and farms is lower than its deposit market share, this performance is adequate. As previously mentioned, home mortgage loan market share data was not used to evaluate ONB's performance due to data integrity issues.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of ONB's home mortgage loans and small loans to businesses is adequate. There are no low-income geographies in this AA for the periods 2003 and 2004. However, there is one low-income geography for the period 2001 to 2002. See the Market Profile in Appendix C for details. The number of home improvement loans and small loans to farms originated/purchased in this AA is not significant enough to perform a meaningful analysis. We placed more weight on the distribution of small loans to businesses, home purchase loans, and then home mortgage refinance loans as they represent the largest percentage of loans originated/purchased within the AA.

## **Home Mortgage Loans**

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

## **Home Purchase Loans**

The geographic distribution of home purchase loans is excellent. In 2003, the portion of home purchase loans in moderate-income geographies is near the portion of owner-occupied housing units within those geographies. In the periods 2001 to 2002 and 2004, ONB's performance is better than in 2003. In these periods, the portion of home purchase loans in low- and moderate-income geographies exceeds the portion of owner-occupied housing units within low- and moderate-income geographies, respectively.

## **Home Improvement Loans**

The number of home improvement loans is not significant enough to perform a meaningful analysis.

## **Home Mortgage Refinance Loans**

The geographic distribution of home mortgage refinance loans is adequate. In 2003, the portion of home mortgage refinance loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies. In the periods 2001 to 2002 and 2004, ONB's performance is better than in 2003. In 2004, the portion of home mortgage refinance loans in moderate-income geographies is near the portion of owner-occupied housing units within those geographies. In 2001 to 2002, the portion of home mortgage refinance loans in moderate-income geographies is lower than the portion of owner-occupied housing units within those geographies.

## **Small Loans to Businesses**

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

The geographic distribution of small loans to businesses is adequate. In 2003, the portion of small loans to businesses in moderate-income geographies is somewhat lower than the portion of businesses within those geographies. ONB's market share of loans in moderate-income geographies is near its overall market share. In 2004, ONB's performance is worse than in 2003. In this period, the portion of small loans to businesses in moderate-income geographies is lower than the portion of businesses within those geographies.

In the period 2001 to 2002, ONB's performance is better than in 2003. The portion of small loans to businesses within the one low-income geography exceeds the portion of



businesses within this geography. The portion of small loans to businesses within moderate-income geographies is lower than the portion of businesses within those geographies.

### **Small Loans to Farms**

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

The number of small loans to farms is not significant enough to perform a meaningful analysis.

### **Lending Gap Analysis**

We reviewed summary reports detailing ONB's lending activity over the evaluation period for home mortgage loans and small loans to businesses and farms to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

### **Inside/Outside Ratio**

The substantial majority (86 percent) of home mortgage loans originated/purchased by ONB during the evaluation period was within the bank's AAs in Indiana, Illinois, Kentucky, Ohio, and Tennessee. ONB originated/purchased 87 percent, 73 percent, 90 percent, and 92 percent of home purchase, home mortgage refinance, home improvement, and multifamily loans respectively, within all of its AAs. The bank originated/purchased 89 percent and 83 percent of small loans to businesses and farms, respectively, within all of the its AAs. All CD loans were originated/purchased within the bank's AAs. We gave positive consideration to this record of lending within the AAs when drawing conclusions relative to the overall geographic distribution of lending by income level of geography.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of ONB's home mortgage loans and small loans to businesses reflects good dispersion among borrowers of different income levels. The number of home improvement loans and small loans to farms originated/purchased in this AA is not significant enough to perform a meaningful analysis. We placed more weight on the distribution of small loans to businesses, then home purchase loans, and then home mortgage refinance loans.

## **Home Mortgage Loans**

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

In evaluating the borrower distribution of home mortgage loans, we considered the number of families that live below the poverty level (8 percent of families) and the barriers that this may have on home ownership.

## **Home Purchase Loans**

ONB has done a good job of addressing the low- and moderate-income borrower credit needs for home purchase loans, an identified credit need. ONB's performance was adequate. In 2003, the portion of home purchase loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home purchase loans to moderate-income borrowers exceeds the portion of AA families who are moderate-income. In the period 2001 to 2002, ONB's performance is similar to 2003.

## **Home Improvement Loans**

The number of home improvement loans is not significant enough to perform a meaningful analysis.

## **Home Mortgage Refinance Loans**

ONB has done an adequate job of addressing the low- and moderate-income borrower credit needs for home mortgage refinance loans. In 2003, the percentage of home mortgage refinance loans to low- and moderate-income borrowers is lower than the percentage of low- and moderate-income families in the AA. In the periods 2001 to 2002 and 2004, ONB's performance is better than in 2003. In 2004, the portion of home mortgage refinance loans to low-income borrowers is lower than the portion of AA families who are low-income. The portion of home mortgage refinance loans to moderate-income borrowers is somewhat lower than the portion of AA families who are moderate-income. In the period 2001 to 2002, the portion of home mortgage refinance loans to low-income borrowers is significantly lower than the families who are low-income. The portion of home mortgage refinance loans to moderate-income families is somewhat lower than the portion of families who are moderate-income.

## **Small Loans to Businesses**

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

The borrower distribution of small loans to businesses is good. In 2003, the portion of ONB's loans extended to businesses with revenues of \$1 million or less exceeds the portion of area businesses that have revenue levels of \$1 million or less. ONB's market

share to the \$1 million or less borrowers exceeds its overall market share. In 2004, ONB's performance is similar to 2003. In the period 2001 to 2002, ONB's performance is worse than in 2003. In this period, the portion of ONB's loans extended to businesses with revenues of \$1 million or less is somewhat lower than the portion of businesses that have revenue levels of \$1 million or less.

### **Small Loans to Farms**

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

The number of small loans to farms is not significant enough to perform a meaningful analysis.

### **Community Development Lending**

ONB did not originate any CD loans in the Clarksville, Tennessee MA during this evaluation period.

### **Product Innovation and Flexibility**

Please refer to the described under the Evansville, Indiana – Henderson, Kentucky Lending Test section of this evaluation for a description of the innovative and/or flexible lending programs offered by ONB.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Tennessee is rated Outstanding. Based on full-scope reviews, the bank's performance in the Clarksville, Tennessee MA excellent.

Refer to Table 14 in the State of Tennessee section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

ONB exhibited excellent responsiveness to the CD needs in the AA. The bank provided 15 qualified investments totaling \$3.1 million during the evaluation period.

That amount includes \$3 million that management allocated to the AA from ONB's total investment in the QIF. Please refer to the Investment Test section for the State of Indiana in this evaluation for a more detailed description of the QIF and the bank's allocation methodology.

The dollar volume of ONB's CD investments reflects excellent responsiveness to the needs and opportunities in the AA.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Tennessee is rated High Satisfactory. Base on full-scope reviews, the bank's performance in the Clarksville, Tennessee MA is good.

### **Retail Banking Services**

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

The bank's retail delivery systems are accessible to geographies and individuals of different income levels. ONB has five branches in the AA. One branch is located in a moderate-income geography, two are located in middle-income geographies, and two are located in upper-income geographies. The moderate- and middle-income geographies contain 73 percent of the AA's population. There are no low-income geographies in the AA.

The branch offers reasonable hours of operation and access to traditional banking products and services. ONB had a net decrease of one branch in middle-income geographies and a net increase of one branch in upper-income geographies during this evaluation period.

The bank offers various alternative delivery systems including ATMs, telephone banking, and computer banking. The bank does not monitor the use of these systems by low- and moderate-income persons. As a result, we did not place significant weight on these systems to reach conclusions on ONB's performance under the Service Test.

### **Community Development Services**

CD services were minimal and had a neutral effect on the bank's rating under the Service Test.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): January 1, 2001 to December 31, 2004 Investment and Service Tests and CD Loans: January 1, 2001 to March 14, 2005	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Old National Bank (ONB) Evansville, Indiana	Home mortgage loans, small loans to businesses, small loans to farms, and community development loans.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	NA	NA
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Evansville, IN – Henderson, KY MA #2178	Full-scope	None
Indiana	Full-scope	
Muncie MA #3462	Limited-scope	
Bloomington #1402	Limited-scope	
Indianapolis #2690	Limited-scope	
Terre Haute #4546	Limited-scope	
Non MA AAs	Limited-scope	
Illinois	Full-scope	
Vermillion County MA	Limited-scope	
Combined Non MA AAs		
Kentucky	Full-scope	
Owensboro MA #3698	Limited-scope	
Combined Non MA AAs		
Ohio	Full-scope	
Drake County AA		
Tennessee	Full-scope	
Clarksville AA		

## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS      Old National Bank				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Old National Bank	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Evansville, IN – Henderson, KY MA	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
Illinois	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Indiana	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Kentucky	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
Ohio	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Tennessee	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory

(\*) The Lending Test is weighted more heavily than the investment and service tests in the overall rating.

## Appendix C: Market Profiles for Full-Scope Areas

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#### Market Profiles for Areas Receiving Full-Scope Reviews

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Vermillion County, Illinois.....	C-6
Muncie, Indiana.....	C-7

## Evansville - Henderson MA 2178 (FS)

Demographic Information for Full Scope Area: Evansville - Henderson MA 2178 (FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	81	3.70	28.40	46.91	20.99	0.00
Population by Geography	328,695	2.35	22.11	50.97	24.57	0.00
Owner-Occupied Housing by Geography	93,914	1.54	17.18	54.40	26.88	0.00
Business by Geography	16,222	2.18	29.32	48.93	19.56	0.00
Farms by Geography	1,114	0.18	9.87	57.99	31.96	0.00
Family Distribution by Income Level	89,299	18.59	18.24	24.12	39.04	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	32,893	3.93	31.80	51.09	13.18	0.00
Median Family Income		48,255	Median Housing Value		81,825	
HUD Adjusted Median Family Income for 2004		55,300	Unemployment Rate (US Bureau of Labor Statistics as of 5/6/05)		5.0%	
Households Below Poverty Level		10.33%				

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

Source: 1990 US Census and 2004 HUD updated MFI

The AA consists of the entire Evansville, Indiana - Henderson, Kentucky Mutli-State Metropolitan Area. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. ONB has 20 branch offices located throughout the AAs 81 census tracts.

The AA has a total population of 328,695, with approximately 200,000 living in the City of Evansville, Indiana. The AA is home to the University of Evansville, University of Southern Indiana, and Ivy Technical State College. Also, due to a high number of Japanese companies located in the community, the Southern Indiana Japanese School operates in Evansville.

The local economy is diverse and is supported by a number of large manufacturing facilities. Major private sector employers include Toyota Motors, Alcoa, General Electric, MyersSquibb, and Whirlpool Corporation. The unemployment rate is low at 5 percent.

Competition in the AA is strong for both deposit and loan customers. There are numerous deposit-taking financial institutions in the AA. In addition, numerous non-bank financial institutions compete for the AA's lending opportunities.

From our community contact interviews, we identified a number of opportunities to originate CD loans in the AA. State and local government agencies offer programs that allow bank's to leverage public funds with private sector funds to support economic development projects. Also, numerous community-based organizations that target CD services to low- and moderate-income residents operate in the AA.



## Clarkesville MA 1730 (FS)

Demographic Information for Full Scope Area: Clarkesville MA 1730(FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	27	0.00	18.52	55.56	25.93	0.00
Population by Geography	134,768	0.00	8.82	64.28	26.91	0.00
Owner-Occupied Housing by Geography	30,685	0.00	5.12	60.80	34.08	0.00
Business by Geography	5,421	0.00	21.01	50.82	28.17	0.00
Farms by Geography	186	0.00	8.60	47.31	44.09	0.00
Family Distribution by Income Level	36,203	14.73	18.65	24.16	42.46	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,084	0.00	13.94	67.46	18.60	0.00
Median Family Income		40,311	Median Housing Value		82,222	
HUD Adjusted Median Family Income for 2004		46,200	Unemployment Rate (U.S. Bureau of Labor Statistics as of 5/6/04)		6.4%	
Households Below Poverty Level		10.94%				

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

Source: 1990 US Census and 2004 HUD updated MFI

The AA consists of the entire Clarksville, Tennessee MA. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. ONB has five branch offices located throughout the AA.

The AA has a total population of 134,768 residents with 121,224 residents living in Clarksville. The local economy is stable with several sizable manufacturing facilities operation in the AA. Some of the AA's major employers include Convergys Corporation, Gateway Health Systems, Cumberland Electric Membership Corporation, Bridgestone Metalpha USA, Jostens Printing and Publishing and the Trane Corporation.

There are numerous deposit-taking financial institutions, as well as, non-bank financial institutions providing strong competition for deposit and loan customers in the AA.

Based on information we obtained during an interview with a local city official, opportunities to make CD loans and investments are moderate. The mayor's office in Clarksville has created an Affordable Housing Taskforce to address a lack of adequate and affordable housing for low- and moderate-income individuals. The city government is starting a Housing fund and will be soliciting financial support (investments) from the banking community. Also, the city has a Community Revolving Investment Fund that purchases property in the downtown business district for resale to developers.

## Darke County (FS)

Demographic Information for Full Scope Area: Darke County (FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	12	0.00	8.33	75.00	16.67	0.00
Population by Geography	53,309	0.00	7.94	73.36	18.70	0.00
Owner-Occupied Housing by Geography	15,640	0.00	6.82	74.18	19.01	0.00
Business by Geography	2,527	0.00	13.73	65.49	20.78	0.00
Farms by Geography	741	0.00	1.48	79.22	19.30	0.00
Family Distribution by Income Level	14,982	15.39	17.88	25.57	41.16	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	4,984	0.00	11.74	73.35	14.91	0.00
Median Family Income		43,801	Median Housing Value		83,597	
HUD Adjusted Median Family Income for 2004		48,500	Unemployment Rate (U.S. Bureau of Labor Statistic 5/6/05)		6.5%	
Households Below Poverty Level		11.21%				

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

Source: 1990 US Census and 2004 HUD updated MFI

The AA includes all of Darke County Ohio. The AA meets the regulations requirements and does not arbitrarily exclude low- or moderate-income geographies. The AA has a total population of 53,309. ONB has one branch in the AA, which is located in a moderate-income geography in Union City, Ohio. Union City is a small farming community (population 1,800) and is adjacent to Union City, Indiana. The local economy is sound with a 6.5 percent unemployment rate.

Greenville, Ohio is located 20 miles from Union City and includes a branch office of a large regional bank and a branch of a larger nation-wide bank. We conducted one community contact interview with a village administrator. Opportunities to make CD investments are limited. However, the AA is home to a 24-acre industrial park and an enterprise zone that provides tax incentives for new and existing businesses.

## Owensboro MA 36980 (FS)

Demographic Information for Full Scope Area: Owensboro MSA 36980 (FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	23	0.00	17.39	56.52	26.09	0.00
Population by Geography	91,545	0.00	16.43	60.78	22.79	0.00
Owner-Occupied Housing by Geography	25,333	0.00	12.09	62.07	25.84	0.00
Business by Geography	5,113	0.00	26.58	53.67	19.75	0.00
Farms by Geography	338	0.00	3.85	77.51	18.64	0.00
Family Distribution by Income Level	25,016	18.70	17.31	23.07	40.92	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	9,007	0.00	26.11	59.69	14.20	0.00
Median Family Income		43,999	Median Housing Value		75,798	
HUD Adjusted Median Family Income for 2004		51,400	Unemployment Rate (U. S. Bureau of Labor Statistics as of 5/6/05)		6.2%	
Households Below Poverty Level		13.16%				

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

Source: 1990 US Census and 2004 HUD updated MFI

The AA consists of the entire Owensboro, Kentucky MA. The AA includes 23 census tracts and has a population of 91,545. ONB's AA meets the requirements of the CRA and does not arbitrarily exclude low- or moderate-income geographies. Owensboro, Kentucky is the largest city in Daviess County with a population of 54,313. ONB has eight branch offices located throughout the AA.

The economy is relatively strong with a diverse employment base. The unemployment rate is low at 6 percent. Among the AA's largest private sector employers are US Bank Mortgage, Field Packing Company (pork processing), Toyotesu Automotive Parts, and Unilevel Best Foods.

There are numerous deposit-taking financial institutions, as well as, non-bank financial institutions providing strong competition for deposit and loan customers in the AA.

We conducted one community contact interview with a leader of a local economic development corporation (EDC). The EDC is a public/private partnership that works to attract employers to Owensboro and help existing employers expand and grow. According to the contact, underemployment is the biggest challenge facing the AA. The AA needs higher paying jobs. He added that the local school system is poor and as the need for more skilled labor increases, they may not have the skilled workforce needed to respond to the demand.

Opportunities to make CD investments are limited to providing donations to qualified organizations. The AA offers more opportunities to make CD loans and the EDC refers borrowers to various AA banks when they need financing

## Vermillion County MA 1918 (FS)

Demographic Information for Full Scope Area: Danville MA 1918 (FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	25	0.00	16.00	60.00	24.00	0.00
Population by Geography	83,919	0.00	11.46	69.85	18.69	0.00
Owner-Occupied Housing by Geography	23,980	0.00	8.14	69.82	22.04	0.00
Business by Geography	3,175	0.00	18.55	64.85	16.60	0.00
Farms by Geography	508	0.00	0.79	88.39	10.83	0.00
Family Distribution by Income Level	22,447	18.09	18.78	23.64	39.49	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	8,276	0.00	16.57	71.47	11.96	0.00
Median Family Income		41,578	Median Housing Value		55,018	
HUD Adjusted Median Family Income for 2004		46,800	Unemployment Rate (U. S. Bureau of Labor Statistics as of 5/6/05)		6.5%	
Households Below Poverty Level		12.91%				

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

Source: 1990 US Census and 2004 HUD updated MFI

The AA includes consists of the entire Vermillion County, Illinois MA. The bank's AA meets the requirements of the CRA and does not arbitrarily exclude any low- or moderate-income geographies. ONB has three branch offices located throughout the AA.

The AA has a population of 83,919 and Danville, Illinois is the largest city in the AA with at population of 34,000 residents. The local economy has suffered from the loss of manufacturing jobs and a shrinking population. This has led to depressed housing values and a deteriorating housing stock. According to the city government, Danville's unemployment rate ranges from 10 to 12 percent. Some of the AA's major employers include Mclane Midwest Distributing Corp., CLL Custom Manufacturing, Quaker Foods, Auto Zone (supplier), and Danville Metal Stamping.

There are numerous deposit-taking financial institutions, as well as, non-bank financial institutions providing strong competition for deposit and loan customers in the AA.

We conducted one community contact interview with a representative of Danville's city government. He pointed out that Danville has a surplus of housing for sale. He added that many homeowners are unable to maintain their homes and, because they have little or no equity, they do not qualify for home equity loans.

Due to the decline in jobs and population, opportunities to make home purchase or home improvement loans and CD investments are limited. The community has an oversupply of rental housing units with rent controls. However, the low rents make it difficult for landlords to afford maintenance and repairs. Danville has a regional CD corporation and some homebuyer assistance programs.

## Muncie MA 3462 (FS)

Demographic Information for Full Scope Area: Muncie MA 3462 (FS)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	31	6.45	38.71	32.26	22.58	0.00
Population by Geography	118,769	5.12	28.04	34.40	32.44	0.00
Owner-Occupied Housing by Geography	31,692	0.11	26.38	34.99	38.52	0.00
Business by Geography	5,345	1.80	34.24	31.43	32.54	0.00
Farms by Geography	314	0.00	7.01	62.74	30.25	0.00
Family Distribution by Income Level	29,939	20.00	18.73	21.12	40.15	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,595	1.94	44.40	32.65	21.01	0.00
Median Family Income		45,400	Median Housing Value		72,176	
HUD Adjusted Median Family Income for 2004		51,700	Unemployment Rate (U. S. Bureau of Labor Statistics 5/6/05)		6.2%	
Households Below Poverty Level		15.40%				

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

Source: 1990 US Census and 2004 HUD updated MFI

The AA consists of the entire Muncie, Indiana MA and has a population of 118,769 residents. The AA meets the legal requirements of the CRA and does not arbitrarily exclude low- or moderate-income geographies. ONB operates six branch offices located throughout the AA's 31 census tracts.

Muncie, Indiana is the largest city in the AA and is home to Ball State University, one the AA's largest employers. The local economy is good with unemployment at 6 percent. In addition to Ball State University, major employers include Cardinal Health Systems, Borg-Warner Automotive, Marsh Foods and Meijer Incorporated.

There are numerous deposit-taking financial institutions, as well as, non-bank financial institutions providing strong competition for deposit and loan customers in the AA.

We conducted one community contact interview with a representative of an economic development organization based in Muncie. The organization provides resources to small and medium sized businesses seeking to locate in the AA or expand within the AA. The organization has a Micro Loan program and a Rural Revolving Loan program that offers very small loans to new and existing small businesses.

There is a need for more small business financing according to the community contact. We did not identify any unmet CD investment opportunities in the AA.

## Appendix D: Tables of Performance Data

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## Content of Standardized Tables

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A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of 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/AA. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

**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/AA 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, if applicable, over the evaluation period by MA/AA. 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 AA.

**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 AA.

**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/AA 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: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003						
MA/Assessment Area (2003):	% 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)	
<b>Multistate MA:</b>												
Evansville - Henderson MA #2440 (	22.02	3,263	324,751	1,098	144,678	78	5,683	22	29,380	4,461	504,492	31.8
<b>State of Indiana:</b>												
Muncie MA #5280 (FS)	6.65	1,036	89,189	296	37,186	16	1,190	0	0	1,348	127,565	4.4
Bloomington MA #1020 (LS)	4.67	744	83,435	194	24,398	0	0	8	11,346	946	119,179	2.7
Indianapolis MA #3480 (LS)	6.02	903	59,947	294	73,793	4	556	18	43,162	1,219	177,458	4.7
Terre Haute MA #8320 (LS)	6.32	1,024	83,923	237	30,005	15	1,663	4	4,311	1,280	119,902	6.1
Combined Non MA AAs (LS)	26.79	3,548	256,482	1,187	98,105	682	50,264	11	11,215	5,428	416,066	22.8
<b>State of Illinois:</b>												
Vermilion County (FS)	3.13	397	26,144	190	20,574	44	3,761	4	700	635	51,179	3.5
Combined Non MSA AAs (LS)	10.58	1,529	112,244	475	40,472	136	6,922	3	2,150	2,143	161,788	11.0
<b>State of Kentucky:</b>												
Owensboro MA #5990 (FS)	3.60	601	57,388	121	13,826	6	357	1	1,300	729	72,871	2.5
Combined Non MA AAs (LS)	6.67	918	64,330	354	26,671	79	4,567	1	57	1,352	95,625	6.8
<b>State of Ohio:</b>												
Darke County (FS)	0.55	38	2,143	38	1,310	35	3,728	1	65	112	7,246	2.8
<b>State of Tennessee:</b>												
Clarksville MA #1660 (FS)	3.00	325	32,670	271	26,825	11	367	0	0	607	59,862	.9

(FS = Full Scope; LS = Limited Scope)

\* Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2001 to December 31, 2004.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003									
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
<b>Multistate MA:</b>															
Evansville - Henderson MA #2440 (FS)	780	100%	2%	1%	17%	11%	51%	47%	30%	41%	NA	NA	NA	NA	NA
<b>State of Indiana:</b>															
Muncie MA #5280 (FS)	267	18%	< 1%	< 1%	26%	10%	35%	30%	39%	60%	NA	NA	NA	NA	NA
Bloomington MA #1020 (LS)	272	19%	1%	< 1%	14%	11%	62%	52%	23%	37%	NA	NA	NA	NA	NA
Indianapolis MA #3480 (LS)	101	7%	3%	0%	23%	17%	43%	46%	31%	37%	NA	NA	NA	NA	NA
Terre Haute MA #8320 (LS)	194	13%	NA	NA	19%	14%	49%	55%	32%	31%	NA	NA	NA	NA	NA
Combined Non MA AAs (LS)	631	43%	< 1%	0%	11%	7%	81%	83%	8%	10%	NA	NA	NA	NA	NA
<b>State of Illinois:</b>															
Vermilion County (FS)	114	23%	NA	NA	10%	14%	76%	58%	14%	28%	NA	NA	NA	NA	NA
Combined Non MA AAs (LS)	388	77%	< 1%	2%	23%	26%	70%	63%	7%	9%	NA	NA	NA	NA	NA
<b>State of Kentucky:</b>															
Owensboro MA #5990 (FS)	143	42%	2%	3%	12%	5%	66%	64%	20%	28%	NA	NA	NA	NA	NA
Combined Non MA AAs (LS)	196	58%	NA	NA	3%	6%	63%	46%	34%	48%	NA	NA	NA	NA	NA
<b>State of Ohio:</b>															
Darke County (FS)	4	100%	NA	NA	7%	0%	93%	100%	NA	NA	NA	NA	NA	NA	NA
<b>State of Tennessee:</b>															
Clarksville MA #1660 (FS)	100	100%	NA	NA	5%	5%	61%	51%	34%	44%	NA	NA	NA	NA	NA

(FS = Full Scope; LS = Limited Scope)

\* Based on 2003 Peer Mortgage Data (Eastern)

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT															Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Home Improvement 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								
<b>Multistate MA:</b>																							
Evansville - Henderson MA #2440 (FS)	318	100%	2%	3%	17%	24%	51%	46%	30%	27%	NA	NA	NA	NA	NA								
<b>State of Indiana:</b>																							
Muncie MA #5280 (FS)	136	12%	< 1%	0%	26%	30%	35%	29%	39%	41%	NA	NA	NA	NA	NA								
Bloomington MA #1020 (LS)	56	5%	1%	0%	14%	11%	62%	84%	23%	5%	NA	NA	NA	NA	NA								
Indianapolis MA #3480 (LS)	387	35%	3%	3%	23%	35%	43%	46%	31%	16%	NA	NA	NA	NA	NA								
Terre Haute MA #8320 (LS)	96	9%	NA	NA	19%	16%	49%	54%	32%	30%	NA	NA	NA	NA	NA								
Combined Non MA AAs (LS)	425	39%	< 1%	< 1%	12%	11%	81%	83%	7%	6%	NA	NA	NA	NA	NA								
<b>State of Illinois:</b>																							
Vermilion County (FS)	49	22%	NA	NA	10%	14%	76%	70%	14%	16%	NA	NA	NA	NA	NA								
Combined Non MA AAs (LS)	178	78%	< 1%	0%	23%	27%	70%	66%	7%	7%	NA	NA	NA	NA	NA								
<b>State of Kentucky:</b>																							
Owensboro MA #5990 (FS)	38	27%	2%	3%	12%	13%	66%	71%	20%	13%	NA	NA	NA	NA	NA								
Combined Non MA AAs (LS)	104	73%	NA	NA	3%	2%	63%	61%	34%	37%	NA	NA	NA	NA	NA								
<b>State of Ohio:</b>																							
Darke County (FS)	10	100%	NA	NA	7%	0%	93%	100%	NA	NA	NA	NA	NA	NA	NA								
<b>State of Tennessee:</b>																							
Clarksville MA #1660 (FS)	16	100%	NA	NA	5%	12%	61%	50%	34%	38%	NA	NA	NA	NA	NA								

(FS = Full Scope; LS = Limited Scope)

\* Based on 2003 Peer Mortgage Data (Eastern)

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: IN/IL/KY/OH/TN		Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Multistate MA:</b>																					
Evansville - Henderson MA #2440 (FS)	2,153	100%	2%	2%	17%	11%	51%	47%	30%	40%	NA	NA	NA	NA	NA						
<b>State of Indiana:</b>																					
Muncie MA #5280 (FS)	631	13%	< 1%	0%	26%	11%	35%	35%	39%	54%	NA	NA	NA	NA	NA						
Bloomington MA #1020 (LS)	414	9%	1%	< 1%	14%	11%	62%	55%	23%	34%	NA	NA	NA	NA	NA						
Indianapolis MA #3480 (LS)	412	9%	3%	2%	23%	22%	43%	48%	31%	28%	NA	NA	NA	NA	NA						
Terre Haute MA #8320 (LS)	732	16%	NA	NA	19%	10%	49%	49%	32%	41%	NA	NA	NA	NA	NA						
Combined Non MA AAs (LS)	2,487	53%	< 1%	< 1%	12%	6%	81%	85%	7%	9%	NA	NA	NA	NA	NA						
<b>State of Illinois:</b>																					
Vermilion County (FS)	234	20%	NA	NA	10%	4%	76%	58%	14%	38%	NA	NA	NA	NA	NA						
Combined Non MA AAs (LS)	960	80%	< 1%	1%	23%	18%	70%	72%	7%	9%	NA	NA	NA	NA	NA						
<b>State of Kentucky:</b>																					
Owensboro MA #5990 (FS)	420	41%	2%	1%	12%	5%	66%	66%	20%	28%	NA	NA	NA	NA	NA						
Combined Non MA AAs (LS)	616	59%	NA	NA	3%	1%	63%	57%	34%	42%	NA	NA	NA	NA	NA						
<b>State of Ohio:</b>																					
Darke County (FS)	24	100%	NA	NA	7%	13%	93%	87%	NA	NA	NA	NA	NA	NA	NA						
<b>State of Tennessee:</b>																					
Clarksville MA #1660 (FS)	204	100%	NA	NA	5%	2%	61%	50%	34%	48%	NA	NA	NA	NA	NA						

\* Based on 2003 Peer Mortgage Data (Eastern)

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

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

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Multistate MA:</b>																
Evansville - Henderson MA #2440 (FS)	12	100%	4%	0%	40%	17%	46%	83%	10%	0%	NA	NA	NA	NA	NA	
<b>State of Indiana:</b>																
Muncie MA #5280 (FS)	2	14%	9%	0%	27%	100%	33%	0%	31%	0%	NA	NA	NA	NA	NA	
Bloomington MA #1020 (LS)	2	14%	25%	50%	26%	0%	27%	50%	22%	0%	NA	NA	NA	NA	NA	
Indianapolis MA #3480 (LS)	3	22%	7%	33%	34%	67%	45%	0%	14%	0%	NA	NA	NA	NA	NA	
Terre Haute MA 8320 (LS)	2	14%	NA	NA	42%	100%	29%	0%	29%	0%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	5	36%	4%	0%	21%	0%	66%	100%	9%	0%	NA	NA	NA	NA	NA	
<b>State of Illinois:</b>																
Vermilion County (FS)	0	0.00	NA	NA	36%	0%	54%	0%	10%	0%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	3	100%	18%	67%	51%	33%	24%	0%	7%	0%	NA	NA	NA	NA	NA	
<b>State of Kentucky:</b>																
Owensboro MA #5990 (FS)	0	0.00	10%	0%	20%	0%	67%	0%	3%	0%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	2	100%	NA	NA	13%	0%	49%	50%	38%	50%	NA	NA	NA	NA	NA	
<b>State of Ohio:</b>																
Darke County (FS)	0	100%	NA	NA	6%	0%	94%	0%	NA	NA	NA	NA	NA	NA	NA	
<b>State of Tennessee:</b>																
Clarksville MA #1660 (FS)	5	100%	NA	NA	20%	0%	59%	60%	21%	40%	NA	NA	NA	NA	NA	

\* Based on 2003 Peer Mortgage Data (Eastern)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: IN/IL/KY/OH/TN		Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Multistate MA:</b>																					
Evansville - Henderson MSA #2440 (FS)	1,098	100%	5%	3%	29%	26%	45%	41%	21%	30%	12.37	10.71	12.66	11.82	14.90						
<b>State of Indiana:</b>																					
Muncie MA #5280 (FS)	296	13%	2%	2%	35%	26%	30%	30%	33%	42%	10.02	15.79	7.49	10.11	13.59						
Bloomington MA #1020 (LS)	194	9%	18%	14%	22%	28%	41%	41%	19%	17%	5.88	6.19	7.66	5.39	6.14						
Indianapolis MA #3480 (LS)	294	13%	3%	4%	21%	23%	45%	49%	31%	24%	0.92	1.30	1.12	1.05	0.68						
Terre Haute MA #8320 (LS)	237	11%	NA	NA	24%	25%	51%	49%	23%	26%	8.22	NA	8.65	8.44	8.32						
Combined Non MA AAs (LS)	1,187	54%	3%	1%	16%	11%	73%	82%	8%	6%	10.70	4.48	8.09	13.05	6.61						
<b>State of Illinois:</b>																					
Vermilion County (FS)	190	29%	0%	0%	24%	32%	67%	54%	9%	14%	11.93	0.00	16.35	10.26	15.73						
Combined Non MA AAs (LS)	475	71%	3%	< 1%	41%	32%	50%	52%	6%	16%	6.98	1.22	6.53	7.13	16.26						
<b>State of Kentucky:</b>																					
Owensboro MA #5990 (FS)	121	25%	4%	2%	30%	31%	51%	50%	15%	17%	5.25	3.57	6.40	5.05	5.71						
Combined Non MA AAs (LS)	354	75%	NA	NA	6%	2%	53%	56%	41%	42%	19.19	NA	8.00	21.88	19.01						
<b>State of Ohio:</b>																					
Darke County (FS)	38	100%	NA	NA	15%	0%	85%	100%	NA	NA	2.51	NA	0.00	2.98	NA						
<b>State of Tennessee:</b>																					
Clarksville MA #1660 (FS)	271	100%	NA	NA	23%	17%	50%	47%	27%	36%	9.64	NA	9.41	9.67	10.55						

\* Based on 2003 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 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS												Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Multistate MA:</b>																				
Evansville - Henderson MA #2440 (FS)	78	100%	< 1%	0%	6%	4%	49%	60%	45%	36%	27.46	0.00	21.43	35.61	20.44					
<b>State of Indiana:</b>																				
Muncie MA #5280 (FS)	16	3%	0%	6%	6%	0%	62%	44%	32%	50%	14.95	100.00	0.00	10.14	22.22					
Bloomington MA #1020 (LS)	0	0%	3%	0%	10%	0%	77%	0%	10%	0%	0.00	0.00	0.00	0.00	0.00					
Indianapolis MA #3480 (LS)	4	< 1%	1%	0%	9%	0%	65%	75%	25%	25%	1.14	0.00	0.00	1.09	1.89					
Terre Haute MA #8320 (LS)	15	2%	NA	NA	5%	0%	54%	67%	41%	33%	9.15	NA	0.00	11.90	6.41					
Combined Non MA AAs (LS)	682	95%	< 1%	0%	5%	1%	87%	94%	8%	5%	31.76	0.00	16.67	33.65	20.38					
<b>State of Illinois:</b>																				
Vermilion County (FS)	44	24%	0%	0%	1%	7%	91%	79%	8%	14%	26.04	0.00	42.86	25.93	24.00					
Combined Non MA AAs (LS)	136	76%	< 1%	0%	13%	7%	82%	88%	5%	5%	12.35	0.00	8.55	12.64	25.00					
<b>State of Kentucky:</b>																				
Owensboro MA #5990 (FS)	6	7%	1%	0%	3%	0%	79%	67%	17%	33%	4.14	0.00	0.00	3.08	14.29					
Combined Non MA AAs (LS)	79	93%	NA	NA	1%	0%	36%	63%	63%	37%	35.43	NA	0.00	58.82	21.80					
<b>State of Ohio:</b>																				
Darke County (FS)	35	100%	NA	NA	2%	0%	98%	100%	NA	NA	9.43	NA	0.00	9.54	NA					
<b>State of Tennessee:</b>																				
Clarksville MA #1660 (FS)	11	100%	NA	NA	8%	0%	48%	45%	44%	55%	12.79	NA	0.00	18.52	11.11					

\* Based on 2003 Peer Small Business Data -- US and PR

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

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



**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE															Geography: IN/IL/KY/OH/TN					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*													
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp							
<b>Multistate MA:</b>																								
Evansville - Henderson MA #2440 (FS)	780	100%	19%	11%	18%	21%	24%	27%	39%	41%	NA	NA	NA	NA	NA									
<b>State of Indiana:</b>																								
Muncie MA #5280 (FS)	267	18%	20%	10%	19%	18%	21%	24%	40%	48%	NA	NA	NA	NA	NA									
Bloomington MA #1020 (LS)	272	19%	20%	14%	18%	18%	22%	26%	40%	42%	NA	NA	NA	NA	NA									
Indianapolis MA #3480 (LS)	101	7%	20%	15%	19%	23%	22%	24%	39%	38%	NA	NA	NA	NA	NA									
Terre Haute MA #8320 (LS)	194	13%	20%	15%	18%	21%	22%	23%	40%	41%	NA	NA	NA	NA	NA									
Combined Non MA AAs (LS)	631	43%	19%	13%	20%	28%	25%	31%	36%	28%	NA	NA	NA	NA	NA									
<b>State of Illinois:</b>																								
Vermilion County (FS)	114	23%	19%	5%	20%	19%	24%	36%	37%	40%	NA	NA	NA	NA	NA									
Combined Non MA AAs (LS)	388	77%	22%	10%	20%	25%	24%	25%	34%	40%	NA	NA	NA	NA	NA									
<b>State of Kentucky:</b>																								
Owensboro MA #5990 (FS)	143	42%	19%	10%	18%	21%	24%	32%	39%	37%	NA	NA	NA	NA	NA									
Combined Non MA AAs (LS)	196	58%	19%	7%	16%	15%	21%	22%	44%	56%	NA	NA	NA	NA	NA									
<b>State of Ohio:</b>																								
Darke County (FS)	4	100%	16%	0%	18%	25%	26%	75%	40%	0%	NA	NA	NA	NA	NA									
<b>State of Tennessee:</b>																								
Clarksville MA #1660 (FS)	100	100%	15%	7%	19%	25%	24%	25%	42%	43%	NA	NA	NA	NA	NA									

\* Based on 2003 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 1.7% of loans originated and purchased by bank.

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

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

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Improvement 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****						
<b>Multistate MA:</b>																
Evansville - Henderson MA #2440 (FS)	318	100%	19%	19%	18%	31%	24%	28%	39%	22%	NA	NA	NA	NA	NA	
<b>State of Indiana:</b>																
Muncie MA #5280 (FS)	136	12%	20%	28%	19%	18%	21%	23%	40%	31%	NA	NA	NA	NA	NA	
Bloomington MA #1020 (LS)	56	5%	20%	14%	18%	29%	22%	34%	40%	23%	NA	NA	NA	NA	NA	
Indianapolis MA #3480 (LS)	387	35%	20%	12%	19%	29%	22%	27%	39%	32%	NA	NA	NA	NA	NA	
Terre Haute MA #8320 (LS)	96	9%	20%	8%	18%	26%	22%	31%	40%	35%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	425	39%	19%	14%	20%	27%	25%	33%	36%	26%	NA	NA	NA	NA	NA	
<b>State of Illinois:</b>																
Vermilion County (FS)	49	22%	19%	21%	20%	23%	24%	25%	37%	31%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	178	78%	22%	17%	20%	22%	24%	21%	34%	40%	NA	NA	NA	NA	NA	
<b>State of Kentucky:</b>																
Owensboro MA #5990 (FS)	38	27%	19%	8%	18%	18%	24%	40%	39%	34%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	104	73%	19%	13%	16%	16%	21%	28%	44%	43%	NA	NA	NA	NA	NA	
<b>State of Ohio:</b>																
Darke County (FS)	10	100%	16%	10%	18%	20%	26%	40%	40%	30%	NA	NA	NA	NA	NA	
<b>State of Tennessee:</b>																
Clarksville MA #1660 (FS)	16	100%	15%	13%	19%	19%	24%	37%	42%	31%	NA	NA	NA	NA	NA	

\* Based on 2003 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 1.4% of loans originated and purchased by bank.

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

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

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

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Multistate MA:</b>																
Evansville - Henderson MSA #2440 (FS)	2,153	100%	19%	8%	18%	18%	24%	26%	39%	48%	NA	NA	NA	NA	NA	
<b>State of Indiana:</b>																
Muncie MA #5280 (FS)	631	13%	20%	7%	19%	14%	21%	23%	40%	56%	NA	NA	NA	NA	NA	
Bloomington MA #1020 (LS)	414	9%	20%	11%	18%	15%	22%	25%	40%	49%	NA	NA	NA	NA	NA	
Indianapolis MA #3480 (LS)	412	9%	20%	11%	19%	18%	22%	30%	39%	41%	NA	NA	NA	NA	NA	
Terre Haute MA #8320 (LS)	732	16%	20%	7%	18%	16%	22%	25%	40%	51%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	2,487	53%	19%	9%	20%	20%	25%	31%	36%	40%	NA	NA	NA	NA	NA	
<b>State of Illinois:</b>																
Vermilion County (FS)	234	20%	19%	4%	20%	19%	24%	20%	37%	57%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	960	80%	22%	6%	20%	15%	24%	27%	34%	52%	NA	NA	NA	NA	NA	
<b>State of Kentucky:</b>																
Owensboro MA #5990 (FS)	420	41%	19%	5%	18%	16%	24%	27%	39%	52%	NA	NA	NA	NA	NA	
Combined Non MA AAs (LS)	616	59%	19%	4%	16%	9%	21%	26%	44%	61%	NA	NA	NA	NA	NA	
<b>State of Ohio:</b>																
Darke County (FS)	24	100%	16%	13%	18%	8%	26%	50%	40%	29%	NA	NA	NA	NA	NA	
<b>State of Tennessee</b>																
Clarksville MA #1660 (FS)	204	100%	15%	6%	19%	8%	24%	30%	42%	56%	NA	NA	NA	NA	NA	

\* Based on 2003 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 2.2% of loans originated and purchased by bank.

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

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home 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: IN/IL/KY/OH/TN			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Multistate MA:</b>									
Evansville - Henderson MSA #2440 (FS)	1,098	100%	60%	71%	67%	19%	14%	12.37	25.24
<b>State of Indiana:</b>									
Muncie MA #5280 (FS)	296	13%	64%	77%	66%	20%	14%	10.02	18.63
Bloomington MA #1020 (LS)	194	9%	64%	73%	69%	18%	13%	5.88	13.48
Indianapolis MA #3480 (LS)	294	13%	60%	54%	44%	22%	34%	0.92	1.68
Terre Haute MA #8320 (LS)	239	11%	64%	67%	72%	14%	14%	8.22	14.96
Combined Non MA AAs (LS)	1,187	54%	66%	82%	82%	11%	7%	10.70	22.06
<b>State of Illinois:</b>									
Vermilion County (FS)	190	29%	63%	48%	76%	11%	13%	11.93	24.32
Combined Non MA AAs (LS)	475	71%	66%	81%	82%	10%	8%	6.98	14.48
<b>State of Kentucky:</b>									
Owensboro MA #5990 (FS)	121	25%	59%	83%	64%	26%	10%	5.25	10.72
Combined Non MA AAs (LS)	354	75%	63%	86%	81%	13%	6%	19.19	41.51
<b>State of Ohio:</b>									
Darke County (FS)	38	100%	69%	89%	92%	8%	0%	2.51	4.53
<b>State of Tennessee:</b>									
Clarksville MA #1660 (FS)	271	100%	64%	65%	75%	14%	11%	9.64	17.68

\* Based on 2003 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 4.00% of small loans to businesses originated and purchased by the bank.

**Table12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: IN/IL/KY/OH/TN			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Multistate MA:</b>									
Evansville - Henderson MA #2440 (FS)	78	100%	95%	100%	82%	13%	5%	27.46	28.36
<b>State of Indiana:</b>									
Muncie MA #5280 (FS)	16	3%	96%	100%	88%	6%	6%	14.95	17.58
Bloomington MA #1020 (LS)	0	0%	94%	0%	0%	0%	0%	0.00	0.00
Indianapolis MA #3480 (LS)	4	< 1%	92%	75%	75%	0%	25%	1.14	1.26
Terre Haute MA #8320 (LS)	15	2%	96%	93%	73%	20%	7%	9.15	8.70
Combined Non MA AAs (LS)	682	95%	96%	95%	78%	17%	5%	31.76	33.22
<b>State of Illinois:</b>									
Vermilion County (FS)	44	24%	98%	77%	75%	20%	5%	26.04	26.09
Combined Non MA AAs (LS)	136	76%	96%	87%	89%	10%	1%	12.35	12.63
<b>State of Kentucky:</b>									
Owensboro MA #5990 (FS)	6	7%	95%	100%	83%	17%	0%	4.14	4.88
Combined Non MA AAs (LS)	79	93%	95%	99%	86%	13%	1%	35.43	37.50
<b>State of Ohio:</b>									
Darke County (FS)	35	100%	95%	100%	66%	26%	8%	9.43	9.55
<b>State of Tennessee:</b>									
Clarksville MA #1660 (FS)	11	100%	93%	73%	91%	9%	0%	12.79	13.58

\* Based on 2003 Peer Small Business Data -- US and PR

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

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

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 4.03% of small loans to farms originated and purchased by the bank.

**Table 13. Geographic and Borrower Distribution of Consumer Loans  
(Institution’s Option)**

This table was not used for this analysis.

Geographic and Borrower Distribution: CONSUMER LOANS										Geography: XXXXXXXXXXXX Evaluation Period: MONTH DAY,XXXX TO MONTH DAY,XXXX									
MA/Assessment Area:	Geographic Distribution										Borrower Distribution								
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		
	#	% of Total*	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	% of Hhlds **	% of BANK Loans	
<b>Full Review:</b>																			
<b>Limited Review:</b>																			

\* Consumer loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.  
 \*\* Percentage of Households is based on the 1990 Census Information.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: IN/IL/KY/OH/TN				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2004			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Multistate MA:</b>									
Evansville – Henderson MA #2240 (FS)	7	1,997	375	3,186	382	5,183	26.6	0	0
<b>State of Indiana:</b>									
Muncie MA #5280 (FS)	0	0	3	341	3	341	1.8	0	0
Bloomington MA #1020 (LS)	0	0	84	100	84	100	.5	0	0
Indianapolis MA #3480 (LS)	0	0	47	621	47	621	3.2	0	0
Terre Haute MA #8320 (LS)	2	2,312	48	271	50	2,583	13.3	0	0
Combined Non MA AAs (LS)	1	1,384	59	2,251	60	3,635	18.7	0	0
<b>State of Illinois:</b>									
Vermillion County (FS)	0	0	6	182	6	182	.9	0	0
Combined Non MA AAs (LS)	1	758	145	1,555	146	2,313	11.9	0	0
<b>State of Kentucky:</b>									
Owensboro MA #5990 (FS)	0	0	48	347	48	347	1.8	0	0
Combined Non MA AAs (LS)	0	0	57	977	57	977	5.0	0	0
<b>State of Ohio:</b>									
Darke County (FS)	0	0	5	2	5	2	0.0	0	0
<b>State of Tennessee:</b>									
Clarksville MA #1660 (FS)	0	0	15	3,181	15	3,181	16.3	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: IN/IL/KY/OH/TN Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2004																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Multistate MA:</b>																	
Evansville – Henderson MA #2178 (FS)		20	17.4	5.0	35.0	45.0	15.0	1	7	0	-1	-5	NA	2.3	22.1	51.0	24.6
<b>State of Indiana:</b>																	
Muncie MA #3462 (FS)		6	5.2	0.0	16.7	50.0	33.3	1	4	0	-1	-2	-1	5.1	28.0	34.4	32.5
Bloomington MA #1402 (LS)		4	3.5	25.0	25.0	25.0	25.0	0	1	0	0	-1	0	14.1	15.7	43.2	27.0
Indianapolis MA #2690 (LS)		8	8.7	0.0	0.0	62.5	37.5	4	0	0	0	+2	+2	5.7	26.3	40.1	27.9
Terre Haute MA #4546 (LS)		6	5.2	0.0	16.7	83.3	0.0	0	3	NA	-1	0	-2	0.0	26.0	44.0	30.0
Indiana Combined Non MA AAs (LS)		35	30.4	5.7	22.9	57.1	14.3	3	12	0	0	-10	+1	1.1	15.1	76.1	7.7
<b>State of Illinois:</b>																	
Vermillion County MA#1918 (FS)		3	2.7	0.0	33.4	33.3	33.3	0	4	NA	-1	-3	NA	0.0	11.5	69.8	18.7
Illinois Combined Non MA AAs (LS)		13	11.3	0.0	38.5	53.8	7.7	1	4	0	0	-3	NA	1.5	28.5	63.6	6.4
<b>State of Kentucky:</b>																	
Owensboro MA #3698 (FS)		4	3.5	0.0	25.0	75.0	0.0	0	0	NA	0	0	0	0.0	16.4	60.8	22.8
Kentucky Combined Non MA AAs (LS)		8	6.8	0.0	12.5	62.5	25.0	1	6	NA	0	-3	-2	0.0	3.5	51.9	44.6
<b>State of Ohio:</b>																	
Drake County (FS)		1	.9	0.0	0.0	100	0.0	0	0	NA	0	0	0	0.0	8.0	73.3	18.7
<b>State of Tennessee:</b>																	
Clarksville MA #1730 (FS)		5	4.4	0.0	20.0	40.0	40.0	1	1	NA	0	-1	+1	0.0	8.8	64.2	27.0



