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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

**LARGE BANK**

## **Public Disclosure**

**June 30, 1999**

# **Community Reinvestment Act Performance Evaluation**

**The Huntington National Bank  
Charter Number 7745**

**Huntington Center  
41 South High Street  
Columbus, OH 43216**

**Office of the Comptroller of the Currency  
Large Bank Division  
250 E Street, S.W.  
Washington, DC 20219**

**NOTE:** This evaluation is not, nor should it 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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## **General Information**

*The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.*

*This document is an evaluation of the CRA performance of **The Huntington National Bank** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **June 30, 1999**. The agency evaluates performance in assessment areas, as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all, of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

## **Definitions and Common Abbreviations**

The following terms and abbreviations are used throughout this Performance Evaluation. 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Block Numbering Area (BNA)** - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Bureau of the Census in conjunction with state agencies.

**Census Tract (CT)** - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Bureau of the Census in an attempt to group homogenous populations. A CT has defined boundaries per ten-year census and an average population of 4,000.

**Chartered Financial Institution** - A business providing financial services to the general public that is regulated by either the Office of the Comptroller of the Currency, the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of Thrift Supervision. This category includes commercial banks, savings and loans, and savings banks.

**Commercial Bank** - A business providing financial services to the general public that is regulated by either the Office of the Comptroller of the Currency, the Federal Reserve System, or the Federal Deposit Insurance Corporation. This category of financial institution does not include savings and loans or savings banks.

**Community Development (CD)** - Affordable 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 \$1,000,000 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 operations of the bank, and to take this record into account when evaluating certain corporate applications files by the bank.

**Full-Scope Review** - Performance under the Lending, Investment and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

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

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

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

**Limited-Scope 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, branch distribution).

**Low-Income** - Income levels that are less than 50% of the median family income.

**Median Family Income (MFI)** - The median income determined by the United States Bureau of the Census 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 Statistical Area (MSA)** - Area defined by the United States Office of Management and Budget (OMB). MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

**Middle-Income** - Income levels that are at least 80% and less than 120% of the MFI.

**Moderate-Income** - Income levels that are at least 50% and less than 80% of the MFI.

**Small Business Loans** - Loans with original amounts of \$1,000,000 or less that are: (1) secured by nonfarm nonresidential properties; or, (2) commercial and industrial loans to U.S. addresses.

**Small Farm Loans** - Loans with original amounts of \$500,000 or less that are: (1) secured by farmland; or, (2) to finance agricultural production and other loans to farmers.

**Tier 1 Capital** - The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income** - Income levels that are 120% or more of the MFI.

## Overall CRA Rating

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

The following table indicates the performance level of **The Huntington National Bank** with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	THE HUNTINGTON NATIONAL BANK PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory	<b>X</b>	<b>X</b>	<b>X</b>
Needs to Improve			
Substantial Noncompliance			

**\* Note:** 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:

- Overall lending by Huntington National Bank (HNB) was at adequate levels. Wide variances in performance were noted among assessment areas. In general, HNB was more successful in lending to borrowers of different income levels than it was in lending into low- and moderate-income geographies. In general it also tended to perform better in the home improvement loan portion of the market than in the other types of home mortgage loans.
- Community development lending also varied significantly among assessment areas. Some markets (notably Cleveland and Cincinnati) showed significant activity in this regard. Many other markets had little or no community development lending by HNB at all.
- Overall investment activity by HNB was at adequate levels. HNB has invested in intermediary funds that are designed to provide qualified investments into the communities it serves. It has also invested in Low-Income Housing Tax Credits (LIHTC's) that help provide affordable housing in a number of assessment areas.
- The overall level of service provided by HNB was at adequate levels. While branch closings have occurred during the evaluation period, they have generally been

implemented in a way that minimizes the impact on low- and moderate-income communities. Services are provided in an equitable manner across all HNB branches in an assessment area.

### **Description of Institution**

The HNB is headquartered in Columbus, Ohio. It is a wholly owned subsidiary of Huntington Bancshares Inc (HBI). HNB and its affiliates and subsidiaries conduct a full-service commercial and consumer banking business, engage in mortgage banking, lease financing, trust services, discount brokerage services, underwriting credit life and disability insurance, selling other insurance products, issue commercial paper guaranteed by HBI and provide other financial products and services. Since HNB conducts substantially all of its home purchase mortgage lending business through The Huntington Mortgage Company (HMC) (a wholly-owned subsidiary of HNB), it has requested that we consider the activities of HMC when evaluating HNB's CRA performance. HMC is only involved in the origination and servicing of home purchase and home mortgage refinance loans. HMC's principal market focus is within the assessment area of HNB. It has also been requested that we consider and include the performance of The Huntington Community Development Corporation (HCDC) in evaluating HNB's performance since the stated purpose of HCDC is to engage in the business of making community development investments. Inclusion of the activities conducted in both of these subsidiaries results in a more accurate assessment of HNB's overall performance. Both of these subsidiaries increase HNB's capacity for community reinvestment through a concentration of expertise.

During the period covered by this evaluation, HBI acquired the following institutions or portions of institutions:

- 1) On February 28, 1997, HBI acquired Citi-Bancshares, Inc. of Leesburg, Florida.
- 2) On September 30, 1997, HBI completed its acquisition of First Michigan Bank Corporation (FMB), headquartered in Holland, Michigan.
- 3) On October 31, 1997, HBI acquired The Bank of Winter Park located in Winter Park, Florida.
- 4) On June 26, 1998 HBI completed its acquisition of sixty (60) former Barnett Banks banking offices in Florida from NationsBank Corporation (now known as BankAmerica Corporation).
- 5) On January 31, 1999 HBI merged the former Huntington State Bank, Alexandria, Ohio into HNB.



In addition, on June 30, 1997 HBI merged all of its existing banking operations into HNB. Since that time, new acquisitions have been merged into HNB at the time of their acquisition.

As of June 30, 1999 HNB has assets of approximately \$28 billion. Approximately \$20 billion (71%) of those assets are loans. HNB's Tier 1 risk-based capital ratio is 6.6%, its total risk-based capital ratio is 10.5% and its leverage ratio is 5.8%. During the period from January 1 to June 30, 1999, HNB had net income of approximately \$200 million.

HNB is an interstate bank, currently operating 515 offices (and 22 free-standing, deposit taking ATMs) in Florida, Indiana, Michigan, Ohio, and West Virginia and both the Ohio and Kentucky portions of the Cincinnati CMSA. HNB also has one office in the Cayman Islands, and one office in Hong Kong, however, foreign banking activities, in total or with any individual country, are not significant to the operations of either HNB or HBI.

Our analysis indicates that more than 75% of the HMDA reportable loans and loans reportable on the CRA loan register are made to customers or on properties within HNB's assessment area.

HNB segments its operations into five distinct lines of business: Retail Banking, Corporate Banking, Dealer Sales, the Private Financial Group, and Treasury/Other. Line of business results are determined based upon HNB's business profitability reporting system, which assigns balance sheet and income statement items to each of the business segments. This process is designed around HNB's organizational and management structure and accordingly, the results are not necessarily comparable to similar information disclosed by other financial institutions.

Retail Banking - Retail banking provides products and services to retail and community banking business customers. This line of business includes credit cards, home equity loans, home purchase mortgage loans, installment loans, deposit products and investment and insurance services. These products are offered through traditional branches, in-store branches, Huntington Access Offices, the Direct Bank (1-800-480-BANK) and the Web Bank. HNB continues to devote significant resources to developing these alternative delivery methods for products and services. This segment contributed 42% of HNB's year-to-date 1999 net income, and comprised 31% of its total loan portfolio.

HNB has a product set housed in retail banking that is specifically designed for customers living in low- or moderate-income neighborhoods. The Community Centered Banking program (CCB) is a holistic approach to providing financial services to targeted areas. It involves partnering HNB with a local institution (generally either a local development corporation or a church, although the program is not restricted to these types of groups). HNB begins by offering financial services education at the local institution's site. This education component frequently involves preparing the participants to apply for home mortgage credit, although other aspects of financial education are also taught.

Potential applicants who successfully complete this educational program receive certificates that pre-qualify them for home mortgage loans from HNB (through its HMC subsidiary). The loans offered are HNB's Community Mortgage Loan product, which has reduced down payment requirements and more liberal underwriting criteria. HNB employees from branches in the area are also brought to the local institution's site, to try to provide a degree of familiarity between the participants and the local staff. This product set is available to any HNB area that requests it and is supported by the corporate CRA staff. However, the decision to use the CCB program or not rests with the local area HNB management.

Corporate Banking - Customers in this segment range from small entrepreneurial ventures to large corporate banking relationships that use a variety of banking products and services including commercial loans, asset-based financing, international trade services, and cash management services. This segment contributed 31% of HNB's year-to-date 1999 net income and comprised 35% of its total loan portfolio.

Dealer Sales - Dealer Sales product offerings relate predominantly to the automotive sector and include floor-plan financing, indirect loans (loans originated for HNB by automobile dealers), and leases. The largest portion of the business associated with this segment comes from customers who finance automotive products through the dealership via HNB's loan and leasing products. There has been significant growth in this segment during 1999, particularly in the vehicle lease area. This segment contributed 16% of HNB's year-to-date 1999 net income and comprised 30% of its total loan portfolio.

Private Financial Group (PFG) - PFG provides an array of products and services designed to meet the needs of HNB's higher wealth banking customers. Revenue is derived through personal trust, private banking, asset management, brokerage, insurance, and other wealth management services. The goal of PFG is to provide "one-stop shopping" for all of its customers' financial needs. This segment contributed 6% of HNB's year-to-date 1999 net income and comprised 3% of its total loan portfolio.

Treasury/Other - This segment is responsible for managing HNB's overall interest rate risk and liquidity strategy, including the management of the investment portfolio. This segment contributed 5% of HNB's year-to-date 1999 net income and does not generate loans in the normal course of its business.

Because of the banking areas emphasized in the Community Reinvestment Act and its enabling regulation (12 CFR 25), the principal focus of the evaluation will be on the Retail Banking segment and the Corporate Banking segment, insofar as the latter segment is involved in the financing of small businesses and small farm operations.

There are no legal, financial or other factors that impede HNB's ability to meet the credit needs of any of its assessment areas.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

The evaluation period for the lending test in this examination covered the period from January 1, 1997 to December 31, 1998. The evaluation period for the service and investment tests in this examination covered the period from January 1, 1997 to June 30, 1999. The period between October 17, 1996 (the date of the previous Public Evaluation) and January 1, 1997 was not reviewed because of a lack of available data discussing CRA-related investments and services during that period.

We evaluated all types of HMDA and CRA reported loans in our review of HNB's performance under the lending test.

### **Data Integrity**

The small business and small farm data used in this Public Evaluation is different from that publicly disclosed by HNB. This is due to a significant level of reporting errors in the CRA loan register submitted by HNB.

We tested the data integrity of this information by comparing the information in a random sample of small business and small farm loan files to the information that was disclosed on the CRA loan register. Our testing of files led us to conclude that approximately 10% of the loans disclosed as either small business or small farm loans did not meet the regulatory definitions for those categories of loans. As a result, all publicly reported information for small business and small farm loans has been reduced by 10% to account for this overstatement.

We also tested the data integrity of the HMDA loan application register. This was tested using the same sample that was used for our fair lending evaluation. Although this sample was limited to home improvement loans, we are confident from testing at previous examinations that it fairly represents the exception rate encountered in the other categories of HMDA.

Finally, we have reviewed loans, donations/investments, and services that were submitted by management of HNB for consideration for community development credit. Significant difficulties were encountered in evaluating this data. We have included only those instances where we could affirmatively confirm that the loan, investment, or service met the community development definition contained in 12 CFR 25.12(h)

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

In each state where HNB has offices, a sample of metropolitan and/or nonmetropolitan assessment areas (AAs) within that state was selected for full-scope reviews. The areas selected are representative of the types of the areas in which HNB operates within those states. Refer to the "Scope" section under each State Rating for details regarding how the areas were selected and why they are representative. The Cincinnati Consolidated Metropolitan Statistical Area is the only multistate metropolitan area in which HNB has offices in more than one state.

### **Ratings**

HNB's overall rating is a blend of the Cincinnati metropolitan area rating and state ratings.

The states of Ohio, West Virginia and Michigan were most heavily weighted in determining our overall rating for HNB. In all three of these states HNB is a significant provider of financial services with operations that cover large portions of these states.

HNB's presence in Indiana is limited to the greater Indianapolis area and some branches in the Lafayette/West Lafayette area, resulting in significant areas of the state in which HNB has no presence at all. HNB has less than 1.0% of the total chartered financial institution deposits in Indiana, and these deposits represent less than 3.3% of HNB's total deposits.

While HNB has operations in a large portion of the Cincinnati CMSA, those operations constitute a very small portion of HNB's overall operations and are very small in relation to overall chartered financial institution deposits in this market. HNB has less than 3.7% of the total chartered financial institution deposits in its portion of the Cincinnati CMSA, and these deposits represent less than 4.4% of HNB's total deposits.

Because HNB did not acquire the major portion of its Florida operations until June 1998, we cannot give HNB's operations there as much weight as we did in Ohio, Michigan, and West Virginia. In particular, although the data tables reflect performance for both 1997 and 1998, we gave significantly more weight to the 1998 data in our analysis of Florida. Therefore, while we consider HNB's performance in Florida to be of greater weight than that in Indiana (because of HNB's small presence in that market), and the Cincinnati CMSA (because of the small portion of HNB's total operations in that market), it is not given the weight given Ohio, Michigan, and West Virginia because of the timing of HNB's acquisition.

The multistate metropolitan area rating 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.

### **Fair Lending Review**

We tested HNB's home improvement lending in order to determine compliance with fair lending laws and regulations. This test consisted of a comparative file review of approximately 630 home improvement loan applications received by HNB in 1998. We constrained the choice of files by eliminating the highest 5% and lowest 5% of reported incomes. We collected data from those files, and then evaluated HNB's decision making through a comparative file review. Our sample was constructed to allow us to compare applications from African-Americans to applications from whites, and applications from Latinos to applications from whites. Within these racial/ethnic group categories and subject to the constraint noted above, the files reviewed were randomly selected. We found no violations of the antidiscrimination laws and regulations. We also reviewed lending patterns within HNB's assessment areas and found no conspicuous gaps in those patterns that appeared related to the race, gender, or other borrower characteristics identified in the Equal Credit Opportunity Act.

## Cincinnati Multistate CMSA Rating

CRA Rating for Cincinnati CMSA, including Ohio and Kentucky<sup>1</sup>: Satisfactory

The lending test is rated:	<u>High Satisfactory</u>
The investment test is rated:	<u>High Satisfactory</u>
The service test is rated:	<u>Low Satisfactory</u>

The major factors that support this rating include

- ⇒ HNB has demonstrated an excellent record of lending to low- and moderate-income people. The percentage of home purchase, home improvement loans, and home mortgage refinance loans to low- or moderate-income families was greater than the percentage of low- and moderate-income families in this CMSA.
- ⇒ HNB has demonstrated an adequate record of home purchase, home improvement lending, and small business lending in low- and moderate-income geographies. However, its record of home mortgage refinance lending in low- and moderate-income geographies is poor.
- ⇒ HNB has invested in a substantial number of LIHTC's in the CMSA which remain outstanding. It has also made substantial contributions to organizations that support community services for low- and moderate-income people and areas.
- ⇒ The distribution of branches and ATMs in low- and moderate-income geographies does not compare favorably to the distribution of population within the assessment area. However, services are provided in an equitable manner across the CMSA.

### Description of The Huntington National Bank's Operations in the Cincinnati Multistate CMSA

Refer to the Market Profile for the Cincinnati CMSA in Appendix C for detailed demographics and other performance context information.

### LENDING TEST

HNB's performance under the Lending Test in the Cincinnati CMSA is rated High Satisfactory.

### Lending Activity

Refer to Table 1 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate HNB's lending activity.

HNB's volume of lending in this assessment area was consistent with its overall level of business activity. It is the 7<sup>th</sup> largest home improvement lender with about 4.7% of the market; otherwise it is one of the smaller participants in the home mortgage lending market. It

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<sup>1</sup> This rating reflects performance within the multistate metropolitan area. The statewide evaluations for Ohio do not reflect performance in the part of Ohio contained within the multistate metropolitan area.

is a medium-size participant in the small business lending in this CMSA by being the 8<sup>th</sup> largest lender with 4.3% of the market.

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

#### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's home mortgage loan originations.

The distribution of home mortgage loans by income level of geographies is adequate.

The distribution of home purchase loans is adequate. HNB's percentage of these loans in low-income geographies was below the percentage of owner-occupied units in those geographies, but in loans to moderate-income geographies it was comparable to the percentage of owner-occupied units. The distribution of home improvement loans is good. For these loans, HNB's percentage of loans in low- and moderate-income geographies was comparable to the percentage of owner-occupied units in those geographies, although its market share in low-income geographies was below its overall market share. The distribution of home mortgage refinance loans is poor. HNB's percentage of these loans was well below the percentage of owner-occupied units in both low- and moderate-income geographies. This same level of performance was also shown in its market share percentages, which were significantly lower than its overall market percentage for both low- and moderate-income geographies.

#### ***Small Business Loans***

Refer to Table 5 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small business loan originations.

The distribution of HNB's small business loans by income level of geography is good.

The bank's distribution of small business loans in low- and moderate-income geographies is comparable to the percentage of small businesses located within those geographies. HNB's market share for small business lending in the low-income geographies within this assessment area is higher than its overall market share. The market share for small business lending in moderate-income tracts is equal to HNB's overall market share.

#### ***Small Farm Loans***

Refer to Table 6 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small farm loan originations.

HNB has so few small loans to farms in this market that an analysis is not meaningful.

Most of the rural geographies within the CMSA are outside of HNB's assessment area. Small farm lending is not a part of HNB's business strategy in this assessment area.

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

#### ***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's home mortgage loan originations.

The distribution of home mortgage loans by income level of borrowers is excellent.

The distribution of home purchase loans, home improvement loans and home mortgage refinance loans is excellent. In all three loan types, HNB's percentage of these loans to both low- and moderate-income borrowers was well above the percentages of those families in the assessment area. Likewise, in all three loan categories, HNB's market share of loans to low- and moderate-income borrowers was good when compared to its overall market share.

#### ***Small Business Loans***

Refer to Table 10 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small business loan originations.

The distribution of small business loans by income level of borrowers is adequate.

HNB's percentage of small business loans to businesses with revenues under \$1 million is similar to the level of those businesses within the assessment area. Its market share for loans to businesses with revenues under \$1 million approaches its overall market share.

#### ***Small Farm Loans***

Refer to Table 11 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small farm loan originations.

HNB has so few small loans to farms in this market that an analysis is not meaningful.

### **Community Development Lending**

Refer to Table 1 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate HNB's level of community development lending.

HNB does an adequate job of providing community development loans in the CMSA. 46% of the loans (by dollar amount) went to support the provision of health and/or social services by organizations whose principal beneficiaries are low- or moderate-income persons. 37% of the loans related to renovation and provision of multifamily housing targeted at low- and moderate-income persons. Finally, 17% of the loans went to organizations that promote economic development by facilitating the establishment and ongoing operation of small businesses.

- HNB provided loan financing to allow the local minority/small business Chamber of Commerce organization to acquire a branch being closed by HNB. This building was then

converted to office space allowing the organization to provide a one-stop small business service center in this low-income neighborhood.

### **Product Innovation and Flexibility**

Developing innovative products has not been a principal focus of HNB. It is much more oriented toward developing innovative delivery systems and services that will be discussed in that section of this analysis. The loan products developed and offered as part of HNB's Community Centered Banking program (see Description of Institution comment), while not innovative, do provide a flexible alternative to its standard product set. During the review period, a total of 9 Community Mortgage Loans for \$474,000 were granted.

### **INVESTMENT TEST**

HNB's performance under the Investment Test in the Cincinnati CMSA is rated High Satisfactory.

Refer to Table 12 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate HNB's level of qualified investments.

HNB has demonstrated a good level of providing community development investments in the Cincinnati CMSA. A significant number of local opportunities for community development investments exist. In addition, there are statewide and/or national investment pools that benefit this area: these investments have been allocated to this area either based on the allocation of funding to specific projects, or on the basis of the relative population level compared to other HNB markets within the boundaries of the providers' service area(s).

Information gathered for the investment test was evaluated by considering the quantity of investments, supplemented by information related to the availability of investments within the area and the innovativeness and complexity of any investments reviewed. None of the investments in this assessment area were innovative or unusually complex.

One large investment involved the placing of a \$100,000 Certificate of Deposit in the Avondale Federal Credit Union. This credit union is targeted at meeting the financial services needs for the predominantly low- and moderate-income residents of the Avondale neighborhood. Other significant investments involved providing funding for: Saratoga Place, Ltd. (\$598,955), Newport, Kentucky; Brighton Row II (\$214,825), Covington, Kentucky; and, the Ohio Equity Fund Ltd. VIII (\$279,800) projects in Cincinnati, Ohio. Each of these is a Low-Income Housing Tax Credit project. During the evaluation period, HNB contributed \$286 thousand in qualified grants and donations to a number of organizations that support community services for low- and moderate-income areas and people. Included in this amount are in-kind donations of computers to various community service organizations. All of the prior period investments shown are Low-Income Housing Tax Credit projects.

### **SERVICE TEST**

HNB's performance under the Service Test in the Cincinnati CMSA is rated Low Satisfactory.

### **Retail Banking Services**



Refer to Table 13 in the Cincinnati CMSA section of Appendix D for the facts and data used to evaluate the distribution of HNB's branch and ATM delivery system.

HNB demonstrates adequate performance in providing accessibility to banking products and services to geographies and borrowers of differing income levels within the CMSA. The percentage of HNB branches in low- and moderate-income geographies is less than half of the percentage of the population residing in these geographies. This distribution has been adversely impacted by branch closings during the evaluation period. Branches in Bellevue and Elsmere, Kentucky were closed in 1997, and the Southgate, Kentucky and Walnut Hills (located in the East Walnut Hills neighborhood of Cincinnati [a low-income geography]) offices were closed in 1999. The Walnut Hills office closing was especially problematic, given that this was the last remaining branch of any financial institution in this neighborhood. Alternative locations are either in downtown Cincinnati or near the University of Cincinnati, both of which are difficult to reach without access to private transportation. The other branch closings all had offices that were more adjacent and/or more accessible and do not present the same sorts of issues as Walnut Hills.

During this period, one new branch (Symmes Office) was opened at 12200 Montgomery Road in Cincinnati. This branch is located in an upper-income census tract.

HNB provides generally consistent products, services, and business hours at its branches throughout the assessment area, including its branches in moderate-income geographies. Branch operating hours are periodically reviewed to determine if revisions are necessary in response to competitive pressures or customer needs. HNB offers a full array of traditional banking products and services to help meet the needs of all segments of its community.

HNB has made a sizeable commitment to electronic banking. It provides all of its general banking products through a 24-hour telephone banking operation known as 480-BANK (1-800-480-BANK). HNB has also implemented Internet banking through Huntington.com. This provides customers with information about banking services, offers access to customer financial information and a limited number of financial products and services. There is no information available at this time on the geographic distribution of customers using these delivery methods. We could not place significant weight on HNB's alternative delivery systems due to the lack of available information on the location and characteristics.

### **Community Development Services**

HNB provides an adequate level of support for community development services in the assessment area. Bank officers and employees are involved in providing financial advice and oversight, and project evaluation for approximately 20 community based organizations throughout the assessment area. In addition, HNB personnel work with impacted communities through its Community Centered Banking (CCB) program (see Description of Institution comment). This program involves bank officers with community based organizations that join the CCB program. Financial education and counseling are provided to help prepare potential customers. Products are provided at the point of contact for participants in these programs, which appears to assist in helping previously non-banked customers enter the banking system.

## State of Florida Rating

<b>CRA Rating for Florida:</b>	<b><u>Satisfactory</u></b>
<b>The lending test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The investment test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The service test is rated:</b>	<b><u>Low Satisfactory</u></b>

The major factors that support this rating include

- ⇒ HNB has demonstrated a good record of lending to low- and moderate-income people. HNB's percentage of home mortgage loans to low- and moderate-income borrowers is comparable to the number of low- and moderate-income families within the review areas.
  
- ⇒ HNB has demonstrated an adequate record of home mortgage lending to low- and moderate-income geographies. The bank's percentage of home mortgage loans in low- and moderate-income geographies is somewhat near the number of low- and moderate-income geographies within the review areas.
  
- ⇒ HNB has demonstrated an adequate record of lending to small businesses and a very poor record of lending to small farms. The bank's percentage of small businesses loans in low- and moderate-income geographies is comparable to the number of low- and moderate-income geographies; however, its percentage of loans to businesses with revenues under \$1 million is only somewhat near the percentage of those businesses in the review area. HNB's percentage of small farm loans in low- and moderate-income geographies and to farms with revenues under \$1 million is significantly lower than the percentage of those farms and geographies.
  
- ⇒ HNB has made an adequate amount of contributions and grants to organizations providing community services for low- and moderate-income people and areas. The bank has purchased a limited number of investment securities issued by organizations promoting affordable housing.
  
- ⇒ HNB's distribution of branches and ATMs in low- and moderate-income geographies is reasonable compared to the population distribution within the assessment areas.

### **Description of The Huntington National Bank's Operations in Florida**

The Florida portion of HNB makes up approximately 17% of the reported loans and 20% of the total deposits of HNB.

It has total Florida assets of approximately \$6 billion. Based upon deposits, HNB is the 6<sup>th</sup> largest commercial bank and the 7<sup>th</sup> largest chartered financial institution in the state. It serves its markets through 131 branches and four stand-alone ATMs. The primary business focus in Florida is the same as for the rest of HNB (refer to Description of Institution). HNB's principal competitors in this market are Bank of America, First Union National Bank and SouthTrust Bank, N.A.

HNB's operations in Florida are divided into 11 assessment areas. These areas are located in the Ocala MSA consisting of Marion County in the central region of the state; Tampa MSA consisting of Hernando, Hillsborough, Pasco and Pinellas Counties in the central west region; Daytona Beach MSA consisting of Flagler and Volusia Counties in the central east region; Fort Myers MSA consisting of Lee County in the southwest region; Lakeland MSA consisting of Polk County in the central region; Melbourne MSA consisting of Brevard County in the central east region; Naples MSA consisting of Collier County in the southwest region; Orlando MSA consisting of Lake, Orange, Osceola and Seminole Counties in the central region; Sarasota MSA consisting of Manatee and Sarasota Counties in the central west region; Leesburg Non-MSA area consisting of Sumter County in the central region; and Sebring Non-MSA area consisting of Highlands County in the central region. The assessment areas that provide the largest portions of HNB's loans and deposits are the Tampa MSA (45.7%, 34.3%), Orlando MSA (10.0%, 16.8%) and the Sarasota MSA (15.6%, 13.7%). The assets are based upon volume of HMDA-reported lending and deposits are based upon deposits in the area compared to HNB's total deposit base. Please refer to Table 1 for additional information on the relative size and contribution of the various assessment areas.

The current condition of the state economy is moderately strong. Over the period of this review, the Florida economy has remained stable when compared to the movement of the national economy. The unemployment rate for the State of Florida is currently 3.9%, and has varied between 4.1% and 3.8% during this review period.

Refer to the Market Profiles for the State of Florida in Appendix C for detailed demographics and other performance context information for these assessment areas.

### **Scope of Evaluation in Florida**

For our review of HNB's operations in Florida, we conducted full scope reviews of the Ocala and Tampa assessment areas. We gave approximately equal weight to each assessment area. The Tampa MSA is one of HNB's two principal markets in Florida, however HNB only entered that market during 1998. Ocala is representative of a number of smaller MSA's in which HNB has had a presence for a longer period of time. We conducted limited scope reviews of the remaining metropolitan assessment areas (Daytona Beach, etc) and the two non-MSA assessment areas (Leesburg and Sebring). We also did not conduct a full-scope review of the Naples MSA because the only HNB office in the area is a Private Financial Group office.

Therefore, our conclusions on HNB's performance in the State of Florida will be based primarily on its performance in Ocala and Tampa. For additional detail on the scope of this examination, please refer to Appendix A for more information.

While we did not directly conduct community contacts during this examination, other OCC personnel have conducted a wide range of contacts throughout Florida. We have relied on those contacts for our information. Some of the information we received from these contacts was pertinent to our examination. The primary need is for an increase in the supply of affordable housing (owner occupied and rental) for low- and moderate-income people and for people with special needs. Additional needs include additional jobs with livable wages and job security and social services for people with special needs, including developmentally and physically challenged and people with AIDS.

## **LENDING TEST**

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

HNB's performance under the Lending Test in Florida is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Tampa MSA is good. In the Ocala MSA HNB's performance is poor. Although HNB's poor performance in the Ocala MSA is considered when assigning the overall rating for the lending test in Florida, the Tampa MSA is given more weight because of its size and HNB's presence in that MSA. However, HNB's performance in five of the limited-scope areas, with 42% of HNB's deposits in Florida, was considered adequate. This performance in the limited-scope areas was sufficient to result in the overall Low Satisfactory rating.

### **Lending Activity**

Refer to Table 1 in the State of Florida section of Appendix D for the facts and data used to evaluate HNB's lending activity.

HNB's lending performance within the Tampa and Ocala MSA assessment areas is consistent with its overall level of business activity. HNB has a strong presence in the Tampa MSA area and its lending performance is reflective of that presence. It is a strong performer in home purchase and home improvement lending. HNB is a moderate performer in refinance and small business lending within the Tampa MSA. It is a weak performer in small farm lending. HNB has a small presence in the Ocala MSA area and its lending performance is also consistent with its presence. It is a weak performer in home mortgage lending. HNB is a moderate performer in small business lending and a weak performer in small farm lending.

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

### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the State of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's home mortgage loan originations.

#### *Ocala MSA*

The distribution of home mortgage loans to geographies of different income levels is poor.

HNB's geographic distribution of refinance loans is poor, as is its distribution of home purchase and improvement loans. For home purchase loans, HNB's percentage of loans in low- and moderate-income geographies is significantly lower than the percentage of owner occupied units in those areas. The distribution of home improvement loans in low-income geographies is also lower than the percentage of owner occupied units. The distribution of home improvement loans in moderate-income geographies is lower than the percentage of owner occupied units. Although HNB's volume of refinance loans in low-income geographies exceeds the percentage of owner occupied housing units, its distribution of refinance loans in moderate-income geographies is significantly lower than owner-occupied units. HNB's market shares for home purchase, improvement and refinance loans in low- and moderate-income geographies are significantly lower than its overall market shares for those products.

*Tampa-Bradenton MSA*

The distribution of home mortgage loans to geographies of different income levels is excellent.

HNB's geographic distribution of home improvement and refinance loans is excellent, but its distribution of home purchase loans is only adequate. For home improvement and refinance loans, HNB's percentage of loans in low- and moderate-income geographies exceeds the percentage of owner occupied units in those geographies. The percentage of home purchase loans in moderate-income geographies is comparable to the percentage of owner occupied units; however, the percentage of home purchase loans in low-income geographies is significantly lower than owner occupied units. HNB's market shares for home purchase; home improvement and refinance loans exceed its overall market shares for those respective products.

**Small Business Loans**

Refer to Table 5 in the State of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small business loan originations.

*Ocala MSA*

HNB's distribution of small business loans to geographies of different income levels is adequate.

HNB's small business lending in moderate-income geographies exceeds the percentage of small businesses located within those geographies. Its small business lending in low-income geographies is significantly lower than the percentage of small businesses. HNB's market share for small business lending in moderate-income geographies is higher than its overall market share and its lending in low-income geographies is significantly lower than its overall market share.

*Tampa-Bradenton MSA*

HNB's distribution of small business loans to geographies of different income levels is excellent.

The bank's small business lending in low- and moderate-income geographies exceeds the percentage of small businesses. HNB's market share for small business lending in low- and moderate-income geographies exceed its overall market share for small business lending.

***Small Farm Loans***

Refer to Table 6 in the State of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small farm loan originations.

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

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

***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 in the State of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's home mortgage loan originations.

*Ocala MSA*

The distribution of home mortgage loans to borrowers of different income levels is poor.

HNB's distribution of home purchase, improvement and refinance loans to borrowers of different income levels is poor. The bank's distribution of home improvement loans to moderate-income borrowers is comparable to the percentage of moderate-income families in the assessment area. Its distribution of home purchase and refinance loans to low-income borrowers is significantly lower than the percentage of low-income families in the assessment area. HNB's percentage of refinance loans to moderate-income borrowers is somewhat comparable to the percentage of moderate-income families, but its percentage of home purchase loans to moderate-income borrowers is lower.

For home improvement loans, HNB's percentage of loans to low-income borrowers is lower than the percentage of low-income families. HNB's market share for home purchase loans to low-income borrowers is somewhat near its overall market share for home purchase loans. Its market share for home purchase loans to moderate-income borrowers is lower than its overall market share. HNB's market shares for home improvement loans to low- and moderate-income borrowers are significantly lower than its overall market shares. Although its market share for refinance loans to moderate-income borrowers is comparable to its overall market share, HNB's market share for refinance loans to low-income borrowers is significantly below its overall market share.

*Tampa-Bradenton MSA*

The distribution of home mortgage loans to borrowers of different income levels is good.

HNB's distribution of home purchase and improvement loans to borrowers of different income levels is good; however, its distribution of refinance loans to borrowers of different income levels is only adequate. The bank's distribution of home purchase and improvement loans to moderate-income borrowers is substantially higher than the percentages of moderate-income families in the assessment area. It was substantially higher enough to compensate for a distribution of home purchase and home improvement loans for low-income borrowers that was lower than the percentages in the assessment area. Although HNB's distribution of refinance loans to moderate-income borrowers is significantly higher than the percentage of moderate-income families, its distribution of refinance loans to low-income borrowers is only somewhat near the percentage of low-income families. HNB's market shares for home purchase, improvement and refinance loans to low- and moderate-income borrowers are all significantly lower than its overall market shares for those respective products.

**Small Business Loans**

Refer to Table 10 in the State of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small business loan originations.

*Ocala MSA*

HNB's lending to businesses with revenues under \$1 million is adequate.

HNB's percentage of small business loans to businesses with revenues under \$1 million is lower than the percentage of those businesses within the assessment area. Its market share for loans to businesses with revenues under \$1 million is comparable to its overall market share.

*Tampa-Bradenton MSA*

HNB's lending to businesses with revenues under \$1 million is good.

HNB's percentage of small business loans to businesses with revenues under \$1 million is somewhat near the percentage of those businesses within the assessment area. Its market share for loans to those businesses exceeds its overall market share.

**Small Farm Loans**



Refer to Table 11 in the State of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small farm loan originations.

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

### **Community Development Lending**

Refer to Table 1 in the State of Florida section of Appendix D for the facts and data used to evaluate HNB's level of community development lending.

HNB has not originated any community development loans within the Ocala MSA and Tampa MSA assessment areas during the evaluation period.

### **Product Innovation and Flexibility**

Developing innovative products has not been a principal focus of HNB. It is much more oriented toward developing innovative delivery systems and services that will be discussed in that section of this analysis. The loan products developed and offered as part of HNB's Community Centered Banking program (see Description of Institution comment), while not innovative, do provide a flexible alternative to its standard product set. During the review period, a total of 5 Community Mortgage Loans for \$263,000 were granted.

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

Based on limited-scope reviews, HNB's performance under the Lending Test in the Daytona Beach MSA, the Melbourne MSA, the Orlando MSA, the Sarasota MSA and the Sebring Non-MSA areas is not inconsistent with HNB's overall Low Satisfactory performance under the Lending Test in Florida. In the Fort Myers MSA, the Lakeland MSA, the Naples MSA and the Leesburg Non-MSA areas, HNB's performance is weaker than its overall performance in the state; however, it did not change the overall Lending Test rating for Florida. HNB's performance in the Fort Myers MSA and Lakeland MSA and the Leesburg Non-MSA areas is weaker than the overall Florida performance because of its poor home mortgage lending. HNB's performance in the Naples MSA is weaker than its overall performance because its home mortgage lending is very poor. HNB's only office in the Naples MSA area is a Private Financial Group (PFG) office and its performance in that area is consistent with the strategic objectives of a PFG office. Refer to Tables 1 through 11 in the State of Florida section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

HNB's performance under the Investment Test in Florida is rated Low Satisfactory. There were significant variations in performance among the various assessment areas. Three assessment areas (all receiving limited-scope reviews), totaling 25.1% of HNB's deposits in Florida performed at levels above the state's Investment Test rating. Four assessment areas, including the Ocala MSA that received a full-scope exam, totaling 18.8% of HNB's deposits in Florida performed at a level consistent with the state's Investment Test rating. Four assessment areas, including the Tampa MSA that received a full-scope exam, totaling 56.1% of deposits performed at levels below the level of the state's Investment Test rating. However, the areas in which HNB's performance was the weakest were those that it entered through the Barnett Banks acquisition discussed on page 6. The relatively short period of time HNB was in those markets, and its stronger performance in the markets where it had been for a longer period of time support the assignment of the Low Satisfactory rating.

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

Based on our full-scope reviews, HNB's performance in the Ocala MSA area is adequate. Its performance in the Tampa MSA area is poor because of the bank's significant presence in the market and its limited number and dollar volume of qualified investments in the area.

Refer to Table 12 in the State of Florida section of Appendix D for the facts and data used to evaluate HNB's level of qualified investments.

Investments in the Ocala MSA area consist of an investment in a fund promoting affordable housing, purchasing a mortgage-backed security composed of affordable housing loans and a small contribution to a social service related organization. Investments in the Tampa MSA area are limited to contributions to various social service related organizations. None of the investments or contributions is complex or innovative.

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

Based on limited-scope reviews, HNB's performance under the Investment Test in the Lakeland MSA area, the Naples MSA area, and the Leesburg Non-MSA area is not inconsistent with HNB's overall Low Satisfactory performance under the Investment Test in Florida. In the Melbourne MSA area, the Orlando MSA area and the Sebring Non-MSA area HNB's performance is stronger than its overall performance in the state. In the Daytona Beach MSA area, the Fort Myers MSA area, and the Sarasota MSA area, HNB's performance is weaker than its overall performance in the state; however, it did not change the overall Investment Test rating for Florida. HNB's investments in the areas inconsistent with its overall performance are limited to contributions to social service related organizations. The areas with performances stronger than the overall performance have a higher number of investments for a larger total amount of investments. In the limited-scope areas with weaker performance there are fewer investments with a limited total amount of investments in these areas. An extreme example is the Fort Myers area, where HNB has not made a single contribution or qualified investment.

## **SERVICE TEST**

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

HNB's performance under the Service Test in Florida is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Tampa MSA is excellent and its performance in the Ocala MSA is adequate. As in the Investment Test conclusion, it is noted that the HNB was not in the Tampa market until June 1998, but have been in the Ocala MSA for a longer period of time. This, coupled with the levels of performance noted in the limited-scope areas, has resulted in the Low Satisfactory rating.

### **Retail Banking Services**

Refer to Table 13 in the State of Florida section of Appendix D for the facts and data used to evaluate the distribution of HNB's branch and ATM delivery system.

#### *Ocala MSA*

HNB demonstrates good performance in providing accessibility to banking products and services to geographies of different income levels. It has a greater percentage of branches in moderate-income geographies than the percentage of residents in those geographies. However, that percentage is based upon one branch being in moderate-income geographies and HNB having only four branches in the area. HNB does not have any branches in low-income geographies.

#### *Tampa-Bradenton MSA*

HNB demonstrates excellent performance in providing accessibility to banking products and services to geographies of different income levels. This performance is due to its significant branching network in the area. It has greater percentages of branches in both low- and moderate-income geographies than the residents in those geographies.

HNB provides generally consistent products, services and business hours at its branches throughout all its assessment areas in Florida, including its branches in low- and moderate-income geographies. Branch operating hours are periodically reviewed to determine if revisions are necessary in response to competitive pressures or customer needs. HNB offers a full array of traditional banking products and services to help meet the needs of all segments of its community.

HNB has made a sizeable commitment to electronic banking. It provides all of its general banking products through a 24-hour telephone banking operation known as 480-BANK (1-800-480-BANK). HNB has also implemented Internet banking through Huntington.com. This provides customers with information about banking services, offers access to customer financial information and a limited number of financial products and services. There is no information available at this time on the geographic distribution of customers using these delivery methods. We could not place significant weight on HNB's alternative delivery systems due to the lack of available information on the location and characteristics.

### **Community Development Services**

#### *Ocala MSA*

HNB does not have any qualified community development services in this area. Although bank personnel are actively involved in many community organizations, they are not participating in any organizations providing community development services.

#### *Tampa-Bradenton MSA*

HNB has provided a limited volume of community development services through its Community Centered Banking (CCB) program (see Description of Institution comment) and involvement of bank personnel in one community organization. Both CCB and the community organization provide low- and moderate-income people with access to banking products and services, including financial educational programs. Although bank personnel have been involved in many organizations, these are the only two providing community development services as defined within the CRA regulation.

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

Based on limited-scope reviews, HNB's performance under the Service Test in the Daytona Beach MSA, the Fort Myers MSA, the Naples MSA, the Orlando MSA, the Leesburg Non-MSA and the Sebring Non-MSA is not inconsistent with HNB's overall Low Satisfactory performance under the Service Test in Florida. In the Lakeland MSA, HNB's performance is stronger than its overall performance in the state. The performance in the Lakeland area is stronger than HNB's overall state performance because the percentage of bank branches in low- and moderate-income geographies exceeds the percentage of the population in those geographies. HNB has also provided a greater volume of community development services in this area than in other areas within the state. Refer to Table 13 in the State of Florida section of Appendix D for the facts and data that support these conclusions.

## State of Indiana Rating

<b>CRA Rating for Indiana:</b>	<b><u>Satisfactory</u></b>
<b>The lending test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The investment test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The service test is rated:</b>	<b><u>Low Satisfactory</u></b>

The major factors that support this rating include:

- ⇒ HNB has demonstrated an excellent record of lending to low- and moderate-income people. HNB's percentage of home mortgage loans to low- and moderate-income borrowers exceeds the number of low- and moderate-income families within the review area.
- ⇒ HNB has demonstrated a poor record of home mortgage lending to low- and moderate-income geographies. The bank's percentage of home mortgage loans in low- and moderate-income geographies is lower than the number of low- and moderate-income geographies within the review area.
- ⇒ HNB has demonstrated a good record of lending to small businesses and a poor record of lending to small farms.
- ⇒ HNB has made an adequate volume of contributions and grants to organizations helping develop affordable housing and providing social services for low- and moderate-income people. The bank has also purchased an adequate volume of investment securities issued for the development of affordable housing and development of small businesses.
- ⇒ HNB's distribution of branches and ATMs in low- and moderate-income geographies compares favorably to the population distribution within the assessment area. Additionally, HNB and its employees have been actively involved in the promotion of banking services through community programs developed or sponsored by the bank.

### **Description of The Huntington National Bank's Operations in Indiana**

The Indiana portion of HNB makes up 5% of the reported loans and 3% of the total deposits of HNB. It has total Indiana assets of \$349,100 thousand, which make it the 20th largest commercial bank and, the 25th largest chartered financial institution in the state. It serves its markets through 23 branches and three ATM's. The primary business focus in Indiana is the same as for the rest of HNB (refer to Description of Institution). HNB's principal competitors in this market (based upon deposit volume) are #1 Bank One, Indiana (225 offices/16.7%), #2 National City Bank of Indiana (199 offices/9.4%) and #3 Civitas Bank (102 offices/5.0%).

HNB's operations in Indiana are divided into three assessment areas. The largest area is the Indianapolis MSA consisting of the following counties in the central portion of the state - Hamilton, Hendricks, Johnson, Madison and Marion. The second largest area is the Lafayette MSA in the central west portion of the state consisting of Tippecanoe County. The smallest area is the Brown County Non-MSA assessment area located in central Indiana. The assessment areas that provide the largest portions of HNB's assets and deposits are the Indianapolis MSA (80.7%, 64.8%) and Lafayette MSA (16.4%, 34.2%). Refer to Table 1 for additional information on the relative size and contribution of the various assessment areas.

The current condition of the state economy is steady. Over the period of this review this economy has been stable when compared to the movement of the national economy. The state unemployment rate is currently 3.1%, and has varied between 3.5% and the current rate during this review period.

Our contacts have stated that the strongest needs in the assessment area are for affordable housing for low- and moderate-income people, affordable housing for people with special needs (physically challenged), affordable health services, job creation and childcare. Although housing costs are relatively inexpensive in this market, there is a shortage of affordable housing for low-and moderate-income people. There is also a shortage of affordable housing adapted for special needs homebuyers. The other needs are common to most urban areas: the need for affordable health care, the need for full-time jobs paying a living wage and affordable childcare for low- and moderate-income people working outside the home. There are organizations and agencies addressing these needs; however, the needs currently exceed their capacity. An enterprise zone has been created in the central portion of Indianapolis to develop economically sustainable neighborhoods.

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.

### **Scope of Evaluation in Indiana**

For our review of HNB's operations in Indiana we conducted a full scope review of the Indianapolis assessment area. It is HNB's principal market in Indiana containing over 80% of HNB's statewide deposits. We conducted partial scope reviews of the remaining metropolitan assessment area (Lafayette/West Lafayette) and the non-MSA assessment area (Brown County). For additional detail on the scope of this examination, please refer to Appendix A for more information.

Therefore, our conclusions on HNB's performance in the State of Indiana will be based primarily on its performance in Indianapolis.

Please refer to the market profile of the Indianapolis MSA in Appendix C for further discussion of the information provided by our contacts.

## **LENDING TEST**

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

HNB's performance under the Lending Test in Indiana is rated Low Satisfactory. Based on our full-scope review, HNB's performance in the Indianapolis MSA is adequate.

### **Lending Activity**

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

HNB's overall volume of lending in this assessment area is consistent with its overall level of business activity. HNB does not have a significant presence in the Indiana market and it has a small presence in home mortgage, small business and small farm lending.

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

#### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the State of Indiana section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's home mortgage loan originations.

The distribution of home mortgage loans to geographies of different income levels is poor.

Although HNB's distribution of home improvement loans is adequate, its distribution of home purchase loans is poor and its distribution of refinance loans is very poor. For home purchase and refinance loans, HNB's percentage of loans in low- and moderate-income geographies is significantly lower than the percentage of owner-occupied units in those areas. The distribution of home improvement loans in low-income geographies is also significantly lower than the percentage of owner occupied units. HNB's volume of home improvement loans in moderate-income geographies is comparable to the percentage of owner occupied housing units. HNB's market share for home purchase loans in low- and moderate-income geographies is comparable to its overall market share for home purchase lending. Its market share for home improvement and refinance loans in low-income geographies is significantly below its overall market share for those loans. HNB's market share for home improvement loans in moderate-income geographies is lower than its overall market share for home improvement loans. Its market share for refinance loans in moderate-income geographies is comparable to its overall market share.

#### ***Small Business Loans***

Refer to Table 5 in the State of Indiana section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small business loan originations.

HNB's distribution of small business loans to geographies of different income levels is good.

The bank's small business lending in low-income geographies is comparable to the percentage of small businesses located within those geographies. Its small business lending in moderate-income geographies is somewhat comparable to the percentage of small businesses. HNB's market share for small business lending in low-income geographies is higher than its overall market share; however, its market share for lending within moderate-income geographies is only somewhat comparable to its overall market share.

***Small Farm Loans***

Refer to Table 6 in the State of Indiana section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small farm loan originations.

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

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

***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 in the State of Indiana section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's home mortgage loan originations.

The distribution of home mortgage loans to borrowers of different income levels is excellent.

HNB's distribution of home mortgage loans to low-income borrowers is significantly higher than the percentage of low-income families in the assessment area. HNB's percentage of home improvement loans to moderate-income borrowers is also higher than the percentage of moderate-income families. For home purchase and refinance loans, HNB's percentages of loans to moderate-income borrowers are comparable to the percentage of moderate-income families. HNB's market shares for home purchase and refinance loans to low-income borrowers are somewhat near its overall market shares for home purchase and refinance loans. Its market share for home purchase loans to moderate-income borrowers equals its overall market share. Its market share for refinance loans to moderate-income borrowers exceeds its overall market share. HNB's market shares for home improvement loans to low- and moderate-income borrowers are comparable to its overall market share for home improvement loans.

***Small Business Loans***

Refer to Table 10 in the State of Indiana section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small business loan originations.

HNB's lending to businesses with revenues under \$1 million is adequate. HNB's percentage of small business loans to businesses with revenues under \$1 million is significantly lower (53%) than the percentage of those businesses within the assessment area. Its market share for loans to businesses with revenues under \$1 million is somewhat near its overall market share.



**Small Farm Loans**

Refer to Table 11 in the State of Indiana section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small farm loan originations.

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

**Community Development Lending**

Refer to Table 1 in the State of Indiana section of Appendix D for the facts and data used to evaluate HNB's level of community development lending.

HNB has not originated any community development loans within this state during the evaluation period.

**Product Innovation and Flexibility**

Developing innovative products has not been a principal focus of HNB. It is much more oriented toward developing innovative delivery systems and services that will be discussed in that section of this analysis. The loan products developed and offered as part of HNB's Community Centered Banking program (see Description of Institution comment), while not innovative, do provide a flexible alternative to its standard product set. During the review period, a total of 3 Community Mortgage Loans for \$166,000 were granted.

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

Based on limited-scope reviews, HNB's performance under the Lending Test in the Lafayette MSA and the Brown County Non-MSA area is not inconsistent with HNB's overall ("Lending Test rating") performance under the Lending Test in Indiana. Refer to Tables 1 through 11 in the State of Indiana section of Appendix D for the facts and data that support these conclusions.

**INVESTMENT TEST**

**Conclusion for Areas Receiving Full-Scope Reviews**

HNB's level of qualified investments in the State of Indiana is rated Low Satisfactory.

Refer to Table 12 in the State of Indiana section of Appendix D for the facts and data used to evaluate HNB's level of qualified investments.

HNB has demonstrated an adequate record of providing community development investments to its assessment areas. During the evaluation period, the bank extended \$1,751 thousand in qualified investments and grants. The bank also has \$1,114 thousand in qualified investments and grants outstanding that were extended prior to the evaluation period. The dollar volume of investments, contributions and grants is low compared to the bank's presence in the market as defined by its deposit base. The total of \$2,865 thousand in qualified investments and grants represents 0.6 percent of the deposit base for HNB in the Indianapolis MSA as of June 30, 1999.

The majority of HNB's qualified investments and grants address affordable housing for low- and moderate-income families and individuals. There is an identified need for affordable housing in Indianapolis for low- and moderate-income families and individuals. HNB has \$2,799 thousand in qualified investments and grants extended addressing affordable housing. These investments have been made as direct investments in affordable housing projects or in funds promoting the development of affordable housing throughout an area including the Indianapolis assessment area. The majority of HNB's affordable housing investments (82 percent) involve Low-Income Housing Tax Credits (LIHTCs). LIHTCs have been in existence since 1986 and are not considered innovative or complex for a bank with the resources of HNB.

HNB has also made investments and grants promoting small business development and providing social services to low- and moderate-income individuals and families. The investments promoting small business development are primarily in funds promoting small business development. The social services provided through HNB investments include job training, childcare, counseling and food for low- and moderate-income individuals and families. Although these investments address needs in the Indianapolis MSA, they are not considered innovative or complex.

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

Based on limited-scope reviews, HNB's performance under the Investment Test in the Lafayette MSA and the Brown County Non-MSA area is not inconsistent with HNB's overall ("Investment Test rating") performance under the Investment Test in Indiana.

### **SERVICE TEST**

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

HNB's level of banking services in the State of Indiana is rated Low Satisfactory.

#### **Retail Banking Services**

Refer to Table 13 in the State of Indiana section of Appendix D for the facts and data used to evaluate the distribution of HNB's branch and ATM delivery system.

HNB demonstrates a good performance in providing accessibility to banking products and services to geographies and borrowers of differing income levels within the Indianapolis MSA assessment area. HNB offers a traditional array of bank products and services in all geographic areas and of all income levels, including the low- and moderate-income population. It relies upon its branch network and alternative delivery channels systems to assess the needs of and deliver services to bank customers and the broader assessment areas. HNB operates 18 full service branches within the Indianapolis assessment area. The distribution of these branches is comparable to the population distribution in geographies of different income levels. Additionally, many of HNB's services are accessible on a 24-hour basis through the Internet and telephone banking systems.

### **Community Development Services**

HNB provides an adequate level of community development services. Community development services are formally provided through seminars and workshops addressing bank services, including credit services, to low- and moderate-income individuals and families. These seminars and workshops have been performed at churches, small businesses and a day care center located in low- and moderate-income areas.

Additionally, a bank employee is a Board member of the Indianapolis Neighborhood Housing Partnership. This organization promotes the development of affordable housing for low- and moderate-income individuals and families. The employee uses his financial expertise to provide strategic guidance for the organization and to inform community members about affordable housing that is available through the program.

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

Based on limited-scope reviews, HNB's performance under the Service Test in the Lafayette MSA and the Brown County Non-MSA area is not inconsistent with overall ("Service Test rating") performance under the Service Test in Indiana.

## State of Michigan Rating

<b>CRA Rating for Michigan:</b>	<b><u>Satisfactory</u></b>
<b>The lending test is rated:</b>	<b><u>High Satisfactory</u></b>
<b>The investment test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The service test is rated:</b>	<b><u>Low Satisfactory</u></b>

The major factors that support this rating include:

- ⇒ HNB has demonstrated a good record of lending to low- and moderate-income people. HNB's percentage of home mortgage loans to low- and moderate-income borrowers is comparable to the number of low- and moderate-income families within the review area.
  
- ⇒ HNB has demonstrated an adequate record of home mortgage lending in low- and moderate-income geographies. The bank's percentage of home mortgage loans in low- and moderate-income geographies is somewhat near the number of low- and moderate-income geographies within the review area.
  
- ⇒ HNB has demonstrated a good record of lending to small businesses and small farms. The bank's percentage of small business loans in low- and moderate-income geographies is comparable to the percentage of low- and moderate-income geographies. Its percentage of small business loans to businesses with revenues under \$1 million is somewhat near the percentage of those businesses. HNB's percentage of small farm loans to farms with revenues under \$1 million is somewhat near the percentage of those farms; however, its percentage of small farms in low- and moderate-income geographies is lower than the percentage of farms in these geographies.
  
- ⇒ HNB has made an adequate number and volume of contributions and grants to organizations providing community services for low- and moderate-income people and area. The bank has also invested a reasonable amount in investment securities issued by organizations promoting affordable housing and, in one instance, the rehabilitation of an area.
  
- ⇒ HNB's distribution of branches and ATMs in low- and moderate-income geographies is reasonable compared to the population distribution within the assessment areas. Additionally, HNB has promoted alternative delivery systems to provide banking products and services to consumers.

**Description of The Huntington National Bank's Operations in Michigan**

The Michigan portion of HNB makes up 35% of the reported loans and 26% of the total deposits of HNB.

It has total Michigan assets of \$4.3 billion, which make it the 6<sup>th</sup> largest commercial bank and the 7<sup>th</sup> largest chartered financial institution in the state. It serves its markets through 126 branches and 2 stand-alone ATM's. The primary business focus in Michigan is the same as for the rest of HNB (refer to Description of Institution). HNB's principal competitors in this market are Bank One, Michigan, Comerica Bank and Standard Federal Bank.

HNB's operations in Michigan are divided into ten assessment areas. The Detroit MSA area is a primarily urban area consisting of Macomb, Oakland and Wayne Counties in the southeast portion of the state. The Grand Rapids MSA area represents a mix of urban and rural areas consisting of Allegan, Kent, Muskegon and Ottawa Counties in the Central Western region. The NorthWest Michigan Non-MSA area is primarily rural with some small cities and consists of Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee and Mason Counties in the Northwest portion of the lower part of the state. The Benton Harbor MSA area consists primarily of small cities with some rural areas in Berrien County in the Southwest part of the state. The Kalamazoo MSA area also consists primarily of small cities with some rural areas in Kalamazoo and Van Buren Counties in the SouthCentral part of the state. The Lansing MSA area is primarily urbanized with cities of various sizes and some rural areas in the Clinton and Eaton Counties in the Central part of the state. The Cass/Dowagiac Non-MSA area consists of Cass County and represents a mix of rural areas and small cities. The Central West Michigan Non-MSA area consists of Lake, Mason, Mecosta, Newaygo, Oceana and Osceola Counties and is a mix of small cities and rural areas in the Central West portion of the lower part of the state. The Sault Non-MSA area consists of Chippewa, Luce and Mackinac Counties in the Upper Peninsula of Michigan and is primarily rural. The West Michigan Non-MSA area consists of Ionia and Montcalm Counties in the Central West portion of the state and represents a mix of rural areas and small cities. The assessment areas that provide the largest portions of HNB's assets and deposits are the Grand Rapids MSA area (56.6%, 37.7%), the Detroit MSA area (18.4%, 44.7%) and the NorthWest Michigan Non-MSA area (5.1%, 4.7%). Refer to Table 1 for additional information on the relative size and contribution of the various assessment areas.

The current condition of the state economy is moderately strong. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate for the State of Michigan is currently 4.0%, and has varied between the current rate and 3.4% during this review period.

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

### **Scope of Evaluation in Michigan**

For our review of HNB's operations in Michigan, we conducted full scope reviews of the Detroit, Grand Rapids and NorthWest Michigan assessment areas. Detroit and Grand Rapids are HNB's two principal markets in Michigan. NorthWest Michigan is representative of a number of outlying smaller MSA and rural areas in which HNB has a presence. Between these three assessment areas we are reviewing over 85% of HNB's deposits in Michigan. We conducted partial scope reviews of the remaining metropolitan assessment areas (Benton Harbor, etc) and the non-MSA assessment areas (Cass/Dowagiac, etc). For additional detail on the scope of this examination, please refer to Appendix A for more information.

Therefore, our conclusions on HNB's performance in the State of Michigan will be based primarily on its performance in Detroit, Grand Rapids, and NorthWest Michigan. Of these three, more weight was given to the Detroit assessment area because HNB has been in this market for a significantly longer period of time than in the other markets.

While we did not directly conduct community contacts during this examination, other OCC personnel have conducted a wide range of contacts throughout Michigan. We have relied on those contacts for our information. Some of the information we received from these contacts was pertinent to our examination. Although each area has different identified needs to be addressed, there are some needs common to different areas. These needs are related to:

- ⇒ Housing - additional funds for the construction, acquisition and rehabilitation/improvement of homes and an additional supply of decent affordable housing;
- ⇒ Business development - financial assistance for creation/expansion/retention of small businesses and funding for jobs training programs; and
- ⇒ Social services - providing financial and technical (job) training in the school system and providing support for organizations and agencies providing social services to low- and moderate-income people, including day care, after school programs, health services and crime prevention.

### **LENDING TEST**

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

HNB's performance under the Lending Test in Michigan is rated High Satisfactory. Based on our full-scope reviews, HNB's performance in the NorthWest Michigan Non-MSA is good. HNB's performance in the Detroit MSA and the Grand Rapids MSA is adequate.

#### **Lending Activity**

Refer to Table 1 in the State of Michigan section of Appendix D for the facts and data used to evaluate HNB's lending activity.

HNB's lending performance in the Detroit MSA, the Grand Rapids MSA and the NorthWest Michigan Non-MSA is consistent with its overall level of business activity. The volume of its lending in the Detroit MSA and the Grand Rapids MSA is consistent with its significant presence in those areas. In both areas HNB is a moderate performer in home mortgage, small business and small farm lending. HNB is a strong performer in home mortgage and small business lending in the NorthWest Michigan Non-MSA. It is a moderate performer in small farm lending in the area.

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

### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the State of Michigan section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's home mortgage loan originations.

#### *Detroit MSA*

The distribution of home mortgage loans to geographies of different income levels is adequate.

HNB's geographic distribution of home improvement loans is excellent. Its geographic distribution of home purchase loans is adequate and the distribution of refinance loans is poor. For home improvement loans, HNB's percentage of loans in low- and moderate-income geographies exceeds the percentage of owner-occupied units in those areas. HNB's percentage of home purchase loans in moderate-income geographies is comparable to the percentage of owner-occupied units. Its percentage of refinance loans in moderate-income geographies is lower than the percentage of owner-occupied units. For home purchase and refinance loans in low-income geographies, the distribution of HNB's loans is significantly lower than the percentage of owner-occupied units in those geographies. HNB's market share for home improvement loans in moderate-income geographies exceeds its overall market share; however, its market share for home improvement loans in low-income geographies is only somewhat comparable to its overall market share. For home purchase and refinance loans, HNB's market shares in moderate-income geographies is somewhat comparable to its overall market share; however, its market shares for those products in low-income geographies is lower than its overall market share.

#### *Grand Rapids MSA*

The distribution of home mortgage loans to geographies of different income levels is adequate.

HNB's geographic distribution of home improvement loans is excellent. Its distribution of home purchase and refinance loans is poor. For home improvement loans, HNB's percentage of loans in low- and moderate-income geographies exceeds the percentage of owner-occupied units. HNB's distribution of home purchase and refinance loans in moderate-income geographies is lower than the percentage of owner-occupied units. Its distribution of home purchase and refinance loans in low-income geographies is significantly lower than the percentage of owner-occupied units in those geographies.

HNB's market share for home improvement loans in moderate-income geographies significantly exceeds its overall market share; however, its market share in low-income geographies is lower than its overall market share. Although HNB's market share for refinance loans in moderate-income loans is comparable to its overall market share, its market share in low-income geographies is significantly lower than its overall market share. HNB's market share for home purchase loans in low-income geographies is somewhat comparable and its market share in moderate-income geographies is lower than its overall market share.

*NorthWest Michigan Non-MSA*

The distribution of home mortgage loans to geographies of different income levels is excellent.

HNB's geographic distribution of home purchase, improvement and refinance loans is excellent. This assessment area does not contain any low-income geographies. HNB's distribution of home improvement and refinance loans in moderate-income geographies significantly exceeds the percentage of owner-occupied units in those geographies; however, its distribution of home purchase loans is only comparable to the percentage of owner-occupied units. HNB's market share for those products in moderate-income geographies also exceeds its overall market share.

**Small Business Loans**

Refer to Table 5 in the State of Michigan section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small business loan originations.

*Detroit MSA*

The distribution of small business loans by income level of geography is good.

HNB's distribution of small business loans in low-income geographies is comparable to the percentage of small businesses in those geographies. Its distribution of lending in moderate-income geographies exceeds the percentage of small businesses in those geographies. The market share for HNB in moderate-income geographies exceeds its overall market share; however, its market share in low-income geographies is only comparable to its overall market share.

*Grand Rapids MSA*

HNB's distribution of small business loans by income level of geography is adequate.

HNB's distribution of small business loans in low- and moderate-income geographies is somewhat comparable to the percentage of small businesses in those geographies. Its market share is also comparable to its overall market share for small business lending in low- and moderate-income geographies.

*NorthWest Michigan Non-MSA*

The distribution of small business loans by income level of geography is excellent.



The assessment area does not include any low-income geographies. HNB's lending in moderate-income geographies significantly exceeds the percentage of small businesses in those geographies. Its market share in those areas also significantly exceeds its overall market share.

### ***Small Farm Loans***

Refer to Table 6 in the State of Michigan section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small farm loan originations.

#### *Detroit MSA*

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

#### *Grand Rapids MSA*

The distribution of small farm loans by income level of geography is adequate.

HNB's small farm lending within moderate-income geographies is somewhat comparable to the percentage of small farms within those geographies. HNB has not originated any small farm loans in low-income geographies during the evaluation period; however, this is mitigated by the small number of farms located in low-income geographies within the assessment area. HNB's market share for lending within moderate-income geographies significantly exceeds its overall market share.

#### *NorthWest Michigan Non-MSA*

HNB's distribution of small farm loans by income level of geography is excellent.

The assessment area does not include any low-income geographies. The bank's percentage of small farm loans in moderate-income geographies significantly exceeds the percentage of small farms in those geographies. HNB's market share for small farm lending in moderate-income geographies is comparable to its overall market share.

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

#### ***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 in the State of Michigan section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's home mortgage loan originations.

#### *Detroit MSA*

The distribution of home mortgage loans to borrowers of different income levels is excellent.

HNB's distribution of home purchase, improvement and refinance loans to borrowers of different income levels is excellent. The bank's distribution of home purchase, improvement and refinance loans to moderate-income borrowers exceeds the percentages of moderate-income families within the assessment area. HNB's distribution of home purchase, home improvement, and mortgage refinancing loans to low-income borrowers are substantially similar to the distribution of low-income families within the assessment area.

HNB's market shares for home mortgage loans to both low- and moderate-income borrowers exceeds its overall market share.

*Grand Rapids MSA*

The distribution of home mortgage loans to borrowers of different income levels is good.

HNB's distribution of home improvement loans to borrowers of different income levels is excellent; however, its distribution of home purchase and refinance loans is only good. For home purchase, home improvement, and refinancing loans, HNB's distribution of loans to moderate-income borrowers exceeds the percentages of moderate-families in the assessment area. Its distribution of home purchase loans, home improvement, and refinancing loans to low-income borrowers is less than the percentage of low-income families. HNB's market share for home purchase and refinance loans to low-income borrowers is comparable to its overall market share. However, its mortgage refinancings market shares for low-income borrowers are only somewhat comparable to its overall market shares. For moderate-income borrowers, HNB's market share is comparable for home purchase and home improvement loans, but exceeds the market for home mortgage refinances.

*NorthWest Michigan Non-MSA*

The distribution of home mortgage loans to borrowers of different income levels is good.

HNB's distribution of home improvement loans to borrowers of different income levels is excellent, and its distribution of home purchase and refinance loans to borrowers of different incomes is good. For moderate-income borrowers, HNB's percentage exceeds the percentage of moderate-income families in the assessment area. For home purchase loans, the distribution of loans to moderate-income borrowers is comparable to the percentage of moderate-income families. For refinance loans, HNB's distribution of loans to moderate-income borrowers is comparable to the percentage of moderate-income families. The distribution of both home improvement and refinance loans to low-income borrowers is lower than the percentage of low-income families. The distribution of home purchase loans to low-income borrowers is significantly lower. HNB's market shares for home improvement and refinance loans to both low- and moderate-income borrowers exceed its overall market shares. HNB's market share for home purchase loans to low-income borrowers exceeds its overall market share. Its market share for home mortgage loans to moderate-income borrowers is comparable to its overall market share.

***Small Business Loans***

Refer to Table 10 in the State of Michigan section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small business loan originations.

*Detroit MSA*

The distribution of small business loans by the income level of borrowers is good.

HNB's distribution of small business loans to borrowers with revenues under \$1 million is comparable to the percentage of those businesses. The bank's market share is also comparable to its overall market share.

*Grand Rapids MSA*

HNB's distribution of small business loans by the income level of borrowers is good.

The bank's distribution of small business loans to borrowers with revenues under \$1 million is comparable to the percentage of those businesses. Its market share is somewhat comparable to its overall market share.

*NorthWest Michigan Non-MSA*

The distribution of small business loans by the income level of borrowers is good.

HNB's distribution of small business loans to borrowers with revenues under \$1 million is comparable to the percentage of those businesses. Its market share is also comparable to its overall market share for this assessment area.

**Small Farm Loans**

Refer to Table 11 in the State of Michigan section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small farm loan originations.

*Detroit MSA*

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

*Grand Rapids MSA*

HNB's distribution of small farm loans by the income level of borrowers is good.

The bank's percentage of loans to borrowers with revenues under \$1 million is comparable to the percentage of those borrowers. HNB's market share in lending to those borrowers is comparable to its overall market share.

*NorthWest Michigan Non-MSA*

The bank's distribution of small farm loans by the income level of borrowers is adequate.

HNB's percentage of loans to borrowers with revenues under \$1 million is comparable to the percentage of those borrowers. Its market share is lower than its overall market share.

**Community Development Lending**

Refer to Table 1 in the State of Michigan section of Appendix D for the facts and data used to evaluate HNB's level of community development lending.

HNB's level of community development lending has been very limited during the evaluation period. HNB has originated only one community development loan within the Detroit MSA area. The loan is for \$650 thousand to an agency providing social services to low- and moderate-income children. The bank has also originated only one loan for \$130 thousand in the Grand Rapids MSA area during the evaluation period. The loan was to an organization providing affordable housing for low- and moderate-income people. HNB also originated three loans to an Indian tribe within the NorthWest Michigan Non-MSA area. The loans totaled \$990 thousand and were for working capital and purchase of a medical facility to serve the tribe, respectively.

### **Product Innovation and Flexibility**

Developing innovative products has not been a principal focus of HNB. It is much more oriented toward developing innovative delivery systems and services that will be discussed in that section of this analysis. The loan products developed and offered as part of HNB's Community Centered Banking program (see Description of Institution comment), while not innovative, do provide a flexible alternative to its standard product set. During the review period, a total of 3 Community Mortgage Loans for \$125,000 were granted.

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

Based on limited-scope reviews, HNB's performance under the Lending Test in the Kalamazoo MSA, the Cass/Dowagiac Non-MSA, the Central West Non-MSA and the West MSA is not inconsistent with HNB's overall High Satisfactory performance under the Lending Test in Michigan. HNB's performance under the Lending Test in the Benton Harbor MSA is stronger than its overall performance. HNB's performance in the Lansing MSA and the Sault Non-MSA is weaker than its overall performance in the state; however, it did not change the overall Lending Test rating for the State of Michigan. HNB's performance in the Benton Harbor is stronger than its overall performance because of its good performance in home mortgage, small business and small farm lending. HNB's performance in the Lansing MSA is weaker than its overall performance because of its poor performance in home mortgage, small business and small farm lending. Its performance in the Sault Non-MSA is weaker than its overall performance because of its poor home mortgage lending. Refer to Tables 1 through 11 in the State of Michigan section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

HNB's performance under the Investment Test in Michigan is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Grand Rapids MSA is good and its performance in the Detroit MSA and the NorthWest Michigan Non-MSA is adequate.

Refer to Table 12 in the State of Michigan section of Appendix D for the facts and data used to evaluate HNB's level of qualified investments.

HNB's qualified investments in each of the full scope review areas generally consist of investments in affordable housing funds, an investment in an organization promoting small business development and contributions to organizations and agencies promoting affordable housing and providing social services to low- and moderate-income people. Additionally, HNB has purchased historical/rehabilitation tax credits from a building renovation in a renaissance zone in the Grand Rapids MSA area. This renaissance zone is located in a low- or moderate-income area. The tax credits helped to fund a development that was part of a comprehensive municipal plan to revitalize and stabilize the neighborhood in which the renaissance zone is located. None of the investments or contributions is complex or innovative.

The level of HNB's qualified investments in the Grand Rapids is good compared to its market presence. HNB has made qualified investments within the Grand Rapids MSA equal to 1.29% of its deposit base. Additionally, these investments have shown HNB's responsiveness to community needs by addressing affordable housing and small business creation/retention in reasonable volumes. Based upon the HNB's presence within the Detroit and NorthWest Michigan Non-MSA areas, its levels of investments in those areas are only adequate. Within the Detroit MSA area and the NorthWest Michigan Non-MSA area, HNB has made qualified investments of 0.02% and 0.006% of its deposit base in those respective areas.

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

Based on limited-scope reviews, HNB's performance under the Investment Test in the Benton Harbor MSA, the Kalamazoo MSA, the Lansing MSA, the Cass/Dowagiac Non-MSA, the Central West Non-MSA, the Sault Non-MSA and the West Michigan Non-MSA is not inconsistent with HNB's overall Low Satisfactory performance under the Investment Test in Michigan. Refer to Table 12 in the State of Michigan section of Appendix D for the facts and data that support these conclusions.

### **SERVICE TEST**

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

HNB's performance under the Service Test in Michigan is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Grand Rapids MSA is good and its performance in the Detroit MSA is adequate. HNB's performance in the NorthWest Michigan Non-MSA is excellent because the bank's retail outlets in the moderate-income geographies exceed the percentage of the population in those geographies.

#### **Retail Banking Services**

Refer to Table 13 in the State of Michigan section of Appendix D for the facts and data used to evaluate the distribution of HNB's branch and ATM delivery system.

*Detroit MSA*

HNB demonstrates an adequate performance in providing accessibility to banking products and services to geographies of different income levels. It does not have any branches or ATMs in low-income geographies containing 5% of the population of the area. HNB's percentage of branches in moderate-income geographies is somewhat comparable to the percentage of the population within those geographies. Additionally, HNB closed three branches in low- or moderate-income areas during 1999.

*Grand Rapids MSA*

HNB demonstrates a good performance in providing accessibility to banking products and services to geographies of different income levels. Its has a greater percentage of branches in low- income geographies than the percentage of residents in those geographies. HNB's percentage of branches in moderate-income geographies is comparable to the percentage of the population within those geographies.

*NorthWest Michigan Non-MSA*

HNB demonstrates an excellent performance in providing accessibility to banking products and services to geographies of different income levels. HNB's percentage of branches in moderate-income geographies exceeds the percentage of the population in those geographies. There are not any low-income geographies within this area.

HNB provides generally consistent products, services and business hours at its branches throughout all its assessment areas in Michigan, including its branches in low- and moderate-income geographies. Branch operating hours are periodically reviewed to determine if revisions are necessary in response to competitive pressures or customer needs. HNB offers a full array of traditional banking products and services to help meet the needs of all segments of its community.

HNB has made a sizable commitment to electronic banking. It provides all of its general banking products through a 24-hour telephone banking operation known as 480-BANK (1-800-480-BANK). HNB has also implemented Internet banking through Huntington.com. This provides customers with information about banking services, offers access to customer financial information and a limited number of financial products and services. There is no information available at this time on the geographic distribution of customers using these delivery methods. We could not place significant weight on HNB's alternative delivery systems due to the lack of available information on the location and characteristics.

**Community Development Services**

*Detroit MSA*

HNB has provided a reasonable volume of community development services in this area. The services are focused on providing low- and moderate-income people with access to banking products and services, including financial educational programs, through HNB's Community Centered Banking program (see Description of Institution comment) and involvement with community organizations and agencies.

*Grand Rapids MSA*

HNB has provided a reasonable volume of community development services in this area. The services primarily consist of bank personnel involvement in community organizations and agencies providing affordable housing and social services for low- and moderate-income people.

*NorthWest Michigan Non-MSA*

HNB has provided a limited volume of community development services in this area. Although bank personnel are involved in many community organizations, only five of the organizations provide community development services. Three of the organizations provide affordable housing and the other two provide social services to low- and moderate-income people.

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

Based on limited-scope reviews, HNB's performance under the Service Test in the Lansing MSA, the Cass/Dowagiac Non-MSA and the West Michigan Non-MSA is not inconsistent with HNB's overall Low Satisfactory performance under the Service Test in Michigan. In the Benton Harbor MSA, the Kalamazoo MSA, the Central West Michigan Non-MSA and the Sault Non-MSA, HNB's performance is weaker than its overall performance in the state. In the Benton Harbor MSA, HNB does not have any branches in moderate-income geographies although the population in those geographies represents 10.1% of the total population of the area. The Benton Harbor MSA does not have any low-income geographies. HNB closed one branch in a moderate-income geography during 1999. Additionally, HNB reported a total of only four hours of community development services in the Benton Harbor MSA during the evaluation period. In the Kalamazoo MSA, HNB does not have any branches in low- or moderate-income geographies; however, those geographies have 9.5% and 19.0% of the population of the area, respectively. In the Central West Michigan Non-MSA, HNB does not have any branches in moderate-income geographies; however, 16.4% of the population in that area live in those geographies. There are not any low-income geographies in the area. In the Sault Non-MSA, HNB does not have any branches in moderate-income geographies although the population in those geographies represents 13.8% of the total population of the area. The Sault Non-MSA does not have any low-income geographies. However, the ratings for the Benton Harbor MSA, the Kalamazoo MSA, the Central West Michigan Non-MSA and the Sault Non-MSA did not change our overall Service Test rating for Michigan because each is a small market within HNB's overall profile. Refer to Table 13 in the State of Michigan section of Appendix D for the facts and data that support these conclusions.

## State of Ohio Rating

<b>CRA Rating for Ohio:</b>	<b><u>Satisfactory</u></b>
<b>The lending test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The investment test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The service test is rated:</b>	<b><u>Low Satisfactory</u></b>

The major factors that support this rating include:

- ⇒ HNB has demonstrated an adequate record of lending to low- and moderate-income individuals, and an adequate record of lending in low- and moderate-income areas. It is an good small business lender. It is a good small farm lender in those assessment areas where agriculture is a significant portion of the local economy.
  
- ⇒ HNB has invested in an adequate number of LIHTC's and other forms of qualifying investments throughout the state. It continues to make contributions to organizations that support community services for low- and moderate-income people and areas.
  
- ⇒ The distribution of branches and ATMs in low- and moderate-income geographies is generally comparable to the distribution of population within the assessment areas. Services are provided in an equitable manner.

### **Description of The Huntington National Bank's Operations in Ohio**

The Ohio portion of HNB makes up 33% of the reported loans and 39% of the total deposits of HNB.

HNB has total Ohio deposits of approximately \$7.6 billion, which make it the 5<sup>th</sup> largest commercial bank and, the 5<sup>th</sup> largest chartered financial institution in the state. It serves its markets through 168 branches and 9 free standing, deposit-taking ATMs. The primary business focus in Ohio is the same as for the rest of HNB (refer to Description of Institution). HNB's principal competitors in this market are the subsidiary banks of (1) Keycorp; (2) National City Corporation; (3) BankOne Corporation; and (4) FifthThird Corporation.



HNB's operations in Ohio are divided into 16 assessment areas. These cover a wide portion of Ohio, with assessment areas in all parts of the state except for its southeastern corner. These areas are arranged as follows: Northeastern Ohio -- portions of the Cleveland (#1680) and Akron (#0080) MSA's and a small part of Wayne County (Wadsworth Area Non-MSA); NorthCentral Ohio -- part of the Mansfield MSA, and Ashland County (Ashland Area Non-MSA); Northwestern Ohio -- part of the Toledo MSA, and portions of Sandusky (Toledo Area Non-MSA) and Ottawa (Port Clinton Area Non-MSA) Counties; EastCentral Ohio -- Tuscarawas County (Dover Area Non-MSA); Central Ohio -- the Columbus (#1840) MSA and Union (Marysville Area Non-MSA) areas; West Central Ohio -- portions of the Lima MSA (#4320) and Logan, Champaign, and Hardin Counties (Bellefontaine Area Non-MSA); SouthCentral Ohio -- Ross County (Chillicothe Area Non-MSA); and Southwestern Ohio -- part of the Dayton (#2000) MSA, and Fayette County (Washington Court House Area Non-MSA).<sup>1</sup> The assessment areas that provide the largest portions of HNB's loans and deposits are the Columbus MSA (34.6%/42.6%), the Cleveland MSA (22.4%/21.7%), and the Toledo MSA (9.9%/9.1%). Refer to Table 1 for additional information on the relative size and contribution of the various assessment areas.

The current condition of the state economy is good. Over the period of this review this economy has moved in a comparable manner to the national economy. The current unemployment rate is 4.5%, and has varied between 3.7% and 5.9% during this review period.

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

### **Scope of Evaluation in Ohio**

For our review of HNB's operations in Ohio, we conducted full scope reviews of the Cleveland, Columbus, and Washington Court House/Fayette County assessment areas. Cleveland and Columbus are HNB's two principal markets in Ohio. Washington Court House/Fayette County is representative of a number of outlying smaller MSA and rural areas in which HNB has a presence. Between these three assessment areas we are reviewing over 65% of HNB's deposits in Ohio. We conducted partial scope reviews of the remaining metropolitan assessment areas (Akron, etc.) and the non-MSA assessment areas (Ashland, etc.). For additional detail on the scope of this examination, please refer to Appendix A.

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<sup>1</sup> Please note that while the Cincinnati CMSA is also partially in southwestern Ohio, it is discussed separately within this evaluation.

Therefore, our conclusions on HNB's performance in the State of Ohio will be based primarily on its performance in Cleveland, Columbus, and Washington Court House/Fayette County. Of these three, the most weight was given to the Columbus market because it is HNB's largest market in Ohio, as well as its home market; significant, but somewhat less weight was given to Cleveland because of its smaller size; and, Washington Court House/Fayette was given the least weight because it represents the small markets in which HNB operates.

While we did not directly conduct community contacts during this examination, in early 1999 we participated in a series of community group meetings throughout Ohio. The meetings were held in anticipation of a number of upcoming CRA examinations. We relied on those contacts for our information. Some of the needs we were informed about during these contacts included the following:

- ❑ Small business loans
- ❑ Loans to start businesses (venture capital type loans)
- ❑ Affordable housing mortgage loans
- ❑ First-time homebuyer mortgages

## **LENDING TEST**

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

HNB's performance under the Lending Test in Ohio is rated High Satisfactory. Based on our full-scope reviews, HNB's performance in the Columbus MSA and the Washington Court House Non-MSA area is good and in the Cleveland MSA is adequate.

### **Lending Activity**

Refer to Table 1 in the State of Ohio section of Appendix D for the facts and data used to evaluate HNB's lending activity.

HNB's overall volume of lending in Ohio was consistent with its overall level of business activity. It has a relatively strong presence in home improvement lending; otherwise it is a relatively smaller participant in the home mortgage lending market. It is also a strong participant in the small business lending market in this state. In general HNB does much better at lending to low- or moderate-income individuals than it does at lending in low- or moderate-income geographies. HNB's level of small farm lending is consistent with the volumes of agriculture activity being undertaken in the assessment areas it serves.

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

### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the State of Ohio section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's home mortgage loan originations.

#### *Cleveland MSA*

The distribution of home mortgage loans by income level of geography is adequate.

The distribution of home purchase loans and home improvement loans is adequate. The percentage of home purchase loans was somewhat greater than the percentage of owner-occupied housing in low- and moderate-income geographies. HNB's market share was marginally less in low- and moderate-income geographies. The percentage of home improvement loans was comparable to the percentage of owner-occupied housing in low- and moderate-income geographies. HNB's market share was less in low- and moderate-income geographies.

The distribution of refinance loans is poor. The percentage of these loans in low- and moderate-income census tracts was less than half the percentage of owner-occupied housing. Likewise, HNB's market share in low- and moderate-income geographies was significantly less than its market share in the entire assessment area.

#### *Columbus MSA*

The distribution of home mortgage loans by income level of geography is adequate.

The distribution of home purchase loans is poor. The percentage of home purchase loans was less than half of the percentage of owner-occupied housing in low- and moderate-income geographies. HNB's market share in low-income geographies was less than half of its overall market share. Its market share was better in the moderate-income geographies at approximately 70% of the overall market.

The distribution of home improvement loans and refinance loans is adequate. The percentage of home improvement loans was comparable to the percentage of owner-occupied housing in low- and moderate-income geographies. HNB's market share was greater in low-income geographies, and somewhat less in moderate-income geographies. The percentage of refinance loans in low- and moderate-income census tracts was less than the percentage of owner-occupied housing. Likewise, HNB's market share in low- and moderate-income geographies was less, but comparable to its market share in the entire assessment area.

#### *Washington Court House Non-MSA*

The distribution of home mortgage loans by income level of geography is good.

The distribution of home purchase loans is adequate. The percentage of home purchase loans was less than the percentage of owner-occupied housing in moderate-income geographies. HNB's market share in those moderate-income geographies was less than half of its overall market share. It is noted that in these moderate-income geographies there were 20 lenders generating a total of 76 loans, so there were significant competitive pressures.

The distribution of home improvement and refinance loans is excellent. The percentage of home improvement loans was 50% greater than the percentage of owner-occupied housing in the moderate-income geographies. HNB's market share in those moderate-income geographies was almost one and a half times the size of its overall market share. The percentage of refinance loans approximately 33% greater than the percentage of owner-occupied housing in the moderate-income geographies. HNB's market share in those geographies was approximately 180% of its overall market share.

### ***Small Business Loans***

Refer to Table 5 in the State of Ohio section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small business loan originations.

#### *Cleveland MSA*

The distribution of small business loans by income level of geography is good.

The percentage of small business loans originated by HNB in low-income geographies is comparable to the percentage of businesses in those geographies. The percentage of loans in moderate-income geographies approximates the percentage of businesses. HNB's market share in low-income geographies exceeds its overall market share. Its market share in moderate-income geographies approximates its overall market share.

#### *Columbus MSA*

The distribution of HNB's small business loans by income level of geography is good.

The percentage of small business loans originated in low-income geographies is comparable to the percentage of businesses. The percentage of loans originated by HNB in moderate-income geographies approximates the percentage of businesses. HNB's market share for both low- and moderate-income geographies is lower, but comparable to its overall market share.

#### *Washington Court House Non-MSA*

The distribution of small business loans by the income level of geography is excellent.

This assessment area consists only of moderate- and middle-income geographies. HNB's distribution of small business loans in moderate-income geographies exceeds the percentage of small businesses. Its market share for the moderate-income geographies is significantly higher than its overall market share.

**Small Farm Loans**

Refer to Table 6 in the State of Ohio section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small farm loan originations.

*Cleveland MSA*

The distribution of HNB's small farm loans by income level of geographies is good.

HNB has not originated any small farm loans in the low-income geographies. This is mitigated by the very low percentage (1.6%) of small farms in those geographies. The bank's percentage of loans in moderate-income geographies exceeds the percentage of small farms in those geographies. Its market share for the moderate-income geographies is equal to its overall market share for this assessment area.

*Columbus MSA*

The distribution of small farm loans by income level of geographies is good.

HNB has not originated any small farm loans in the low-income geographies. As in the Cleveland assessment area, this is mitigated by the low percentage (2.6 percent) of small farms in the low-income geographies. The bank's percentage of loans in moderate-income geographies is comparable to the percentage of small farms. Its market share for the moderate-income geographies significantly exceeds its overall market share.

*Washington Court House Non-MSA*

The distribution of HNB's small farm loans by income level of geographies is adequate.

This assessment area consists only of moderate- and middle-income geographies. HNB's percentage of small farm loans in the moderate-income geographies is significantly lower than the percentage of small farms. However, its market share in moderate-income geographies exceeds its overall market share for the assessment area.

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

***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 in the State of Ohio section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's home mortgage loan originations.

*Cleveland MSA*

The distribution of home mortgage loans by income level of borrowers is adequate.

The distribution of home purchase loans, home improvement loans and refinance loans is adequate. For all three categories of loans, the percentage of loans made by HNB to low-income borrowers was well below the percentage of low-income families, but in loans to moderate-income borrowers it was greater than the level of moderate-income families. HNB's market share was generally less in low- and moderate-income geographies than its overall market share. Only in home purchase loans to moderate-income borrowers did its market share exceed its assessment area market share.

*Columbus MSA*

The distribution of home mortgage loans by income level of borrower is adequate.

The distribution of home purchase loans is good. The percentage of home purchase loans was less than half of the percentage of low-income families, but its 50% greater than the percentage of moderate-income families. HNB's market share for both low- and moderate-income borrowers was also 50% greater than its overall market share.

The distribution of home improvement and refinance loans is adequate. The percentage of home improvement loans made to low-income borrowers was somewhat below their presence in the market, but more loans were made to moderate-income borrowers than their percentage of the market. HNB's market share performance was split, with loans to low-income borrowers greater than its overall market share, but loans to moderate-income borrowers below the overall market share. The percentage of refinance loans to low- and moderate-income census tracts was less than those groups' percentage of the assessment area. HNB's market share for both groups was below, but comparable to its market share in the entire assessment area.

*Washington Court House Non-MSA*

The distribution of home mortgage loans by income level of borrowers is adequate.

The distribution of home purchase loans, home improvement loans and refinance loans is adequate. For home purchase loans, HNB's percentage of loans to low-income borrowers was well below the percentage of low-income families, but in loans to moderate-income borrowers it was comparable to the level of moderate-income families. HNB's market share was generally comparable for low-income borrowers, and above for moderate-income borrowers. For home improvement loans, HNB's percentage of loans to low-income borrowers was well below the percentage of low-income families, but in loans to moderate-income borrowers it was above the level of moderate-income families. HNB's market share for low-income borrowers was lower and its market share for moderate-income borrowers was higher than its overall market share. In refinance loans, HNB's percentage of loans to low-income borrowers was below the percentage of low-income families, but in loans to moderate-income borrowers it was comparable to the level of moderate-income families. HNB's market share was significantly better for low-income borrowers, but significantly less for moderate-income borrowers.

***Small Business Loans***

Refer to Table 10 in the State of Ohio section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small business loan originations.

*Cleveland MSA*

The distribution of HNB's small business loans by the income level of borrowers is adequate.

HNB's percentage of small business loans to businesses with revenues under \$1 million is lower than the percentage of businesses. Its market share approximates its overall market share for the assessment area.

*Columbus MSA*

The distribution of small business loans by the income level of borrowers is adequate.

HNB's percentage of small business loans to businesses with revenues under \$1 million is lower than the percentage of businesses. Its market share approximates its overall market share.

*Washington Court House Non-MSA*

The distribution of small business loans by the income level of borrowers is good.

HNB's percentage of loans to businesses with revenues under \$1 million is comparable to the percentage of businesses of that size. Its market share also exceeds its overall market share.

**Small Farm Loans**

Refer to Table 11 in the State of Ohio section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small farm loan originations.

*Cleveland MSA*

The distribution of HNB's small farm loans by income level of borrowers is adequate.

HNB's percentage of loans to farms with revenues under \$1 million approximates the percentage of farms. Its market share is comparable to its overall market share.

*Columbus MSA*

The distribution of small farm loans by income level of borrowers is good.

The percentage of loans to farms with revenues under \$1 million is fundamentally equivalent to the percentage of farms. HNB's market share is also equivalent to its overall market share.

*Washington Court House Non-MSA*

The distribution of small farm loans by income level of borrowers is excellent.

HNB's percentage of loans to farms with revenues under \$1 million exceeds the percentage of those farms in the assessment area. Its market share is equal to its overall market share.

**Community Development Lending**

Refer to Table 1 in the State of Ohio section of Appendix D for the facts and data used to evaluate HNB's level of community development lending.

*Cleveland MSA*

HNB's community development lending performance in this assessment area is excellent. It has provided approximately \$35 million to 14 projects during this review period. Included among these are:

- The Marketplace Hotel Ltd. Project in downtown Cleveland (\$20 million). This project involves the renovation of two (2) older office/arcade structures into a combination hotel/retail complex. This project is considered a key to the City of Cleveland's efforts to revitalize Euclid Avenue, which is a principal street in the downtown retail and commercial district. The downtown portion of Euclid Avenue is in low- and moderate-income census tracts. A combination of public and private financing has been used for this project.
- The Otis Associates Project in the Warehouse District in downtown Cleveland (\$3.7 million). This project involves the restoration of a former warehouse into downtown residential units with a portion specifically reserved for LMI individuals or families. This redevelopment/revitalization project is part of the City's Civic Vision 2000 plan, which identifies the need for affordable housing for all income levels in the downtown area. Again, a combination of public and private financing has been used for this project.
- The Sunrise Skilled Service Project in Cleveland. This loan provides working capital for a health care company located in a federally designated Empowerment Zone. This project aids in the revitalization of an LMI area. This project was specifically developed for this Empowerment Zone, and again is using a variety of public financing and incentives as well as private-sector financing.

*Columbus MSA*

HNB's community development lending performance in this assessment area is adequate. It has provided approximately \$6.4 million to 10 projects during this review period. Included among these are:

- Neighborhood Empowerment Council, Columbus (\$3.0 million). The council, in partnership with the City of Columbus, works to prepare LMI individuals in LMI neighborhoods of the city for jobs through comprehensive job training.
- Joseph Dials, Columbus (\$2.5 million). Mr Dials is an affordable housing developer in the City of Columbus.

*Washington Court House Non-MSA*

HNB did not make any community development loans in this assessment area.



### **Product Innovation and Flexibility**

Developing innovative products has not been a principal focus of HNB. It is much more oriented toward developing innovative delivery systems and services that will be discussed in that section of this analysis. The loan products developed and offered as part of HNB's Community Centered Banking program (see Description of Institution comment), while not innovative, do provide a flexible alternative to its standard product set. During the review period, a total of 191 Community Mortgage Loans for \$9,676,000 were granted.

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

Refer to Tables 1 through 11 in the state of Ohio section of Appendix D for the facts and data that support these conclusions. Based on limited-scope reviews, HNB's performance under the Lending Test in the Akron, Dayton, Lima, and Toledo MSA's and the Ashland, Bellefontaine, and Dover Non-MSA areas is not inconsistent with HNB's overall ("Lending Test rating") performance under the Lending Test in Ohio.

In the Port Clinton Non-MSA area HNB's performance is stronger than its overall performance in the state. This level of performance is reflected in a strong borrower distribution and borrower market share for all types of home mortgage loan products.

In the Mansfield MSA and the Chillicothe, Marysville, Toledo and Wadsworth Non-MSA areas HNB's performance is weaker than its overall performance in the state. For the Mansfield, Chillicothe, and Marysville areas, HNB's performance was adequate, with all of these areas showing relatively poorer geographic distributions, but good borrower distributions. The Toledo and Wadsworth Non-MSA areas showed uniformly poor performance. This level of performance was somewhat mitigated by the relatively small market presence HNB has in both of these assessment areas.

## **INVESTMENT TEST**

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

HNB's performance under the Investment Test in Ohio is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Cleveland and Columbus MSA's is adequate. In the Washington Court House Non-MSA Area HNB's performance is considered poor.

Refer to Table 12 in the State of Ohio section of Appendix D for the facts and data used to evaluate HNB's level of qualified investments.

HNB's qualified investments the full scope review areas generally consist of investments in affordable housing funds, organizations promoting small business development and contributions to organizations and agencies promoting affordable housing and providing social services to low- and moderate-income people. Several of these investments are Low-Income Housing Tax Credit (LIHTC) projects to renovate older buildings or build new facilities for low-income residents and families.

*Cleveland MSA*

The level of qualified investments in this MSA is considered adequate.

Outstanding investments total approximately \$6.5 million, which equals approximately .4% of HNB's deposits in this market. The vast majority of the dollar amounts provided in this market have been placed through a number of intermediary funds such as Ohio Equity Fund Ltd., Cleveland Housing Network, L.P., Cleveland Neighborhood Equity Fund, and the Cleveland Development Partnership. Each of these funds is involved in the direct provision of affordable housing in this market, although the Ohio Equity Fund Ltd. also provides funding for projects throughout Ohio.

The most significant investment in this market during the review period has been an equity investment in Shore Bank-Shorebridge Capital for \$.5 million. This bank provides financing for economic development projects in the Empowerment Zones within the City of Cleveland (all of which consist of low- and moderate-income census tracts).

*Columbus MSA*

The level of qualified investments in this MSA is considered adequate.

Outstanding investments total approximately \$7.5 million, which equals approximately .2% of HNB's deposits in this market. Again, the vast majority of the dollar amounts provided in this market have been placed through a number of intermediary funds such as Ohio Equity Fund Ltd. and Enterprise Housing Partners. However, there have been some specifically targeted investments in: the YMCA Housing Ltd. project (which renovated the residential portion of the downtown Columbus YMCA into single-room occupancy (SRO) apartments); the SRP Housing I and II funds which were used to develop approximately 75 single family homes in central Columbus using LIHTC's; and the Prism Opportunity Fund, which was created as a Small Business Investment Company to provide capital to small and minority-owner businesses.

*Washington Court House Non-MSA Area*

The level of qualified investments in this assessment area is considered poor.

The only qualified investments made in this area were donations to social service organizations that provide services to low- and moderate-income families in the area. While investment opportunities may not have been abundant, investment activities undertaken by other parties in this area indicate that there is both a need for and the capacity to handle qualified investments in this assessment area.

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

Based on limited-scope reviews, HNB's performance under the Investment Test in the Akron, Dayton, Mansfield and Toledo MSA assessment areas, and the Ashland, Bellefontaine, Chillicothe, Marysville, Port Clinton, and Toledo Non-MSA assessment areas is not inconsistent with HNB's overall ("Investment Test rating") performance under the Investment Test in Ohio.

In the Lima MSA and the Dover and Wadsworth Non-MSA assessment areas, HNB's performance is weaker than its overall performance in the state; however, it was not sufficient to change the overall Investment Test rating for Ohio. Refer to Table 12 in the State of Ohio section of Appendix D for the facts and data that support these conclusions.

In the Lima MSA and the Dover and Wadsworth Non-MSA assessment areas, HNB's investments were significantly lower than noted in the rest of the state. The Wadsworth Non-MSA area is geographically small and presents only limited opportunities for investments. But in both the Lima MSA and Dover Non-MSA areas, the evidence is that there are both investment needs and the capacity to meet those needs in those communities to a greater extent than HNB has participated in to this point in time.

## **SERVICE TEST**

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

HNB's performance under the Service Test in Ohio is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Cleveland MSA and the Washington Court House Non-MSA Area is good and in the Columbus MSA is adequate.

### **Retail Banking Services**

Refer to Table 13 in the State of Ohio section of Appendix D for the facts and data used to evaluate the distribution of HNB's branch and ATM delivery system.

#### *Cleveland MSA*

HNB's performance in the Cleveland area has been adequate. It has 44 branches and 2 stand-alone deposit taking ATMs in this assessment area. The distribution has a lower percentage of branches in both low- and moderate-income census tracts than the population that lives in those tracts. However, the moderate-income presence is improved by the addition of one of the stand-alone ATMs in a moderate-income census tract.

During the period under review, HNB opened 3 branches and closed 7. The only change that involved a low- or moderate-income neighborhood was the closing of the Euclid Office at 27801 Euclid Avenue (a moderate-income geography). A number of branches of other institutions remain easily accessible to residents of this area. Some of the remaining closings were the result of relocations of branches to more accessible locations, others involved the replacement of full-service offices by more specialized types of facilities (consumer loan center, corporate services center).

#### *Columbus MSA*

HNB's performance in the Columbus area has been adequate. It has 53 branches and 7 stand-alone deposit taking ATMs in this assessment. The distribution has a lower percentage of branches in both low- and moderate-income census tracts than the population that lives in those tracts. However, the moderate-income presence is improved by the addition of two of the stand-alone ATMs in moderate-income census tracts.

During the period under review, HNB opened 4 new offices and acquired the Alexandria Office of the former Huntington State Bank. The only branches closed in this period were 5 Access Offices (non-staffed, electronically linked interactive offices), and one branch in a middle-income geography. No material impact on low- or moderate-income geographies was noted from these changes. Some of the offices opened during this period are supermarket branches with extended hours.

*Washington Court House Non-MSA*

HNB only has one (1) branch in this assessment area. Washington Court House is the county seat and principal community in Fayette County, which is predominantly rural. As such, the location of the branch is reasonable given this particular market.

HNB provides generally consistent products, services, and business hours at its branches throughout all its assessment areas in Ohio, including its branches in low- and moderate-income geographies. Branch operating hours are periodically reviewed to determine if revisions are necessary in response to competitive pressures or customer needs. HNB offers a full array of traditional banking products and services to help meet the needs of all segments of its community.

HNB has made a sizeable commitment to electronic banking. It provides all of its general banking products through a 24-hour telephone banking operation known as 480-BANK (1-800-480-BANK). HNB has also implemented Internet banking through Huntington.com. This provides customers with information about banking services, offers access to customer financial information and a limited number of financial products and services. There is no information available at this time on the geographic distribution of customers using these delivery methods. We could not place significant weight on HNB's alternative delivery systems due to the lack of available information on the location and characteristics.

**Community Development Services**

HNB provides an adequate level of community development services to a number of organizations throughout its assessment areas in Ohio.

*Cleveland MSA*

HNB has provided a good volume of community development services in this area. These services included providing workshops for small business owners in conjunction with the Small Business Administration, providing education related to financial matters for potential customers through the community centered banking program, and providing financially-related advice to a wide number of organizations involved with providing services to low- and moderate-income families. In addition, other bank personnel were involved in community organizations and agencies providing affordable housing and social services for low- and moderate-income people.

*Columbus MSA*

HNB has provided a reasonable volume of community development services in this area. The services are focused on providing low- and moderate-income people with access to banking products and services, including financial educational programs, through HNB's Community Centered Banking program and involvement with community organizations and agencies. These services included providing workshops for small business owners in conjunction with the Small Business Administration, providing education related to financial matters for potential customers through the community centered banking program, and providing financially-related advice to a wide number of organizations involved with providing services to low- and moderate-income families.

*Washington Court House Non-MSA*

This review encountered no instances of community development services being provided by HNB or its employees in this assessment area.

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

Based on limited-scope reviews, HNB's performance under the Service Test in the Akron, Dayton, Lima, Mansfield, and Toledo MSA; and the Ashland, Bellefontaine, Chillicothe, Dover, Marysville, Port Clinton, Toledo, and Wadsworth Non-MSA areas is not inconsistent with HNB's overall ("Service Test rating") performance under the Service Test in Ohio. Refer to Table 13 in the State of Ohio section of Appendix D for the facts and data that support these conclusions.

## State of West Virginia Rating

<b>CRA Rating for West Virginia:</b>	<b><u>Satisfactory</u></b>
<b>The lending test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The investment test is rated:</b>	<b><u>High Satisfactory</u></b>
<b>The service test is rated:</b>	<b><u>Low Satisfactory</u></b>

The major factors that support this rating include:

- ⇒ HNB has demonstrated an adequate record of lending to low- and moderate-income people. The percentages of home purchase, and home improvement loans to moderate-income families were at or above the percentage of moderate-income families. The levels of home purchase and home improvement loans to low-income families were below the levels of those families in the assessment areas. The distribution of home mortgage refinance loans by income levels was poor, with levels for both low- and moderate-income borrowers significantly below their numbers in the assessment areas.
- ⇒ HNB has demonstrated an adequate record of home purchase, home improvement lending, and home mortgage refinance lending in low- and moderate-income geographies. However, its record of small business and small farm lending in low- and moderate-income geographies is good.
- ⇒ HNB has invested in a substantial number of LIHTC's in a number of assessment areas that remain outstanding. It has also made substantial contributions to organizations that support community services for low- and moderate-income people and areas.
- ⇒ The distribution of branches and ATMs in low- and moderate-income geographies compares very favorably to the distribution of population within the assessment area. Services are provided in an equitable manner across the state.
- ⇒ No evidence of HNB's participation in community development services was noted.

### **Description of The Huntington National Bank's Operations in West Virginia**

The West Virginia portion of HNB makes up approximately 5% of the reported loans and 8% of the total deposits of HNB. It has total West Virginia deposits of approximately \$1.5 billion, which make it the 5<sup>th</sup> largest commercial bank and, the 5<sup>th</sup> largest chartered financial institution in the state. It serves its markets through 39 branches and 4 ATMs. The primary business focus in West Virginia is the same as for the rest of HNB (refer to Description of Institution). HNB's principal competitors in this market are One Valley Bancorporation; United National Bank; Bank One, West Virginia, N.A.; and Wesbanco.

HNB's operations in West Virginia are divided into 7 assessment areas. These areas are located in the eastern panhandle of the state (Washington DC MSA), central West Virginia (Elkins Area Non-MSA and NorthCentral WV Non-MSA), along the Ohio River (Huntington and Parkersburg MSA's and the Parkersburg Non-MSA area), and south central West Virginia (Charleston MSA). The assessment areas that provide the largest portions of HNB's loans and deposits are NorthCentral WV Non-MSA (40.1%; 47.4%) and Charleston MSA (26.0%, 23.8%). Refer to Table 1 for additional information on the relative size and contribution of the various assessment areas.

The current condition of the state economy is fair. Over the period of this review this economy has been stable when compared to the movement of the national economy. Unemployment rates are currently 6.2%, and have varied between 8.5% and 5.8% during this review period.

While we did not directly conduct community contacts during this examination, other OCC personnel have conducted a wide range of contacts throughout West Virginia. We have relied on those contacts for our information. Some of the information we received from these contacts was pertinent to our examination, such as:

- ⌘ West Virginia has the third highest unemployment level in the nation
- ⌘ Per capita wage and income increases have also been among the lowest in the United States
- ⌘ There is a relatively low skill level within the labor force
- ⌘ There is a lack of public/private organizations to support new technical developments
- ⌘ There are few programs serving first-time home buyers
- ⌘ Two obstacles generally exist to addressing housing needs: 1) a lack of sufficient funds; and, 2) insufficient (although increasing) capacity to deliver housing programs

Refer to the Market Profiles for the State of West Virginia in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

### **Scope of Evaluation in West Virginia**

For our review of HNB's operations in West Virginia, we conducted full scope reviews of the Charleston and Elkins/Randolph County assessment areas. Charleston is the second largest (measured by deposit %) of HNB's markets in West Virginia. Elkins/Randolph County was chosen to be representative of a number of outlying smaller MSA and rural areas in which HNB has a presence.

With these two assessment areas we are reviewing over 25% of HNB's deposits in West Virginia. We conducted partial scope reviews of the remaining metropolitan assessment areas (Huntington, etc) and the non-MSA assessment areas (NorthCentral WV, etc). For additional detail on the scope of this examination, please refer to Appendix A.

Therefore, our conclusions on HNB's performance in the State of West Virginia will be based primarily on its performance in Charleston and Elkins/Randolph County. Approximately equal weight is being assigned to both of these areas. This is because although the Charleston market is significantly larger than the Elkins market, the majority of HNB deposits in West Virginia are generated in non-MSA areas.

## **LENDING TEST**

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

HNB's performance under the Lending Test in West Virginia is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Charleston MSA is good. In the Elkins Non-MSA area, HNB's performance is adequate.

### **Lending Activity**

Refer to Table 1 in the State of West Virginia section of Appendix D for the facts and data used to evaluate HNB's lending activity.

HNB's overall volume of lending in this assessment area was consistent with its overall level of business activity. It has a relatively strong presence in home improvement lending; otherwise it is a relatively smaller participant in the home mortgage lending market. It is also a strong participant in the small business lending market in this state. While its level of small farm lending is relatively low, this is consistent with the volumes of agriculture activity being undertaken in the assessment areas HNB serves.

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

#### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's home mortgage loan originations.

#### *Charleston MSA*

The distribution of home mortgage loans by income level of geographies is adequate.



The distribution of home purchase loans, home improvement loans and refinance loans is adequate. For home purchase and refinance loans, HNB's percentage of loans in low-income geographies was comparable to the percentage of owner-occupied units in those geographies, but in loans to moderate-income geographies it was significantly below the percentage of owner-occupied units. In these categories of loans, HNB's market share was significantly higher in low-income geographies and lower in moderate-income geographies than it was for the market as a whole in these categories. For home improvement loans, HNB's percentage of loans in low- and moderate-income geographies was comparable to the percentage of owner-occupied units in those geographies. HNB's market share was lower for low-income borrowers, and significantly higher for moderate-income borrowers than its whole market share for this product.

*Elkins Non-MSA*

The Elkins Non-MSA assessment contains only middle-income geographies; therefore no geographic analysis of loan distribution was performed.

**Small Business Loans**

Refer to Table 5 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small business loan originations.

*Charleston MSA*

The distribution of small business loans by income level of geography is good.

HNB's percentage of loans in low-income geographies is comparable to the percentage of small businesses. Its percentage in moderate-income geographies exceeds the percentage of small businesses. HNB's market shares for both income levels exceed its overall market share.

*Elkins Non-MSA*

The Elkins Non-MSA assessment area contains only middle-income geographies; therefore no geographic analysis of loan distribution was performed.

**Small Farm Loans**

Refer to Table 6 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of HNB's small farm loan originations.

*Charleston MSA*

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

*Elkins Non-MSA*

The Elkins Non-MSA assessment contains only middle-income geographies; therefore no geographic analysis of loan distribution was performed. HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

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

### ***Home Mortgage Loans***

Refer to Tables 7, 8 and 9 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's home mortgage loan originations.

#### *Charleston MSA*

The distribution of home mortgage loans by income level of borrowers is adequate.

The distribution of home purchase loans, and home improvement loans is adequate. For home purchase loans, HNB's percentage of loans to low-income borrowers was below the percentage of low-income families, but its volume of loans to moderate-income borrowers was at or above that group's level in the assessment area. In this category, HNB's market share was significantly lower for low-income borrowers, but higher with moderate-income borrowers than it was for the market as a whole in these categories. For home improvement loans, HNB's percentage of loans to low-income borrowers was below the level of low-income families in the market, but its percentage to moderate-income borrowers was above that group's level. HNB's market share was exactly the same for low-income borrowers, and lower for moderate-income borrowers than its whole market share for this product.

The distribution of refinance loans by income level of borrowers is poor. HNB's percentage of loans to low-income borrowers was markedly below that group's proportion in the assessment area. The percentage of its loans made to moderate-income borrowers was also well below (about 60%) that group's overall proportion. HNB's market share performance is also weak, with a market share for low-income borrowers that is one-half of its overall market share, and a market share for moderate-income borrowers that is lower than that. The impact of this is increased when it is noted that HNB is a significant participant in this market, ranking 7<sup>th</sup> out of 157 providers in 1998.

#### *Elkins Non-MSA Area*

The distribution of home mortgage loans by income level of borrower is poor.

For both home purchase and home improvement loans, HNB made no loans to low-income applicants. This is notwithstanding the fact that 21% of families in the Elkins assessment area meet the definition of low-income. However, for both of these categories of loans, HNB showed much better performance with moderate-income borrowers. For home purchase loans, its performance was adequate, and for home improvement loans, its performance was strong. Its market share performance was non-existent for low-income applicants, but was adequate for moderate-income home purchase loan borrowers and strong for moderate-income home improvement loan borrowers.

For home mortgage refinance loans, HNB's performance relative to the number of families in the low- and moderate-income categories was very poor, although some loans were made to members of each income group. From a market share perspective, the observed performance was adequate for low-income borrowers, but minimal for moderate-income borrowers.

### ***Small Business Loans***

Refer to Table 10 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small business loan originations.

*Charleston MSA*

The distribution of small business loans by income level of borrower is good.

HNB's percentage of loans to businesses with revenues under \$1 million approximates the percentage of those businesses in the assessment area. Its market share is near its overall market share.

*Elkins Non-MSA*

The distribution of small business loans by income level of borrowers is good.

HNB's percentage of loans to businesses with revenues under \$1 million approximates the percentage of those businesses in the assessment area. Its market share is near its overall market share.

**Small Farm Loans**

Refer to Table 11 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of HNB's small farm loan originations.

*Charleston MSA*

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

*Elkins Non-MSA*

HNB has so few small loans to farms in this market that an analysis is not meaningful. Small farm lending is not a part of HNB's business strategy in this assessment area.

**Community Development Lending**

Refer to Table 1 in the State of West Virginia section of Appendix D for the facts and data used to evaluate HNB's level of community development lending.

*Charleston MSA*

HNB does an adequate job of providing community development loans in the assessment area. 86% of the loans are related to renovation and provision of multifamily housing targeted at low- and moderate-income persons. 12% of the loans (by dollar amount) went to support the provision of health and/or social services by organizations whose principal beneficiaries are low- or moderate-income persons. Finally, 2% of the loans went to organizations that promote economic development by facilitating the establishment and ongoing operation of small businesses.

- HNB loaned approximately \$1.5 million to the Charleston Housing Authority to purchase equipment to improve the energy efficiency of its rental units. The housing authority provides rental housing to low- and moderate-income individuals in the Greater Charleston area.

#### *Elkins Non-MSA*

HNB does an adequate job of providing community development loans in the assessment area. The one covered loan went to support the provision of health and/or social services by organizations whose principal beneficiaries are low- or moderate-income persons.

#### **Product Innovation and Flexibility**

Developing innovative products has not been a principal focus of HNB. It is much more oriented toward developing innovative delivery systems and services that will be discussed in that section of this analysis. The loan products developed and offered as part of HNB's Community Centered Banking program (see Description of Institution comment), while not innovative, do provide a flexible alternative to its standard product set. During the review period, a total of 9 Community Mortgage Loans for \$379,000 were granted.

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

Based on limited-scope reviews, HNB's performance under the Lending Test in the Huntington MSA, NorthCentral WV Non-MSA and the Parkersburg Non-MSA areas is not inconsistent with HNB's overall ("Lending Test rating") performance under the Lending Test in West Virginia. In the Parkersburg MSA and Washington DC MSA areas, HNB's performance is stronger than its overall performance in the state. Both of these areas showed consistently better performance across all types of products reviewed in both geographic and borrower-income level analyses than the areas that received a full scope review. Refer to Tables 1 through 11 in the State of West Virginia section of Appendix D for the facts and data that support these conclusions.

### **INVESTMENT TEST**

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

HNB's performance under the Investment Test in West Virginia is rated High Satisfactory. Based on our full-scope reviews, HNB's performance in both the Charleston MSA and the Elkins Non-MSA areas is adequate. The overall West Virginia High Satisfactory is supported by HNB's good performance in the Huntington and Parkersburg MSA's and the North Central Non-MSA area.

Refer to Table 12 in the State of West Virginia section of Appendix D for the facts and data used to evaluate HNB's level of qualified investments.

Investments in the Charleston MSA and Elkins Non-MSA areas were limited to contributions to various social service related organizations. None of these donations were complex or required special expertise to administer.

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

Based on limited-scope reviews, HNB's performance under the Investment Test in the Washington DC MSA and the Parkersburg Non-MSA areas is not inconsistent with HNB's overall ("Investment Test rating") performance under the Investment Test in West Virginia. In the Huntington MSA, Parkersburg MSA, and the NorthCentral WV Non-MSA areas, HNB's performance is stronger than its overall performance in the state. Refer to Table 12 in the State of West Virginia section of Appendix D for the facts and data that support these conclusions.

In all three of the areas listed above as having performance better than HNB in the state as a whole, the volume of investments was significantly greater than noted elsewhere. In each of those communities, HNB (through HCDC) participated in Low-Income Housing Tax Credit (LIHTC) projects to renovate older buildings or build new facilities to provide housing for low-income residents and families.

One project was undertaken in each of these assessment areas, but the projects were quite large relative to the size of HNB operations in those markets.

### **SERVICE TEST**

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

HNB's performance under the Service Test in West Virginia is rated Low Satisfactory. Based on our full-scope reviews, HNB's performance in the Charleston MSA is good and in the Elkins Non-MSA area is adequate.

#### **Retail Banking Services**

Refer to Table 13 in the State of West Virginia section of Appendix D for the facts and data used to evaluate the distribution of HNB's branch and ATM delivery system.

##### *Charleston MSA*

HNB demonstrates strong performance in providing accessibility to banking products and services to geographies of different income levels. It has greater percentage of branches in both low- and moderate-income geographies than the percentages of residents in those geographies.

During the review period, HNB has closed 5 branches in this assessment area. Of these, 1 was in an upper-income geography, 3 were in middle-income geographies, and 1 was in a moderate-income geography. The closed branch was the South Hills/Kroger branch. No significant loss of service occurred as a result of this closing.

##### *Elkins Non-MSA*

The geographic distribution of branches in this assessment area cannot be evaluated, since all geographies in this area are middle income.

HNB provides generally consistent products, services, and business hours at its branches throughout all its assessment areas in West Virginia, including its branches in low- and moderate-income geographies. Branch operating hours are periodically reviewed to determine if revisions are necessary in response to competitive pressures or customer needs. HNB offers a full array of traditional banking products and services to help meet the needs of all segments of its community.

HNB has made a sizeable commitment to electronic banking. It provides all of its general banking products through a 24-hour telephone banking operation known as 480-BANK (1-800-480-BANK). HNB has also implemented Internet banking through Huntington.com. This provides customers with information about banking services, offers access to customer financial information and a limited number of financial products and services. There is no information available at this time on the geographic distribution of customers using these delivery methods. We could not place significant weight on HNB's alternative delivery systems due to the lack of available information on the location and characteristics.

#### **Community Development Services**

This review encountered no instances of community development services being provided by HNB or its employees in West Virginia.

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

Based on limited-scope reviews, HNB's performance under the Service Test in the Huntington, Parkersburg, and Washington DC MSA's and the NorthCentral West Virginia and Parkersburg Area Non-MSA areas is not inconsistent with HNB's overall ("Service Test rating") performance under the Service Test in West Virginia. Refer to Table 13 in the State of West Virginia section of Appendix D for the facts and data that support these conclusions.

## **APPENDICES**

## **Appendix A: Scope of Examination**



## Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term "Full-Scope") and those that received a less comprehensive review (designated by the term "Limited-Scope").

<b>TIME PERIOD REVIEWED</b>	<b>LENDING TEST:</b> <b>INVESTMENT TEST:</b> <b>SERVICE TEST:</b>	JANUARY 1, 1997 TO DECEMBER 31, 1998 JANUARY 1, 1997 TO JUNE 30, 1999 JANUARY 1, 1997 TO JUNE 30, 1999
<b>Financial Institution</b>		<b>Products Reviewed</b>
The Huntington National Bank (HNB) Columbus, OH		
<b>Affiliate</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
The Huntington Mortgage Company (HMC)	Operating subsidiary of HNB	Home Purchase Loans, Home Mortgage Refinance Loans
Huntington Community Development Corporation	Operating subsidiary of HBI	Loans and Investments directly related to Community Development, such as LIHTC's

<b>LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION</b>		
<b>Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Cincinnati CMSA (#16)</b>	<b>Full Scope</b>	
<b>State of Florida</b>		
Daytona Beach MSA (#2020)	Limited Scope	
Fort Myers MSA (#2700)	Limited Scope	
Lakeland MSA (#3908)	Limited Scope	
Melbourne MSA (#4900)	Limited Scope	
Naples MSA (#5345)	Limited Scope	
<b>Ocala MSA (#5790)</b>	<b>Full Scope</b>	
Orlando MSA (#5960)	Limited Scope	
Sarasota MSA (#7510)	Limited Scope	
<b>Tampa MSA (#8280)</b>	<b>Full Scope</b>	
Leesburg Area Non-MSA	Limited Scope	
Sebring Area Non-MSA	Limited Scope	
<b>State of Indiana</b>		
<b>Indianapolis MSA (#3480)</b>	<b>Full Scope</b>	
Lafayette MSA (#3920)	Limited Scope	
Brown County Non-MSA	Limited Scope	

<b>LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION (CONTINUED)</b>		
<b>State of Michigan</b>		
Benton Harbor MSA (#0870)	Limited Scope	
<b>Detroit MSA (#2160)</b>	<b>Full Scope</b>	
<b>Grand Rapids (#3000)</b>	<b>Full Scope</b>	
Kalamazoo MSA (#3720)	Limited Scope	
Lansing MSA (#4040)	Limited Scope	
Cass/Dowagiac Non-MSA	Limited Scope	
Central West MI Non-MSA	Limited Scope	
<b>NW Michigan Area Non-MSA</b>	<b>Full Scope</b>	
Sault Area Non-MSA	Limited Scope	
West MI Non-MSA	Limited Scope	
<b>State of Ohio</b>		
Akron MSA (#0080)	Limited Scope	
<b>Cleveland MSA (#1680)</b>	<b>Full Scope</b>	
<b>Columbus MSA (#1840)</b>	<b>Full Scope</b>	
Dayton MSA (#2000)	Limited Scope	
Lima MSA (#4320)	Limited Scope	
Mansfield MSA (#4800)	Limited Scope	
Toledo MSA (#8400)	Limited Scope	
Ashland Area Non-MSA	Limited Scope	
Bellefontaine Area Non-MSA	Limited Scope	
Chillicothe Area Non-MSA	Limited Scope	
Dover Area Non-MSA	Limited Scope	
Marysville Area Non-MSA	Limited Scope	
Port Clinton Area Non-MSA	Limited Scope	
Toledo Area Non-MSA	Limited Scope	
Wadsworth Area Non-MSA	Limited Scope	
<b>Washington CH Area Non-MSA</b>	<b>Full Scope</b>	
<b>State of West Virginia</b>		
<b>Charleston MSA (#1480)</b>	<b>Full Scope</b>	
Huntington MSA (#3400)	Limited Scope	
Parkersburg MSA (#6020)	Limited Scope	
Washington DC MSA (#8840)	Limited Scope	
<b>Elkins Area Non-MSA</b>	<b>Full Scope</b>	
NorthCentral WV Non-MSA	Limited Scope	
Parkersburg Area Non-MSA	Limited Scope	

**Appendix B: Summary of State and Multistate MSA Ratings**

### Summary of State and Multistate MSA Ratings

Overall Bank	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/ State/Multistate Rating
The Huntington National Bank	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Cincinnati CMSA	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Florida	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Indiana	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Michigan	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Ohio	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
West Virginia	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

**Appendix C: Market Profiles for Areas Receiving Full Scope  
Reviews**

**Cincinnati CMSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	331	11.8	17.8	43.2	26.9	.3
Population by Geography	1,346,654	7.4	13.4	47.6	31.6	0.0
Owner-Occupied Housing by Geography	319,093	2.3	9.9	50.0	37.8	0.0
Businesses by Geography	47,703	7.3	11.7	47.9	33.1	0.0
Farms by Geography	921	2.9	6.1	56.9	34.1	0.0
Family Distribution by Income Level	353,825	6.2	12.2	48.6	33.0	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	127,059	14.3	20.4	49.3	16.0	0.0
Median Family Income	\$36,712	Median Housing Value		\$74,593		
HUD Adjusted Median Family Income for 1998	\$54,800 <sup>2</sup>	Unemployment Rate (as of 6/99)		3.8%		
Households Below the Poverty Level	12.0%					

HNB is a major, although not dominant, participant in the Cincinnati CMSA market. This assessment area includes all of Hamilton County, Ohio and Boone, Campbell and Kenton Counties in Kentucky. It also includes portions of Clermont, Warren and Butler Counties in Ohio. HNB has 28 branches and no freestanding, deposit taking ATMs serving this assessment area. It has the 5<sup>th</sup> largest deposit market share in the assessment area with 3.4% of deposits. HNB's principal competitors in this market are #1 - The Fifth Third Bank (120 offices/ 23.3% of deposits), #2 - The Provident Bank (59 offices/16.0% of deposits) and #3 - Firststar, NA (97 officers/14.8% of deposits). HNB's primary business focus is constant across all of its geographic markets. This focus is discussed on pages 7 and 8 of this evaluation.

<sup>2</sup> The figure shown is for the Cincinnati MSA only. The HUD Adjusted Median Family Income for 1998 for Hamilton-Middletown/Butler County, Ohio is \$55,100.

Available information on businesses in the CMSA shows a total of approximately 48 thousand non-farm and 1 thousand farm businesses. Of these, 69.5% of the non-farm and 90.9% of the farm businesses have revenues under \$1 million. Of the total businesses (farm and non-farm, of any size) in the MSA, 10.2% are located in low-income and 17.7% are located in moderate-income geographies.

The current condition of the local economy is good. The unemployment rate is currently 3.8%, and has varied between 4.0% and 2.9% since our previous examination. During the period under review, economic conditions in this assessment area have been at least as good as those for the United States generally. The Warren County, Ohio portion of this area is currently the fastest growing county in Ohio. The Cincinnati CMSA has a diversified economic base, with large retail and capital goods sectors.

Prior to beginning this examination, representatives of the OCC conducted community outreach meetings across Ohio, including the Greater Cincinnati area. These contacts stated that the strongest needs in the assessment area are for first-time homebuyers mortgages, flexible-term purchase money mortgages and small business financing. There are a number of sophisticated CDC's and other community-oriented not-for-profit organizations operating in this AA that are engaged in a wide range of community development activities. Most of the retail outlets in the low- and moderate-income areas of this CMSA are small privately held businesses. The large national chain stores (groceries and general business) have outlets on the periphery of the low- and moderate-income areas. Historically, Cincinnati has had a much lower than average level of home ownership. The major public sector initiative in the recent past has involved the development of housing in an area just north of downtown Cincinnati generally referred to as the Over-the-Rhine neighborhood.

**State of Florida****Ocala MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	46	2.2	8.7	71.7	15.2	2.1
Population by Geography	194,833	1.4	8.9	75.9	13.8	0
Owner-Occupied Housing by Geography	59,112	.7	8.0	77.9	13.4	0
Businesses by Geography	6,885	1.1	7.1	76.2	15.6	0
Farms by Geography	483	0.2	6.0	81.8	12.0	0
Family Distribution by Income Level	57,770	17.9	19.3	24.0	38.8	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	21,485	2.3	12.1	78.4	7.2	0
Median Family Income	\$26,089	Median Housing Value		\$61,282		
HUD Adjusted Median Family Income for 1998	\$34,600	Unemployment Rate (as of 06/30/99)		3.8%		
Households Below the Poverty Level	13.5%					

HNB is the 6<sup>th</sup> largest commercial bank and chartered financial institution in this market. It has 4 branches and no freestanding, deposit-taking ATMs in this area. The primary business focus in the Ocala MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are #1 - Bank of America (11 offices, 23.79%), #2 - SunTrust Bank (9 offices/20.1%), #3 - AmSouth Bank (10 offices/16.28%), and #4 - First Union National Bank (6 offices/9.66%). During this review period, HNB has originated 567 loans in this market. HNB's deposit base has increased by approximately 20% during the evaluation period.



An analysis of available data indicates that the predominant employment sectors in this market are retail trade, the services industry and government. The largest private employers are Emergency One and Clairon International. The current condition of the Ocala area economy is strong. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate for the area is currently 3.8%, and has varied between 3.9% and 3.7% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for:

- ⇒ affordable housing for low- and moderate-income people (both owner occupied and rental);
- ⇒ neighborhood revitalization by eliminating uninhabitable structures;
- ⇒ improved services for low- and moderate-income youths; and
- ⇒ additional housing and services for people with special needs (developmentally disables, elderly, handicapped and homeless)

Government agencies and community organizations have focused efforts to address these needs. However, there is a need for the involvement of financial institutions to help address those needs. Currently, the identified needs exceed the ability of those agencies and organizations to meet those needs.

**State of Florida****Tampa MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	413	3.9	22.5	47.0	24.9	1.7
Population by Geography	2,067,959	2.2	22.7	46.6	28.3	.2
Owner-Occupied Housing by Geography	602,494	.9	21.6	47.8	29.7	0
Businesses by Geography	81,229	1.5	24.3	44.5	29.7	0
Farms by Geography	2,095	0.5	24.4	47.7	27.4	0
Family Distribution by Income Level	579,152	18.0	19.5	23.4	39.1	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	217,523	3.8	32.9	47.8	15.5	0
Median Family Income	\$31,244	Median Housing Value		\$78,602		
HUD Adjusted Median Family Income for 1998	\$42,000	Unemployment Rate (as of 6/99)*		- 2.8%		
Households Below the Poverty Level	10.9%					

Unemployment shown is for Tampa MSA.

Within the four counties making up the Tampa MSA area, HNB ranges from the 4th largest commercial bank and chartered financial institution in Hillsborough County to the 6<sup>th</sup> largest commercial bank and 7<sup>th</sup> largest chartered financial institution in Pasco and Pinellas Counties. It has 41 branches and one stand-alone, deposit-taking ATM in this area. The primary business focus in the Tampa MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are Bank of America, First Union National Bank, SunTrust and First South. During this review period, HNB has originated 8,059 loans in this market. Prior to the evaluation period, HNB did not have a presence in this market. It has built its deposit base in this area through acquisitions, primarily branches from Barnett Banks, during the evaluation period.

An analysis of available data indicates that the predominant employment sectors in this market are in the services sector, retail trade and government. The individual largest employers in this assessment area are Hillsborough County School District, GTE Florida, Time Publishing. The current condition of the Tampa area economy is strong. Over the period of this review this economy has strengthened when compared to the movement of the national economy. The unemployment rate for the Tampa MSA is currently 2.8%, and has varied between 3.1% and 2.7% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for:

- ⇒ Affordable housing - development of new affordable housing, rehabilitation of existing supply that is in disrepair, increased supply of affordable housing for people with special needs and programs to provide low- and moderate-income people with the knowledge needed to become homeowners;
- ⇒ increased supply of jobs providing livable wages and job stability; and
- ⇒ improved quality of life, including reduction of crime, increased social services and additional activities and facilities for young people.

There are many agencies and community organizations addressing these needs. Additionally, Tampa has been designated an Enterprise Community by HUD with programs for addressing these needs. However, the scope of these needs requires additional participation by financial institutions, especially in providing affordable housing loan programs and homeownership training for low- and moderate-income people.

**State of Indiana**

**Indianapolis MSA**

Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	254	24	63	99	67	1
Population by Geography	1,052,853	6.5	23.0	38.9	31.6	0
Owner-Occupied Housing by Geography	252,731	4.0	19.3	39.2	37.5	0
Businesses by Geography	42,429	8.0	17.7	36.9	37.4	0
Farms by Geography	1,467	1.1	8.3	55.0	35.6	0
Family Distribution by Income Level	280,205	5.6	21.9	39.2	33.3	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	104,419	11.5	35.3	38.2	15.0	0
Median Family Income	\$37,198	Median Housing Value		\$67,970		
HUD Adjusted Median Family Income for 1998	\$51,100	Unemployment Rate (as of 6/99)*		2.4%		
Households Below the Poverty Level	9.9%					

\*Unemployment shown is for the Indianapolis MSA

All figures shown are as reported by the Department of Workforce Development, State of Indiana.

HNB is the 3<sup>rd</sup> largest commercial bank and 4<sup>th</sup> largest chartered financial institution in this market. It has 18 branches and no freestanding, deposit-taking ATMs in this area. The primary business focus in the Indianapolis MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are #1 Bank One (112 offices/42.5%), #2 National City Bank, Indiana (107 offices/21.0%), and #3 Union Federal Savings Bank (40 offices/7.2%). During this review period, HNB has originated 2,080 loans in this market.

An analysis of available data indicates that the predominant employers in this market are government, manufacturing, heavy industry and distribution. The individual largest employers in this assessment area are the federal, state and local governments, Clarion Health, Eli Lilly and Marsh/Village Pantry Supermarkets. The current condition of the Indianapolis area economy is steady. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate is currently 2.4%, and has varied between 2.8% and the current rate during this review period.

Our contacts have stated that the strongest needs in the assessment area are for affordable housing for low- and moderate-income people, affordable housing for people with special needs (physically challenged), affordable health services, job creation and childcare. Although housing costs are relatively inexpensive in this market, there is a shortage of affordable housing for low-and moderate-income people. There is also a shortage of affordable housing adapted for special needs homebuyers. The other needs are common to most urban areas: the need for affordable health care, the need for full-time jobs paying a living wage and affordable childcare for low- and moderate-income people working outside the home. There are organizations and agencies addressing these needs; however, the needs currently exceed their capacity. An enterprise zone has been created in the central portion of Indianapolis to develop economically sustainable neighborhoods.

**State of Michigan****Detroit MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	380	6.1	13.4	48.4	31.1	1.0
Population by Geography	1,458,074	5.0	12.4	47.1	35.4	.1
Owner-Occupied Housing by Geography	404,863	3.2	10.6	48.9	37.3	0
Businesses by Geography	58,130	2.5	10.5	46.0	41.0	0
Farms by Geography	1,013	0.7	8.9	49.7	40.7	0
Family Distribution by Income Level	394,198	16.1	16.2	23.2	44.5	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	127,145	10.4	21.2	50.9	17.5	0.0
Median Family Income	\$40,727	Median Housing Value		\$85,920		
HUD Adjusted Median Family Income for 1998	\$57,200	Unemployment Rate (as of 6/99)*		- 3.7%		
Households Below the Poverty Level	7.9%					

\*Unemployment rate shown is for the Detroit MSA.

HNB is the 4th largest commercial bank and 6th largest chartered financial institution in this market. It has 40 branches and no stand-alone, deposit-taking ATMs in this area. The primary business focus in the Detroit MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are Comerica Bank, Bank One, Michigan and Standard Federal Bank. During this review period, HNB has originated 4,379 loans in this market, and deposits have increased by 0.1%.

An analysis of available data indicates that the predominant employers in this market are in the manufacturing, services and retail industries. The individual largest employers in this assessment area are General Motors, Ford and Chrysler. The current condition of the Detroit area economy is moderately strong. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate is currently 3.7%, and has varied between the current rate and 3.2% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for home purchase/rehabilitation financing such as FHA 203(K), gap financing for grant funds and small (and micro) business financing. Other needs related to housing include longer-term and ongoing home ownership counseling. Other needs related to small business are for project pre-development and capacity-building support (technical assistance and monetary support). Our contacts also stated that credit and technical training in the school system and increased use of flexible lending guidelines would help address credit related needs in the area. There are a significant number of community organizations and agencies working to address these and other needs. Additionally, an Empowerment Zone has been established in Detroit. Our contacts emphasized the need for additional resources to address these needs and the opportunities for financial institutions to help address them.

**State of Michigan****Grand Rapids MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	211	8.5	15.6	58.3	16.6	1.0
Population by Geography	937,891	4.7	14.1	62.2	19.0	0
Owner-Occupied Housing by Geography	245,806	2.5	11.8	64.9	20.8	0
Businesses by Geography	37,059	7.3	14.4	59.0	19.3	0
Farms by Geography	1,077	0.8	7.8	72.7	18.7	0
Family Distribution by Income Level	247,505	17.7	18.3	26.8	37.2	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	89,231	8.4	21.2	60.5	9.9	0
Median Family Income	\$36,722	Median Housing Value		\$65,034		
HUD Adjusted Median Family Income for 1998	\$50,100	Unemployment Rate (as of 6/99)*		- 3.7%		
Households Below the Poverty Level	9.5%					

\*Unemployment shown is for the Grand Rapids MSA.

HNB is the 2nd largest commercial bank and 2nd largest chartered financial institution in this market. It has 48 branches and no stand-alone ATMs in this area. The primary business focus in the Grand Rapids MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are Old Kent and Bank One, Michigan. During this review period, HNB has originated 13,469 loans in this market. HNB has established its presence in this market during the review period through its acquisition of First Michigan Bank.



An analysis of available data indicates that the predominant employers in this market are in the manufacturing, services and retail industries. The individual largest employers in this assessment area are Steelcase, General Motors and Meijer. The current condition of the Grand Rapids area economy is strong. Over the period of this review this economy has strengthened when compared to the movement of the national economy. The unemployment rate is currently 3.7%, and has varied between the current rate and 2.7% during this review period.

Our contacts have stated that the primary needs in the assessment area are for housing due to an increased population, affordable housing for low- and moderate-income people and small business development/retention/expansion. There are a large number of financial institutions in the area offering standard banking products, including credit products. These financial institutions and community organizations and agencies are working to address these and other identified needs. Additionally, a Renaissance Zone has been established in Grand Rapids and an enterprise community has been established in Muskegon County. Our contacts emphasized the need for additional resources to address these needs and the opportunities for financial institutions to help address them. Additionally, there is the need for products developed specifically to address these needs, such as small dollar home purchase and improvement loans and financial education programs for low- and moderate-income people. There is also a need for small business microlending.

**State of Michigan**

**Northwest Michigan Non-MSA Area**

Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	69	0	5.8	75.4	15.9	2.9
Population by Geography	187,076	0	5.3	76.0	18.7	0
Owner-Occupied Housing by Geography	55,111	0	5.5	76.1	18.4	0
Businesses by Geography	11,319	0	4.2	75.7	20.1	0
Farms by Geography	313	0	4.8	76.0	19.2	0
Family Distribution by Income Level	52,111	15.9	17.8	24.1	42.2	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	17,541	0	8.6	80.1	11.3	0.0
Median Family Income	\$27,894	Median Housing Value		\$59,351		
HUD Adjusted Median Family Income for 1998	\$37,100	Unemployment Rate (as of 6/99)*		- 5.9%		
Households Below the Poverty Level	11.2%					

\*Unemployment shown is for Antrim County. Other counties in the AA report the following unemployment rates for 6/99:

Benzie County	-- 4.0%
Charlevoix County	-- 4.6%
Emmet County	-- 6.1%
Grand Traverse County	-- 3.8%
Kalkaska County	-- 6.1%
Leelanau County	-- 2.6%
Manistee County	-- 5.7%
Mason County	-- 5.3%

HNB is the 4th largest commercial bank and chartered financial institution in this market. It has 11 branches and no stand-alone ATMs in this area. The primary business focus in the Northwest Michigan Non-MSA area is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are Old Kent, Empire National Bank and Bank One, Michigan. During this review period, HNB has originated 1,216 loans in this market. HNB has established its presence in the market during the review period through the acquisition of First Michigan Bank.

An analysis of available data indicates that the predominant employers in this market are in the services, retail and manufacturing industries. The individual largest employers in this assessment area are Chef Pierre, Northern Michigan Hospitals and United Technologies. The current condition of the Northwest Michigan Non-MSA area economy is moderately strong. Over the period of this review this economy has been stable when compared to the movement of the national economy. The weighted average unemployment rate for this area containing nine counties is currently 4.7%, and has varied between the current rate and 5.8% during this review period. Currently, Emmet and Kalkaska Counties have the highest unemployment rate in the area of 6.1%.

Our contacts have stated that the strongest needs in the assessment area are for home loan financing for construction, purchase or improvement and small business lending. The area has some community organizations and agencies addressing these needs. However, the contacts said there are opportunities for financial institutions to help address these needs.

**State of Ohio****Cleveland MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	651	17.5	17.2	40.1	22.6	2.6
Population by Geography	1,950,885	10.9	15.2	46.7	27.1	.1
Owner-Occupied Housing by Geography	495,440	5.3	11.2	51.4	32.1	0.0
Businesses by Geography	70,491	10.3	10.9	44.9	33.8	0
Farms by Geography	1,372	1.6	5.4	48.4	44.6	0
Family Distribution by Income Level	522,299	20.2	17.2	23.8	38.8	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	195,370	19.9	23.0	43.7	13.4	0
Median Family Income	\$36,500	Median Housing Value		\$73,235		
HUD Adjusted Median Family Income for 1998	\$49,400	Unemployment Rate (as of 6/99)		4.6%		
Households Below the Poverty Level	12.2%					

HNB is the 5th largest commercial bank and 7th largest chartered financial institution in this market. It has 44 branches and 2 freestanding, deposit taking ATMs in this area. The primary business focus in the Cleveland MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are (1) KeyBank, NA, (2) National City Bank, (3) Third Federal Savings and Loan, and (4) Charter One Bank. During this review period, HNB has originated 5416 loans in this market.

An analysis of available data indicates that the predominant employers in this market are in the public sector, health care, and financial services industries. The individual largest employers in this assessment area are the United States Government and the Cleveland Clinic Foundation. The current condition of the Cleveland area economy is good. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate is currently 4.6%, and has varied between 5.5% and 4.0% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for small business financing, venture capital for start-up businesses and affordable housing. The Cleveland MSA is home to a large number of sophisticated community-based organizations that are engaged in a wide range of activities from industrial retention and development, to housing rehabilitation, to new home construction. There is sufficient capacity and expertise in the community to meet the opportunities presented. Most retail outlets and low- or moderate-income areas are small, locally owned operations. However, one grocery store chain has been moderately aggressive about building and/or remodeling in LMI areas. The City of Cleveland is currently working on trying to deepen the retail base in these areas. Housing is available in all reasonable price levels across the MSA.

The City of Cleveland is home to several empowerment zones. Several programs are underway in these areas using CDBG funds in addition to specifically designated empowerment zone funding. In addition, the current city administration has been aggressively pursuing written agreements with financial institutions operating in Cleveland concerning the types and amounts of financing that the administration would like to see extended throughout the city.

**State of Ohio****Columbus MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	342	10.5	24.6	43.3	20.8	.8
Population by Geography	1,345,450	9.0	20.1	43.3	27.6	0.0
Owner-Occupied Housing by Geography	306,946	3.7	16.3	47.4	32.6	0.0
Businesses by Geography	48,364	8.9	18.7	40.2	32.2	0
Farms by Geography	1,053	2.6	12.0	54.9	30.6	0
Family Distribution by Income Level	348,953	19.1	18.0	24.6	38.3	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	129,331	14.1	29.7	44.3	11.9	0
Median Family Income	\$36,792	Median Housing Value		\$74,004		
HUD Adjusted Median Family Income for 1998	\$50,600	Unemployment Rate (as of 6/99)		2.9%		
Households Below the Poverty Level	11.5%					

HNB is the 2nd largest commercial bank and 2nd largest chartered financial institution in this market. It has 53 branches and 7 ATMs in this area. The primary business focus in the Columbus MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are Bank One, Fifth-Third Bank, and National City Bank. During this review period, HNB has originated 8,370 loans in this market.

An analysis of available data indicates that the predominant employers in this market are in the public sector, financial services, and retail industries. The individual largest employers in this assessment area are the State of Ohio and The Ohio State University. The current condition of the Columbus area economy is good. Over the period of this review this economy has strengthened when compared to the movement of the national economy. The Columbus area has been the economically strongest performing area of Ohio over the past 25 years. The unemployment rate is currently 2.9%, and has varied between 3.2% and 2.4% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for affordable housing and small business financing. With the exception of the Columbus Housing Network and the Urban League of Columbus, community-based organizations generally are not as comprehensive or as numerous in Columbus as they are in other Ohio cities. This is principally a result of Columbus not fully entering upon its growth into a city of significant size until after World War II. Its concerns have generally been those of managing growth, rather than working on limiting decline. While not as numerous as in other parts of the city, national retail outlets are found in low- and moderate neighborhoods in Columbus.

Housing prices in Columbus are distorted somewhat to the upward side through the confluence of two events: the relative youth of the housing stock in significant portions of the community, and the placement of a large amount of the older (and theoretically more affordable) housing stock in close proximity to the main campus of The Ohio State University.

**State of Ohio****Washington Court House/Fayette County Non-MSA Area**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	7	0	28.6	71.4	0	0
Population by Geography	27,466	0	27.9	72.1	0	0
Owner-Occupied Housing by Geography	6,634	0	28.0	72.0	0	0
Businesses by Geography	841	0	23.9	76.1	0	0
Farms by Geography	36	0	13.9	86.1	0	0
Family Distribution by Income Level	7,804	24.6	21.0	23.4	31.0	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	3,555	0	32.4	67.6	0	0
Median Family Income	\$30,563	Median Housing Value		\$44,559		
HUD Adjusted Median Family Income for 1998	\$40,500	Unemployment Rate (as of 6/99)		4.5%		
Households Below the Poverty Level	16.7%					

HNB is the largest commercial bank and largest chartered financial institution in this market. It has one (1) branch and no free standing, deposit-taking ATMs in this area. The primary business focus in the Washington Court House/Fayette County Non-MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are: (2) First Federal Savings Bank of Washington Court House; (3) Fifth Third Bank, and (4) National City Bank. During this review period, HNB originated 341 loans in this market.

An analysis of available data indicates that the predominant employers in this market are in the retail and service industries. The individual largest employers in this assessment area are YUSA Corp (rubber parts for the automobile industry), Advance Auto Parts (secondary market auto parts), and Calmar, Inc. (plastic bottle pumps).



The current condition of the Washington Court House/Fayette County Non-MSA area economy is good. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate is currently 4.5%, and has varied between 8.1% and 3.1% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for affordable housing, first-time homebuyers assistance, small business/venture capital funding, and transitional housing. While a predominantly rural area, recent projects undertaken by local not-for-profit agencies, particularly the conversion of a former motel into an SRO (single room occupancy) living facility indicates a growing need for non-traditional housing as well as a growing capacity to meet that need. There are no significant public projects addressing these needs currently underway.

**State of West Virginia****Charleston MSA**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	61	1.7	21.3	55.7	21.3	0
Population by Geography	250,454	.8	19.1	57.6	22.5	0
Owner-Occupied Housing by Geography	71,089	.1	17.5	58.0	24.4	0
Businesses by Geography	7,371	12.7	20.3	44.6	22.5	0
Farms by Geography	62	3.2	16.1	53.2	27.4	0
Family Distribution by Income Level	71,638	21.1	18.4	21.0	39.5	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	28,316	.7	26.1	59.5	13.7	0
Median Family Income	\$30,296	Median Housing Value		\$58,052		
HUD Adjusted Median Family Income for 1998	\$38,900	Unemployment Rate (as of 6/99)*		4.4%		
Households Below the Poverty Level	14.6%					

\* Unemployment information from West Virginia Bureau of Employment ([www.state.wv.us/bep](http://www.state.wv.us/bep))

HNB is the 4<sup>th</sup> largest commercial bank and 4<sup>th</sup> largest chartered financial institution in this market. It has 8 branches and no freestanding, deposit-taking ATMs in this area. The primary business focus in the Charleston MSA is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are #1 - One Valley Bank, N.A. (13 offices/34.4%), #2 - City National Bank (14 offices/12.5%), and #3 - Bank One (11 offices/12.1%). During this review period, HNB has originated 1330 loans in this market.

An analysis of available data indicates that the predominant employers in this market are in the governmental, educational, and health care industries. The individual largest employers in this assessment area are the State of West Virginia (including all of its various departments, boards, and commissions), the Kanawha County Board of Education, and the Charleston Area Medical Center. The current condition of the Charleston area economy is good compared to the rest of West Virginia, but only fair when compared to the United States as a whole. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate is currently 4.4%, and has varied between 5.8% and 4.1% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for programs for first-time homebuyers, specialized housing for the elderly (including congregate and assisted living facilities), and capacity building among CDC and other similar community based organizations.

All of West Virginia is part of the Appalachian Regional Commission, which is a federal commission designed to help alleviate poverty and isolation throughout the Appalachian Region.

**State of West Virginia****Elkins/Randolph County Non-MSA Area**

## Demographic Information

Demographic Characteristics	#	Low % of #	Mod % of #	Mid % of #	Upp % of #	NA % of #
Geographies (Census Tracts/BNAs)	7	0	0	100.0	0	0
Population by Geography	27,803	0	0	100.0	0	0
Owner-Occupied Housing by Geography	7,720	0	0	100.0	0	0
Businesses by Geography	701	0	0	100.0	0	0
Farms by Geography	10	0	0	100.0	0	0
Family Distribution by Income Level	7,511	21.0	18.9	23.0	37.1	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	2,992	0	0	100.0	0	0
Median Family Income	\$22,655	Median Housing Value		\$45,351		
HUD Adjusted Median Family Income for 1998	\$28,200	Unemployment Rate (as of 6/99)*		6.8%		
Households Below the Poverty Level	21.1%					

\* Unemployment information from West Virginia Bureau of Employment ([www.state.wv.us/bep](http://www.state.wv.us/bep))

HNB is the 3<sup>rd</sup> largest commercial bank and 3<sup>rd</sup> largest chartered financial institution in this market. It has 2 branches and no freestanding, deposit-taking ATMs in this area. The primary business focus in the Elkins/Randolph County Non-MSA area is the same as for the rest of HNB (refer to Description of Institution). Its principal competitors here (based on deposit volume) are #1 - Davis Trust Company (1 office/31.1%), and #2 Citizens National Bank of Elkins (3 offices/30.8%). During this review period, HNB has originated 290 loans in this market.

An analysis of available data indicates that the predominant employers in this market are in the education, health care, and forestry/forest products industries. The individual largest employers in this assessment area are the Randolph County Board of Education, Davis Memorial Hospital, and the Bruce Hardwood Flooring Company. The current condition of the Elkins/Randolph County Non-MSA area economy is fair compared to the State of West Virginia. Over the period of this review this economy has been stable when compared to the movement of the national economy. The unemployment rate is currently 6.8%, and has varied between 6.8% and 11.1% during this review period.

Our contacts have stated that the strongest needs in the assessment area are for programs for venture capital/small business start-up financing, specialized housing for the elderly (including congregate and assisted living facilities), and capacity building among CDC and other similar community based organizations.

All of West Virginia is part of the Appalachian Regional Commission, which is a federal commission designed to help alleviate poverty and isolation throughout the Appalachian Region.

## **Appendix D: Performance Tables**

## Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. The tables cover the entire CRA evaluation period. References to HNB include activities of any affiliates that were provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following statements are applicable: (a) purchased loans are treated as originations; (b) market rank is based on the number of loans made by HNB as compared to all other lenders in the MSA/assessment area; and (c) market share is the number of loans originated by HNB as a percentage of the aggregate number of reportable loans originated by all lenders in the MSA/assessment area. 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 by HNB over the evaluation period by MSA/assessment area.
- Table 2. Geographic Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated by HNB 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 rank and market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of HMDA Home Improvement Loan Originations** - See Table 2.
- Table 4. Geographic Distribution of HMDA Refinance Loan Originations** - See Table 2.
- Table 5. Geographic Distribution of Small Business Loan Originations** - The percentage distribution of the number of small loans (<\$1,000,000) to businesses originated by HNB 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 ranks and market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Farm Loan Originations** - The percentage distribution of the number of small loans (<\$500,000) to farms originated by HNB 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 rank and market share information based on the most recent aggregate market data available.

- Table 7. Borrower Distribution of HMDA Home Purchase Loan Originations -** Compares the percentage distribution of the number of loans originated by HNB to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MSA/assessment. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of HMDA Home Improvement Loan Originations -** See Table 7.
- Table 9. Borrower Distribution of HMDA Home Refinance Loan Originations -** See Table 7.
- Table 10. Borrower Distribution of Small Business Loan Originations -** Compares the percentage distribution of the number of small loans (<\$1,000,000) originated by HNB to businesses with revenues of \$1,000,000 or less to the percentage distribution of businesses with revenues of \$1,000,000 or less. The table also presents the percentage distribution of the number of loans originated by HNB 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 11. Borrower Distribution of Small Farm Loan Originations -** Compares the percentage distribution of the number of small loans (<\$500,000) originated by HNB to farms with revenues of \$1,000,000 or less to the percentage distribution of farms with revenues of \$1,000,000 or less. The table also presents the percentage distribution of the number of loans originated by HNB 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 12. Qualified Investments -** Presents the number and dollar amount of qualified investments made by HNB in each MSA/assessment area.
- Table 13. Distribution of Branch and ATM Delivery System -** Compares the percentage distribution of the number of HNB's retail branches and ATMs in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography.



**Cincinnati CMSA**

**Table 1. Lending Volume**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	% OF RATING AREA DEPOSITS IN AA*	HOME MORTGAGE		SMALL BUSINESS		SMALL FARM		COMMUNITY DEVELOPMENT		TOTAL REPORTED LOANS		% OF RATING AREA LOANS IN AA (% OF #)
		#	\$	#	\$	#	\$	#	\$	#	\$	
<i>Full Scope</i>												
<b>Cincinnati CMSA</b>	<b>100.0</b>	<b>2506</b>	<b>162977</b>	<b>976</b>	<b>129104</b>	<b>1</b>	<b>14</b>	<b>5</b>	<b>2168</b>	<b>3488</b>	<b>294263</b>	<b>100.0</b>

\* Deposit data as of June 30, 1998

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>2.3</b>	<b>1.0</b>	<b>9.9</b>	<b>8.7</b>	<b>50.0</b>	<b>50.0</b>	<b>37.8</b>	<b>40.3</b>	<b>27</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>1.1</b>	<b>690</b>	<b>100.0</b>

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>2.3</b>	<b>2.4</b>	<b>9.9</b>	<b>9.9</b>	<b>50.0</b>	<b>57.5</b>	<b>37.8</b>	<b>30.2</b>	<b>7</b>	<b>4.7</b>	<b>3.3</b>	<b>4.2</b>	<b>5.0</b>	<b>4.6</b>	<b>771</b>	<b>100.0</b>

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating area.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>2.3</b>	<b>0.6</b>	<b>9.9</b>	<b>4.6</b>	<b>50.0</b>	<b>53.6</b>	<b>37.8</b>	<b>41.2</b>	<b>15</b>	<b>1.3</b>	<b>0.6</b>	<b>0.8</b>	<b>1.4</b>	<b>1.3</b>	<b>1045</b>	<b>100.0</b>

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL BUSINESS LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>7.3</b>	<b>6.3</b>	<b>11.7</b>	<b>10.3</b>	<b>47.9</b>	<b>45.1</b>	<b>33.1</b>	<b>37.6</b>	<b>8</b>	<b>4.3</b>	<b>4.4</b>	<b>4.3</b>	<b>4.0</b>	<b>4.9</b>	<b>976</b>	<b>100.0</b>

(\*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(\*\*) Small Business loans within an MSA/AA as a % of all small business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL FARM LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>2.9</b>	<b>0</b>	<b>6.1</b>	<b>0</b>	<b>56.9</b>	<b>100.0</b>	<b>34.1</b>	<b>0</b>	<b>9</b>	<b>1.5</b>	<b>0</b>	<b>0</b>	<b>1.9</b>	<b>0</b>	<b>1</b>	<b>100.0</b>

(\*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

(\*\*) Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>6.2</b>	<b>8.8</b>	<b>12.2</b>	<b>28.1</b>	<b>48.6</b>	<b>28.7</b>	<b>33.0</b>	<b>34.4</b>	<b>27</b>	<b>0.9</b>	<b>1.0</b>	<b>0.9</b>	<b>1.0</b>	<b>1.3</b>	<b>690</b>	<b>100.0</b>

(\*) As a percentage of loans with borrower income information available. No information was available for 1.0% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>6.2</b>	<b>15.8</b>	<b>12.2</b>	<b>22.6</b>	<b>48.6</b>	<b>31.0</b>	<b>33.0</b>	<b>30.6</b>	<b>7</b>	<b>4.7</b>	<b>4.6</b>	<b>4.8</b>	<b>4.4</b>	<b>5.3</b>	<b>771</b>	<b>100.0</b>

(\*) As a percentage of loans with borrower income information available. No information was available for 0.5% of loans originated by HNB.

(\*\*) Based on the 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *	% OF FAMILIES	% HNB LOANS *								
<i>Full Scope</i>																
<b>Cincinnati CMSA</b>	<b>6.2</b>	<b>6.6</b>	<b>12.2</b>	<b>22.9</b>	<b>48.6</b>	<b>32.2</b>	<b>33.0</b>	<b>38.3</b>	<b>15</b>	<b>1.3</b>	<b>1.2</b>	<b>1.6</b>	<b>1.6</b>	<b>1.4</b>	<b>1045</b>	<b>100.0</b>

(\*) As a percentage of loans with borrower income information available. No information was available for 2.1% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	BUSINESSES WITH REVENUES OF \$1,000,000 OR LESS			LOANS BY ORIGINAL AMOUNT REGARDLESS OF BUSINESS SIZE			MARKET SHARE***		TOTAL SMALL BUSINESS LOANS		
	% of Businesses*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Cincinnati CMSA</b>	<b>69.5</b>	<b>31.6</b>	<b>51.7</b>	<b>69.0</b>	<b>13.9</b>	<b>17.1</b>	<b>4.3</b>	<b>2.2</b>	<b>976</b>	<b>100.0</b>	<b>145</b>

(\*) Businesses with revenues of \$1,000,000 or less as a percentage of all businesses.

(\*\*) Loans to businesses with revenues of \$1,000,000 or less as a percentage of all loans reported as small loans to businesses. No revenue information was available for 39% of small loans to businesses reported by HNB.

(\*\*\*) The market consists of all other Small Business reporters in HNB's assessment area and is based on 1998 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	FARMS WITH REVENUES OF \$1,000,000 OR LESS			LOANS BY ORIGINAL AMOUNT REGARDLESS OF FARM SIZE			MARKET SHARE***		TOTAL SMALL FARM LOANS		
	% of Farms*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES <\$1 MILLION	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Cincinnati CMSA</b>	<b>90.9</b>	<b>100.0</b>	<b>85.2</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>1.5</b>	<b>0</b>	<b>1</b>	<b>100.0</b>	<b>204</b>

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by HNB.

(\*\*\*) The market consists of all other Small Farm reporters in HNB's assessment area and is based on 1998 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

Evaluation Period: October 16, 1996 to June 30, 1999

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	PRIOR PERIOD INVESTMENTS*			CURRENT PERIOD INVESTMENTS			TOTAL INVESTMENTS		
	#	\$(000's)	%**	#	\$(000's)	%**	#	\$(000's)	% of Total \$'s
<i>Full Scope</i>									
<b>Cincinnati CMSA</b>	<b>4</b>	<b>553</b>	<b>100.0</b>	<b>16</b>	<b>1428</b>	<b>100.0</b>	<b>20</b>	<b>1981</b>	<b>100.0</b>

(\*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.

(\*\*) Percentage of the dollars invested in that MSA/AA that are prior or current period investments.



**Table 13. Distribution of Branch and ATM Delivery Systems**

Evaluation Period: October 16, 1996 to December 31, 1998

Multi-State MSA: Cincinnati CMSA #16

MSA/ASSESSMENT AREA	DEPOSIT	BRANCHES						ATMs				POPULATION						
	% of Rating Area Deposits in AA	# of HNB Branches	% of Rating Area Branches in AA	% Distribution of Branches by Income Level of Geography				# of HNB ATMs	% of Rating Area ATMs in AA	% Distribution of ATMs by Income Level of Geography				% of the Population residing within Each Income Level of Geography*				
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<i>Full Scope</i>																		
<b>Cincinnati CMSA</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>	<b>0</b>	<b>10.7</b>	<b>53.6</b>	<b>35.7</b>	<b>0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7.4</b>	<b>13.4</b>	<b>47.6</b>	<b>31.6</b>	

(\*) The percentage of the population in the MSA/AA that resides in these geographies.

**State of Florida**

**Table 1. Lending Volume**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	% OF RATING AREA DEPOSITS IN AA*	HOME MORTGAGE		SMALL BUSINESS		SMALL FARM		COMMUNITY DEVELOPMENT		TOTAL REPORTED LOANS		% OF RATING AREA LOANS IN AA (% OF #)
		#	\$	#	\$	#	\$	#	\$	#	\$	
<i>Full Scope</i>												
<b>Ocala MSA (#5790)</b>	<b>2.7</b>	<b>431</b>	<b>28799</b>	<b>136</b>	<b>14040</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>567</b>	<b>42839</b>	<b>3.2</b>
<b>Tampa MSA (#8280)</b>	<b>34.3</b>	<b>7315</b>	<b>404997</b>	<b>743</b>	<b>46253</b>	<b>1</b>	<b>270</b>	<b>0</b>	<b>0</b>	<b>8059</b>	<b>451520</b>	<b>45.7</b>
<i>Limited Scope</i>												
Daytona Beach MSA (#2020)	3.2	590	37557	76	1741	0	0	0	0	666	39298	3.8
Fort Myers MSA (#2700)	4.9	984	71370	300	14620	0	0	0	0	1284	85990	7.3
Lakeland MSA (#3908)	9.4	510	24501	366	18611	0	0	0	0	876	43091	5.0
Melbourne MSA (#4900)	7.9	712	42490	332	21929	0	0	1	67	1045	64486	5.9
Naples MSA (#5345)	1.9	280	65329	13	3652	0	0	0	0	293	68981	1.6
Orlando MSA (#5960)	16.8	1115	84276	641	45741	1	23	8	2367	1765	132398	10.0
Sarasota MSA (#7510)	13.7	2449	170839	296	13888	0	0	4	8562	2749	193279	15.6
Leesburg Area Non-MSA	4.8	51	2358	18	1166	0	0	0	0	69	3524	0.4
Sebring Area Non-MSA	0.4	185	9463	76	4124	1	32	0	0	261	13619	1.5

(\*) Deposit data as of June 30, 1998

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL**
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>.7</b>	<b>0</b>	<b>8.0</b>	<b>1.7</b>	<b>77.9</b>	<b>87.1</b>	<b>13.4</b>	<b>11.2</b>	<b>15</b>	<b>1.7</b>	<b>0</b>	<b>0</b>	<b>1.8</b>	<b>1.4</b>	<b>295</b>	<b>3.2</b>
<b>Tampa MSA (#8280)</b>	<b>.9</b>	<b>0.5</b>	<b>21.6</b>	<b>19.9</b>	<b>47.8</b>	<b>45.5</b>	<b>29.7</b>	<b>34.1</b>	<b>1</b>	<b>6.7</b>	<b>7.3</b>	<b>8.8</b>	<b>6.9</b>	<b>5.6</b>	<b>4576</b>	<b>49.9</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	1.3	1.5	11.3	6.7	76.1	73.0	11.3	18.8	8	2.6	16.2	3.3	2.4	3.8	403	4.4
Fort Myers MSA (#2700)	.5	0.7	13.5	12.9	74.9	74.1	11.1	12.2	5	4.1	18.5	6.7	3.9	3.5	673	7.3
Lakeland MSA (#3908)	.4	0	13.7	4.6	69.1	67.5	16.8	27.8	21	1.1	0	0.6	1.1	1.2	194	2.1
Melbourne MSA (#4900)	.5	0.3	18.8	10.9	60.3	60.5	20.4	28.3	9	3.0	0	2.5	2.9	3.3	385	4.2
Naples MSA (#5345)	1.2	0	7.7	0	57.9	49.2	33.2	50.8	29	1.0	0	0	0.9	1.2	193	2.1
Orlando MSA (#5960)	.9	0	17.6	43.0	55.9	40.3	25.6	16.7	32	0.7	0	2.7	0.5	0.5	628	6.9
Sarasota MSA (#7510)	.4	0.3	13.8	8.7	63.0	68.2	22.8	22.8	2	8.3	23.1	7.7	9.3	6.5	1722	18.8
Leesburg Area Non-MSA	0	0	13.6	5.4	86.4	94.6	0	0	14	1.1	0	3.6	0.9	0	74	.8
Sebring Area Non-MSA	0	0	8.5	15.4	91.5	84.6	0	0	10	2.4	0	1.3	2.5	0	26	.3

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>.7</b>	<b>0</b>	<b>8.0</b>	<b>5.3</b>	<b>77.9</b>	<b>76.3</b>	<b>13.4</b>	<b>18.4</b>	<b>20</b>	<b>0.8</b>	<b>0</b>	<b>0</b>	<b>0.8</b>	<b>1.2</b>	<b>38</b>	<b>1.6</b>
<b>Tampa MSA (#8280)</b>	<b>.9</b>	<b>2.2</b>	<b>21.6</b>	<b>24.1</b>	<b>47.8</b>	<b>44.9</b>	<b>29.7</b>	<b>28.8</b>	<b>2</b>	<b>11.8</b>	<b>18.5</b>	<b>14.5</b>	<b>11.6</b>	<b>10.1</b>	<b>1248</b>	<b>52.3</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	1.3	1.2	11.3	11.8	76.1	71.7	11.3	15.3	6	5.1	4.0	6.6	4.7	6.4	85	3.6
Fort Myers MSA (#2700)	.5	2.4	13.5	8.1	74.9	78.2	11.1	11.3	4	8.6	21.4	6.7	8.4	10.9	124	5.2
Lakeland MSA (#3908)	.4	0	13.7	12.6	69.1	64.7	16.8	22.7	6	6.0	0	8.0	6.1	4.5	198	8.3
Melbourne MSA (#4900)	.5	.6	18.8	17.1	60.3	58.9	20.4	23.4	4	8.9	0	10.0	8.3	10.5	158	6.6
Naples MSA (#5345)	1.2	0	7.7	0	57.9	0	33.2	100.0	31	0.3	0	0	0	1.2	2	.1
Orlando MSA (#5960)	.9	0	17.6	30.1	55.9	48.2	25.6	21.7	13	1.7	0	2.0	1.6	1.8	166	6.9
Sarasota MSA (#7510)	.4	.9	13.8	14.5	63.0	68.2	22.8	16.4	1	15.7	18.8	16.5	17.0	11.5	324	13.6
Leesburg Area Non-MSA	0	0	13.6	5.9	86.4	94.1	0	0	10	1.2	0	5.9	0.7	0	34	1.4
Sebring Area Non-MSA	0	0	8.5	10.0	91.5	90.0	0	0	4	8.2	0	0	8.9	0	10	.4

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>.7</b>	<b>1.0</b>	<b>8.0</b>	<b>4.1</b>	<b>77.9</b>	<b>79.6</b>	<b>13.4</b>	<b>15.3</b>	<b>23</b>	<b>1.2</b>	<b>0</b>	<b>0.4</b>	<b>1.3</b>	<b>1.0</b>	<b>98</b>	<b>3.2</b>
<b>Tampa MSA (#8280)</b>	<b>.9</b>	<b>1.1</b>	<b>21.6</b>	<b>26.9</b>	<b>47.8</b>	<b>45.2</b>	<b>29.7</b>	<b>26.8</b>	<b>7</b>	<b>2.2</b>	<b>2.8</b>	<b>4.0</b>	<b>2.3</b>	<b>1.5</b>	<b>1492</b>	<b>48.6</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	1.3	1.0	11.3	5.9	76.1	88.2	11.3	4.9	31	0.7	1.0	0.7	0.7	0.5	102	3.3
Fort Myers MSA (#2700)	.5	1.6	13.5	14.5	74.9	74.3	11.1	9.6	17	1.4	5.4	2.5	1.3	0.8	187	6.1
Lakeland MSA (#3908)	.4	0	13.7	5.1	69.1	70.3	16.8	24.6	30	0.8	0	0.3	0.8	1.1	118	3.9
Melbourne MSA (#4900)	.5	0	18.8	15.4	60.3	59.2	20.4	25.4	21	1.1	0	1.5	1.0	1.1	169	5.5
Naples MSA (#5345)	1.2	0	7.7	0	57.9	61.2	33.2	38.8	23	0.9	0	0	1.0	0.8	85	2.8
Orlando MSA (#5960)	.9	.3	17.6	32.4	55.9	46.1	25.6	21.2	46	0.5	0.4	1.4	0.4	0.3	321	10.5
Sarasota MSA (#7510)	.4	1.7	13.8	12.7	63.0	69.0	22.8	16.6	10	2.2	11.3	3.3	2.5	1.2	403	13.1
Leesburg Area Non-MSA	0	0	13.6	15.6	86.4	84.4	0	0	11	1.4	0	3.3	1.2	0	77	2.5
Sebring Area Non-MSA	0	0	8.5	13.3	91.5	86.7	0	0	7	3.3	0	6.5	3.1	0	15	.5

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL BUSINESS LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>1.1</b>	<b>0.7</b>	<b>7.1</b>	<b>9.9</b>	<b>76.2</b>	<b>57.6</b>	<b>15.6</b>	<b>29.8</b>	<b>9</b>	<b>2.3</b>	<b>0.0</b>	<b>2.5</b>	<b>2.1</b>	<b>2.8</b>	<b>136</b>	<b>4.6</b>
<b>Tampa MSA (#8280)</b>	<b>1.5</b>	<b>1.8</b>	<b>24.3</b>	<b>26.5</b>	<b>44.5</b>	<b>41.1</b>	<b>29.7</b>	<b>30.5</b>	<b>9</b>	<b>4.3</b>	<b>8.0</b>	<b>4.8</b>	<b>4.2</b>	<b>4.0</b>	<b>743</b>	<b>24.8</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	3.1	11.9	20.0	21.4	67.6	61.9	9.3	4.8	10	1.9	5.7	3.1	1.7	0.8	76	2.5
Fort Myers MSA (#2700)	0.7	1.2	11.1	17.4	74.9	70.4	13.3	11.1	5	7.4	22.2	12.3	7.2	5.3	300	10.0
Lakeland MSA (#3908)	2.3	5.6	21.1	20.3	61.8	53.4	14.8	20.6	7	6.6	16.2	8.0	5.3	8.6	366	12.2
Melbourne MSA (#4900)	1.2	0.5	33.0	32.0	49.6	40.7	16.2	26.6	7	6.6	0	8.5	5.5	7.5	332	11.1
Naples MSA (#5345)	3.0	0	3.6	0	63.3	71.4	30.1	28.6	21	0.3	0	0	0.4	0.2	13	.4
Orlando MSA (#5960)	3.2	3.8	19.7	36.6	53.8	42.9	23.2	16.7	11	2.3	3.7	4.6	1.8	1.6	641	21.4
Sarasota MSA (#7510)	0.6	0	21.8	24.9	55.4	58.1	22.3	16.4	5	6.0	7.1	8.3	6.3	3.8	296	9.9
Leesburg Area Non-MSA	0	0	22.0	20.0	78.0	80.0	0	0	6	6.0	0	7.4	6.0	0	18	.6
Sebring Area Non-MSA	0	0	5.0	7.1	95.0	92.9	0	0	6	6.6	0	9.1	6.5	0	76	2.5

(\*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(\*\*) Small Business loans within an MSA/AA as a % of all small business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL FARM LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>0.2</b>	<b>0</b>	<b>6.0</b>	<b>0</b>	<b>81.8</b>	<b>0</b>	<b>12.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tampa MSA (#8280)</b>	<b>0.5</b>	<b>0</b>	<b>24.4</b>	<b>100.0</b>	<b>47.7</b>	<b>0</b>	<b>27.4</b>	<b>0</b>	<b>11</b>	<b>1.3</b>	<b>0.0</b>	<b>5.9</b>	<b>0.0</b>	<b>0.0</b>	<b>1</b>	<b>33.3</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	0.2	0	11.2	0	72.6	0	16.0	0	0	0	0	0	0	0	0	0
Fort Myers MSA (#2700)	0.5	0	13.5	0	75.9	0	10.2	0	0	0	0	0	0	0	0	0
Lakeland MSA (#3908)	0.8	0	14.1	0	69.5	0	15.7	0	0	0	0	0	0	0	0	0
Melbourne MSA (#4900)	0.4	0	22.0	0	62.4	0	15.2	0	0	0	0	0	0	0	0	0
Naples MSA (#5345)	0.8	0	11.0	0	67.8	0	20.3	0	0	0	0	0	0	0	0	0
Orlando MSA (#5960)	0.8	0	19.5	0	57.2	100.0	22.4	0	11	2.8	0	0	5.9	0	1	33.4
Sarasota MSA (#7510)	0.4	0	10.8	0	64.4	0	24.4	0	0	0	0	0	0	0	0	0
Leesburg Area Non-MSA	0	0	8.8	0	91.2	0	0	0	0	0	0	0	0	0	0	0
Sebring Area Non-MSA	0	0	14.1	0	85.9	100.0	0	0	4	2.1	0	0	2.2	0	1	33.3

(\*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

(\*\*) Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.



**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>17.9</b>	<b>3.4</b>	<b>19.3</b>	<b>12.0</b>	<b>24.0</b>	<b>31.5</b>	<b>38.8</b>	<b>53.1</b>	<b>15</b>	<b>1.7</b>	<b>1.4</b>	<b>0.9</b>	<b>2.1</b>	<b>2.6</b>	<b>295</b>	<b>3.2</b>
<b>Tampa MSA (#8280)</b>	<b>18.0</b>	<b>13.1</b>	<b>19.5</b>	<b>24.0</b>	<b>23.4</b>	<b>25.2</b>	<b>39.1</b>	<b>37.7</b>	<b>1</b>	<b>6.7</b>	<b>0.8</b>	<b>0.4</b>	<b>0.5</b>	<b>0.4</b>	<b>4576</b>	<b>49.9</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	17.2	11.4	20.2	26.0	24.2	22.8	38.4	39.8	8	2.6	1.3	0.8	0.8	0.8	403	4.4
Fort Myers MSA (#2700)	16.3	3.4	20.2	11.8	25.0	8.5	38.5	76.3	5	4.1	0.3	0.3	0.0	0.4	673	7.3
Lakeland MSA (#3908)	18.4	4.4	19.1	13.8	24.1	35.9	38.4	45.9	21	1.1	0.3	0.6	1.2	1.5	194	2.1
Melbourne MSA (#4900)	17.6	5.3	19.9	14.0	24.2	15.8	38.3	64.9	9	3.0	0.2	0.3	0.2	0.7	385	4.2
Naples MSA (#5345)	17.7	3.9	20.0	4.4	23.0	18.8	39.3	72.9	29	1.0	0.7	0.2	0.7	1.5	193	2.1
Orlando MSA (#5960)	17.9	13.5	19.5	19.1	23.8	26.1	38.8	41.3	32	0.7	0.8	0.7	0.7	0.6	628	6.9
Sarasota MSA (#7510)	16.0	3.8	20.6	17.3	24.7	23.1	38.7	55.8	2	8.3	0.4	0.4	0.6	0.6	1722	18.8
Leesburg Area Non-MSA	23.9	5.6	19.3	15.3	22.8	34.7	34.0	44.4	14	1.1	0	0	1.1	1.0	74	.8
Sebring Area Non-MSA	18.7	4.3	20.9	8.7	26.8	34.8	33.6	52.2	10	2.4	3.7	2.8	2.8	3.2	26	.3

(\*) As a percentage of loans with borrower income information available. No information was available for 78.7% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>17.9</b>	<b>5.3</b>	<b>19.3</b>	<b>18.4</b>	<b>24.0</b>	<b>26.3</b>	<b>38.8</b>	<b>50.0</b>	<b>20</b>	<b>0.8</b>	<b>0</b>	<b>0.6</b>	<b>0.8</b>	<b>1.2</b>	<b>38</b>	<b>1.6</b>
<b>Tampa MSA (#8280)</b>	<b>18.0</b>	<b>14.8</b>	<b>19.5</b>	<b>31.6</b>	<b>23.4</b>	<b>23.9</b>	<b>39.1</b>	<b>29.7</b>	<b>2</b>	<b>11.8</b>	<b>2.1</b>	<b>2.3</b>	<b>1.8</b>	<b>1.2</b>	<b>1248</b>	<b>52.3</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	17.2	6.3	20.2	6.3	24.2	43.7	38.4	43.7	6	5.1	0	0.4	1.3	1.2	85	3.6
Fort Myers MSA (#2700)	16.3	0	20.2	25.0	25.0	50.0	38.5	25.0	4	8.6	0	0.9	1.3	0.9	124	5.2
Lakeland MSA (#3908)	18.4	10.4	19.1	21.2	24.1	23.3	38.4	45.1	6	6.0	5.9	7.4	6.6	5.3	198	8.3
Melbourne MSA (#4900)	17.6	11.1	19.9	20.0	24.2	28.9	38.3	40.0	4	8.9	2.4	2.4	2.3	2.0	158	6.6
Naples MSA (#5345)	17.7	0	20.0	0	23.0	50.0	39.3	50.0	31	0.3	0	0	0	0.9	2	.1
Orlando MSA (#5960)	17.9	13.9	19.5	24.7	23.8	22.8	38.8	38.6	13	1.7	1.4	2.5	1.5	1.6	166	6.9
Sarasota MSA (#7510)	16.0	12.8	20.6	28.2	24.7	23.1	38.7	35.9	1	15.7	2.3	2.7	1.7	2.4	324	13.6
Leesburg Area Non-MSA	23.9	17.6	19.3	11.8	22.8	17.6	34.0	53.0	10	1.2	16.7	0	0	0	34	1.4
Sebring Area Non-MSA	18.7	22.2	20.9	33.3	26.8	11.2	33.6	33.3	4	8.2	11.8	4.9	8.7	11.0	10	.4

(\*) As a percentage of loans with borrower income information available. No information was available for 70.6% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Ocala MSA (#5790)</b>	<b>17.9</b>	<b>4.2</b>	<b>19.3</b>	<b>14.9</b>	<b>24.0</b>	<b>39.4</b>	<b>38.8</b>	<b>41.5</b>	<b>23</b>	<b>1.2</b>	<b>0.3</b>	<b>1.1</b>	<b>2.3</b>	<b>1.4</b>	<b>98</b>	<b>3.2</b>
<b>Tampa MSA (#8280)</b>	<b>18.0</b>	<b>6.2</b>	<b>19.5</b>	<b>18.8</b>	<b>23.4</b>	<b>24.7</b>	<b>39.1</b>	<b>50.3</b>	<b>7</b>	<b>2.2</b>	<b>0.3</b>	<b>0.5</b>	<b>0.5</b>	<b>0.7</b>	<b>1492</b>	<b>48.6</b>
<i>Limited Scope</i>																
Daytona Beach MSA (#2020)	17.2	1.5	20.2	22.0	24.2	39.7	38.4	36.8	31	0.7	0.1	0.7	0.7	0.5	102	3.3
Fort Myers MSA (#2700)	16.3	1.4	20.2	9.4	25.0	16.2	38.5	73.0	17	1.4	0.2	0.4	0.5	0.9	187	6.1
Lakeland MSA (#3908)	18.4	8.4	19.1	20.6	24.1	21.5	38.4	49.5	30	0.8	0.3	0.9	0.9	1.0	118	3.9
Melbourne MSA (#4900)	17.6	8.5	19.9	17.0	24.2	25.5	38.3	49.0	21	1.1	0.3	0.6	0.8	0.9	169	5.5
Naples MSA (#5345)	17.7	6.4	20.0	11.5	23.0	14.1	39.3	68.0	23	0.9	0.8	0.5	0.6	1.4	85	2.8
Orlando MSA (#5960)	17.9	8.3	19.5	19.2	23.8	29.5	38.8	43.0	46	0.5	0.6	0.7	0.7	0.6	321	10.5
Sarasota MSA (#7510)	16.0	6.8	20.6	16.3	24.7	22.5	38.7	54.4	10	2.2	0.9	0.8	0.8	1.3	403	13.1
Leesburg Area Non-MSA	23.9	4.1	19.3	13.5	22.8	29.7	34.0	52.7	11	1.4	0	1.2	2.0	0.9	77	2.5
Sebring Area Non-MSA	18.7	0	20.9	15.4	26.8	30.8	33.6	53.8	7	3.3	1.3	3.1	4.8	4.2	15	.5

(\*) As a percentage of loans with borrower income information available. No information was available for 54.5% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	BUSINESSES WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF BUSINESS SIZE			MARKET SHARE***		TOTAL SMALL BUSINESS LOANS		
	% of Businesses*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Ocala MSA (#5790)</b>	<b>75.6</b>	<b>33.1</b>	<b>53.2</b>	<b>74.8</b>	<b>15.2</b>	<b>9.9</b>	<b>2.3</b>	<b>1.9</b>	<b>136</b>	<b>4.6</b>	<b>101</b>
<b>Tampa MSA (#8280)</b>	<b>74.9</b>	<b>54.8</b>	<b>48.0</b>	<b>86.5</b>	<b>7.6</b>	<b>5.8</b>	<b>4.3</b>	<b>4.9</b>	<b>743</b>	<b>24.8</b>	<b>62</b>
<i>Limited Scope</i>											
Daytona Beach MSA (#2020)	78.4	52.4	60.4	98.8	1.2	0	1.9	1.8	76	2.5	23
Fort Myers MSA (#2700)	76.0	60.8	52.7	91.3	5.4	3.3	7.4	8.5	300	10.0	48
Lakeland MSA (#3908)	74.0	64.5	50.6	89.0	6.6	4.4	6.6	8.1	366	12.2	75
Melbourne MSA (#4900)	81.3	56.4	51.2	83.5	9.2	7.3	6.6	6.9	332	11.1	80
Naples MSA (#5345)	75.3	78.6	61.4	42.9	21.4	35.7	0.3	0.4	13	.4	216
Orlando MSA (#5960)	73.7	40.1	48.8	82.3	11.2	6.5	2.3	2.0	641	21.4	82
Sarasota MSA (#7510)	76.9	65.7	53.6	90.9	5.5	3.6	6.0	7.3	296	9.9	45
Leesburg Area Non-MSA	68.7	45.0	35.1	90.0	5.0	5.0	6.0	6.9	18	.6	83
Sebring Area Non-MSA	77.3	72.6	62.8	90.0	7.1	2.4	6.6	8.0	76	2.5	81

(\*) Business with revenues of \$1,000,000 or less as a percentage of all businesses.

(\*\*) Loans to businesses with revenues of \$1,000,000 or less as a percentage of all loans reported as small loans to business. No revenue information was available for 17% of small loans to businesses reported by HNB.

(\*\*\*) The market consists of all other Small Business reporters in HNB's assessment area and is based on 1998 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Florida

MSA/ASSESSMENT AREA	FARMS WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF FARM SIZE			MARKET SHARE***		TOTAL SMALL FARM LOANS		
	% of Farms*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Ocala MSA (#5790)</b>	<b>89.0</b>	<b>0</b>	<b>84.3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tampa MSA (#8280)</b>	<b>89.7</b>	<b>0</b>	<b>68.5</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>1.3</b>	<b>0</b>	<b>1</b>	<b>33.3</b>	<b>270</b>
<i>Limited Scope</i>											
Daytona Beach MSA (#2020)	89.3	0	73.0	0	0	0	0	0	0	0	0
Fort Myers MSA (#2700)	89.4	0	80.0	0	0	0	0	0	0	0	0
Lakeland MSA (#3908)	83.5	0	85.3	0	0	0	0	0	0	0	0
Melbourne MSA (#4900)	94.2	0	40.0	0	0	0	0	0	0	0	0
Naples MSA (#5345)	84.5	0	50.0	0	0	0	0	0	0	0	0
Orlando MSA (#5960)	88.1	0	74.3	100.0	0	0	2.8	0	1	33.4	23
Sarasota MSA (#7510)	85.0	0	55.6	0	0	0	0	0	0	0	0
Leesburg Area Non-MSA	94.4	0	97.1	0	0	0	0	0	0	0	0
Sebring Area Non-MSA	80.2	100.0	80.4	100.0	0	0	2.1	2.6	1	33.3	32

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by HNB.

(\*\*\*) The market consists of all other Small Farm reporters in HNB's assessment area and is based on 1998 Aggregate Small Farm

**Table 12. Qualified Investments**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Florida

MSA/ASSESSMENT AREA	PRIOR PERIOD INVESTMENTS*			CURRENT PERIOD INVESTMENTS			TOTAL INVESTMENTS		
	#	\$(000's)	%**	#	\$(000's)	%**	#	\$(000's)	% of Total \$'s
<i>Full Scope</i>									
<b>Ocala MSA (#5790)</b>	<b>1</b>	<b>109</b>	<b>100.0</b>	<b>2</b>	<b>100</b>	<b>7.6</b>	<b>3</b>	<b>209</b>	<b>14.6</b>
<b>Tampa MSA (#8280)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>3</b>	<b>0.2</b>	<b>12</b>	<b>3</b>	<b>0.2</b>
<i>Limited Scope</i>									
Daytona Beach MSA (#2020)	0	0	0	4	1	0.1	4	1	0.1
Fort Myers MSA (#2700)	0	0	0	0	0	0	0	0	0
Lakeland MSA (#3908)	0	0	0	5	76	5.8	5	76	5.3
Melbourne MSA (#4900)	0	0	0	16	453	34.3	16	453	31.7
Naples MSA (#5345)	0	0	0	29	152	11.5	29	152	10.6
Orlando MSA (#5960)	0	0	0	44	521	39.5	44	521	36.5
Sarasota MSA (#7510)	0	0	0	4	1	0.1	4	1	0.1
Leesburg Area Non-MSA	0	0	0	3	4	0.3	3	4	0.3
Sebring Area Non-MSA	0	0	0	2	8	0.6	2	8	0.6

(\*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.

(\*\*) Percentage of the dollars invested in that MSA/AA that are prior or current period investments.

**Table 13. Distribution of Branch and ATM Delivery Systems**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Florida

MSA/ASSESSMENT AREA	DEPOSIT	BRANCHES						ATMs						POPULATION				
	% of Rating Area Deposits in AA	# of HNB Branches	% of Rating Area Branches in AA	% Distribution of Branches by Income Level of Geography				# of HNB ATMs	% of Rating Area ATMs in AA	% Distribution of ATMs by Income Level of Geographies				% of the Population residing within Each Income Level of Geography*				
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<i>Full Scope</i>																		
<b>Ocala MSA (#5790)</b>	<b>2.7</b>	<b>4</b>	<b>3.1</b>	<b>0</b>	<b>25.0</b>	<b>50.0</b>	<b>25.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.4</b>	<b>8.9</b>	<b>75.9</b>	<b>13.8</b>	
<b>Tampa MSA (#8280)</b>	<b>34.3</b>	<b>41</b>	<b>31.3</b>	<b>2.4</b>	<b>34.1</b>	<b>41.5</b>	<b>22.2</b>	<b>1</b>	<b>25.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>2.2</b>	<b>22.7</b>	<b>46.6</b>	<b>28.3</b>	
<i>Limited Scope</i>																		
Daytona Beach MSA (#2020)	3.2	5	3.8	20.0	0	80.0	0	0	0	0	0	0	0	3.2	13.0	72.9	10.9	
Fort Myers MSA (#2700)	4.9	9	6.9	0	33.3	66.7	0	0	0	0	0	0	0	1.3	15.2	73.7	9.8	
Lakeland MSA (#3908)	9.4	8	6.1	12.5	25.0	37.5	25.0	0	0	0	0	0	0	.8	16.8	67.9	14.5	
Melbourne MSA (#4900)	7.9	13	9.9	0	38.5	38.5	23.0	0	0	0	0	0	0	1.1	22.1	59.4	17.4	
Naples MSA (#5345)	1.9	2	1.5	0	0	50.0	50.0	0	0	0	0	0	0	5.2	10.6	59.1	25.1	
Orlando MSA (#5960)	16.8	26	19.8	0	23.1	46.1	30.8	3	75.0	0	0	66.7	33.3	2.2	18.0	56.7	22.4	
Sarasota MSA (#7510)	13.7	16	12.2	0	31.2	43.8	25.0	0	0	0	0	0	0	.8	18.2	59.7	21.3	
Leesburg Area Non-MSA	4.8	1	0.8	0	0	100.0	0	0	0	0	0	0	0	0	11.9	88.1	0	
Sebring Area Non-MSA	0.4	6	4.6	0	16.7	83.3	0	0	0	0	0	0	0	0	10.1	89.9	0	

(\*) The percentage of the population in the MSA/AA that resides in these geographies.

**State of Indiana**



**Table 1. Lending Volume**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	% OF RATING AREA DEPOSITS IN AA*	HOME MORTGAGE		SMALL BUSINESS		SMALL FARM		COMMUNITY DEVELOPMENT		TOTAL REPORTED LOANS		% OF RATING AREA LOANS IN AA (% OF #)
		#	\$	#	\$	#	\$	#	\$	#	\$	
<i>Full Scope</i>												
<b>Indianapolis MSA (#3480)</b>	<b>80.7</b>	<b>1269</b>	<b>114558</b>	<b>808</b>	<b>122135</b>	<b>3</b>	<b>225</b>	<b>0</b>	<b>0</b>	<b>2080</b>	<b>236918</b>	<b>64.8</b>
<i>Limited Scope</i>												
Lafayette MSA (#3920)	16.4	1017	99446	81	7464	0	0	0	0	1098	106910	34.2
Brown County Non-MSA	2.9	20	1355	12	797	0	0	0	0	32	2152	1.0

(\*) Deposit data as of June 30, 1998

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>4.0</b>	<b>1.3</b>	<b>19.3</b>	<b>11.7</b>	<b>39.2</b>	<b>30.1</b>	<b>37.5</b>	<b>56.9</b>	<b>38</b>	<b>0.7</b>	<b>0.6</b>	<b>0.5</b>	<b>0.7</b>	<b>0.8</b>	<b>471</b>	<b>52.0</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	.1	0	11.6	5.1	64.6	50.7	23.7	44.2	5	6.9	0	3.5	5.7	11.0	430	47.5
Brown County Non-MSA	0	0	0	0	100.0	100.0	0	0	28	1.0	0	0	1.0	0	4	.5

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>4.0</b>	<b>2.2</b>	<b>19.3</b>	<b>19.1</b>	<b>39.2</b>	<b>41.2</b>	<b>37.5</b>	<b>37.5</b>	<b>20</b>	<b>1.0</b>	<b>0</b>	<b>0.6</b>	<b>1.3</b>	<b>0.9</b>	<b>136</b>	<b>79.5</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	.1	3.1	11.6	9.4	64.6	53.1	23.7	34.4	6	3.8	0	5.6	2.8	6.4	32	18.7
Brown County Non-MSA	0	0	0	0	100.0	100.0	0	0	7	4.8	0	0	4.8	0	3	1.8

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating area.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>4.0</b>	<b>.9</b>	<b>19.3</b>	<b>10.9</b>	<b>39.2</b>	<b>34.1</b>	<b>37.5</b>	<b>54.1</b>	<b>23</b>	<b>1.0</b>	<b>0.2</b>	<b>0.8</b>	<b>1.0</b>	<b>1.1</b>	<b>662</b>	<b>53.8</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	.1	.4	11.6	8.4	64.6	51.2	23.7	40.0	1	9.3	0	7.6	7.7	13.5	555	45.1
Brown County Non-MSA	0	0	0	0	100.0	100.0	0	0	9	3.1	0	0	3.1	0	13	1.1

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY**					TOTAL SMALL BUSINESS LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>8.0</b>	<b>6.9</b>	<b>17.7</b>	<b>11.6</b>	<b>36.9</b>	<b>24.4</b>	<b>37.4</b>	<b>57.1</b>	<b>8</b>	<b>3.2</b>	<b>3.3</b>	<b>2.0</b>	<b>2.3</b>	<b>4.4</b>	<b>808</b>	<b>89.7</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	10.3	20.0	27.7	35.6	43.9	32.2	18.1	12.2	10	2.1	1.9	4.2	1.9	0.3	81	9.0
Brown County Non-MSA	0	0	0	0	100.0	100.0	0	0	0	4.6	0	0	4.9	0	12	1.3

(\*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(\*\*) Small Business loans within an MSA/AA as a % of all small business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL FARM LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>1.1</b>	<b>0</b>	<b>8.3</b>	<b>0</b>	<b>55.0</b>	<b>100.0</b>	<b>35.6</b>	<b>0</b>	<b>11</b>	<b>0.8</b>	<b>0.0</b>	<b>0.0</b>	<b>1.1</b>	<b>0.0</b>	<b>3</b>	<b>100.0</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	1.1	0	10.2	0	64.8	0	23.9	0	0	0	0	0	0	0	0	0
Brown County Non-MSA	0	0	0	0	100.0	0	0	0	0	0	0	0	0	0	0	0

(\*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

(\*\*) Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>5.6</b>	<b>9.2</b>	<b>21.9</b>	<b>21.0</b>	<b>39.2</b>	<b>27.5</b>	<b>33.3</b>	<b>42.3</b>	<b>38</b>	<b>0.7</b>	<b>0.5</b>	<b>0.7</b>	<b>0.7</b>	<b>1.2</b>	<b>471</b>	<b>52.0</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	3.8	3.2	14.9	17.5	58.3	35.7	23.0	43.6	5	6.9	3.4	6.1	9.0	9.8	430	47.5
Brown County Non-MSA	12.6	0	17.7	25.0	29.7	50.0	40.0	25.0	28	1.0	0	0	0	2.3	4	.5

(\*) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>5.6</b>	<b>9.6</b>	<b>21.9</b>	<b>24.4</b>	<b>39.2</b>	<b>34.1</b>	<b>33.3</b>	<b>31.9</b>	<b>20</b>	<b>1.0</b>	<b>0.9</b>	<b>0.9</b>	<b>1.2</b>	<b>0.9</b>	<b>136</b>	<b>79.5</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	3.8	6.2	14.9	21.9	58.3	28.1	23.0	43.8	6	3.8	1.9	5.1	3.5	4.2	32	18.7
Brown County Non-MSA	12.6	0	17.7	33.3	29.7	66.7	40.0	0	7	4.8	0	0	14.3	0	3	1.8

(\*) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated by HNB.

(\*\*) Based in 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Indianapolis MSA (#3480)</b>	<b>5.6</b>	<b>8.3</b>	<b>21.9</b>	<b>19.4</b>	<b>39.2</b>	<b>30.1</b>	<b>33.3</b>	<b>42.2</b>	<b>23</b>	<b>1.0</b>	<b>0.7</b>	<b>1.1</b>	<b>1.4</b>	<b>1.3</b>	<b>662</b>	<b>53.8</b>
<i>Limited Scope</i>																
Lafayette MSA (#3920)	3.8	5.4	14.9	21.9	58.3	29.2	23.0	43.5	1	9.3	5.8	12.7	11.4	10.3	555	45.1
Brown County Non-MSA	12.6	0	17.7	23.0	29.7	38.5	40.0	38.5	9	3.1	0	4.9	4.0	3.6	13	1.1

(\*) As a percentage of loans with borrower income information available. No information was available for 3.6% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	BUSINESSES WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF BUSINESS SIZE			MARKET SHARE***		TOTAL SMALL BUSINESS LOANS		
	% of Businesses*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Indianapolis MSA (#3480)</b>	<b>65.8</b>	<b>34.9</b>	<b>50.7</b>	<b>63.5</b>	<b>18.3</b>	<b>18.3</b>	<b>3.2</b>	<b>2.2</b>	<b>808</b>	<b>89.7</b>	<b>147</b>
<i>Limited Scope</i>											
Lafayette MSA (#3920)	69.6	56.7	73.5	80.0	8.9	11.1	2.1	1.3	81	9.0	126

Brown County Non-MSA	82.5	61.5	77.4	76.9	15.4	7.7	4.6	3.4	12	1.3	77
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- (\*) Businesses with revenues of \$1,000,000 or less as a percentage of all businesses.
- (\*\*) Loans to businesses with revenues of \$1,000,000 or less as a percentage of all loans reported as small loans to businesses. No revenue information was available for 15% of small loans to businesses reported by HNB.
- (\*\*\*) The market consists of all other Small Business reporters in HNB's assessment area and is based on 1998 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Indiana

MSA/ASSESSMENT AREA	FARMS WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF FARM SIZE			MARKET SHARE***		TOTAL SMALL FARM LOANS		
	% of Farms*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Indianapolis MSA (#3480)</b>	<b>93.6</b>	<b>66.7</b>	<b>92.5</b>	<b>66.7</b>	<b>33.3</b>	<b>0.0</b>	<b>0.8</b>	<b>0.4</b>	<b>3</b>	<b>100.0</b>	<b>100</b>
<i>Limited Scope</i>											
Lafayette MSA (#3920)	88.9	0	85.7	0	0	0	0	0	0	0	0
Brown County Non-MSA	100.0	0	100.0	0	0	0	0	0	0	0	0

- (\*) As a percentage of farms with known revenues.
- (\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by HNB.
- (\*\*\*) The market consists of all other Small Farm reporters in HNB's assessment area and is based on 1998 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Indiana

MSA/ASSESSMENT AREA	PRIOR PERIOD INVESTMENTS*			CURRENT PERIOD INVESTMENTS			TOTAL INVESTMENTS		
	#	\$(000's)	%**	#	\$(000's)	%**	#	\$(000's)	% of Total \$'s
<i>Full Scope</i>									
<b>Indianapolis MSA (#3480)</b>	<b>5</b>	<b>1,114</b>	<b>100.0</b>	<b>20</b>	<b>1,751</b>	<b>87.3</b>	<b>25</b>	<b>2,865</b>	<b>91.8</b>
<i>Limited Scope</i>									
Lafayette MSA (#3920)	0	0	0	3	254	12.7	3	254	8.1

Brown County Non-MSA	0	0	0	1	1	0.0	1	1	0.1
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(\*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.

(\*\*) Percentage of the dollars investment in that MSA/AA that are prior or current period investments.

**Table 13. Distribution of Branch and ATM Delivery Systems**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Indiana

MSA/ASSESSMENT AREA	DEPOSIT	BRANCHES						ATMs						POPULATION				
	% of Rating Area Deposits in AA	# of HNB Branch	% of Rating Area Branches in AA	% Distribution of Branches by Income Level of Geography				# of HNB ATMs	% of Rating Area ATMs in AA	% Distribution of ATMs by Income Level of Geography				% of the Population residing within Each Income Level of Geography*				
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<i>Full Scope</i>																		
<b>Indianapolis MSA (#3480)</b>	<b>80.7</b>	<b>18</b>	<b>78.3</b>	<b>5.6</b>	<b>16.7</b>	<b>44.4</b>	<b>33.3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6.5</b>	<b>23.0</b>	<b>38.9</b>	<b>31.6</b>	
<i>Limited Scope</i>																		
Lafayette MSA (#3920)	16.4	4	17.4	25.0	0	50.0	25.0	3	100.0	0	2	1	0	3.1	24.5	47.0	20.1	
Brown County Non-MSA	2.9	1	4.3	0	0	100.0	0	0	0	0	0	0	0	0	0	100.0	0	

(\*) The percentage of the population in the MSA/AA that resides in these geographies.



**State of Michigan**

**Table 1. Lending Volume**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	% OF RATING AREA DEPOSITS IN AA*	HOME MORTGAGE		SMALL BUSINESS		SMALL FARM		COMMUNITY DEVELOPMENT		TOTAL REPORTED LOANS		% OF RATING AREA LOANS IN AA(% OF #)
		#	\$	#	\$	#	\$	#	\$	#	\$	
<i>Full Scope</i>												
<b>Detroit MSA (#2160)</b>	<b>44.7</b>	<b>2505</b>	<b>201248</b>	<b>1871</b>	<b>288613</b>	<b>2</b>	<b>32</b>	<b>1</b>	<b>650</b>	<b>4379</b>	<b>490543</b>	<b>18.4</b>
<b>Grand Rapids (#3000)</b>	<b>37.7</b>	<b>8361</b>	<b>731206</b>	<b>4937</b>	<b>553802</b>	<b>168</b>	<b>13252</b>	<b>1</b>	<b>130</b>	<b>13469</b>	<b>1298390</b>	<b>56.6</b>
<b>NW Michigan Area Non-MSA</b>	<b>4.7</b>	<b>577</b>	<b>41403</b>	<b>597</b>	<b>46514</b>	<b>18</b>	<b>425</b>	<b>3</b>	<b>990</b>	<b>1216</b>	<b>89332</b>	<b>5.1</b>
<i>Limited Scope</i>												
Benton Harbor MSA (#0870)	.6	98	4556	102	7322	5	350	0	0	205	12228	0.9
Kalamazoo MSA (#3720)	1.5	237	21402	616	55572	1	3	0	0	910	76977	3.8
Lansing MSA (#4040)	.5	73	5033	68	3622	12	188	0	0	153	8843	0.6
Cass/Dowagiac Non-MSA	1.1	215	7832	203	12179	8	229	0	0	426	20240	1.8
Central West MI Non-MSA	4.3	666	43258	632	36411	115	4782	1	120	1412	84571	5.9
Sault Area Non-MSA	2.0	151	9661	145	14927	1	9	3	734	300	25331	1.3
West MI Non-MSA	2.9	763	51727	510	36310	50	1913	0	0	1322	89950	5.6

(\*) Deposit data as of June 30, 1998

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL**
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>3.2</b>	<b>1.2</b>	<b>10.6</b>	<b>8.7</b>	<b>48.9</b>	<b>52.3</b>	<b>37.3</b>	<b>37.8</b>	<b>29</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>0.7</b>	<b>0.7</b>	<b>667</b>	<b>18.2</b>
<b>Grand Rapids (#3000)</b>	<b>2.5</b>	<b>1.1</b>	<b>11.8</b>	<b>7.3</b>	<b>64.9</b>	<b>68.0</b>	<b>20.8</b>	<b>23.6</b>	<b>13</b>	<b>2.4</b>	<b>1.9</b>	<b>1.6</b>	<b>2.7</b>	<b>2.1</b>	<b>2402</b>	<b>65.5</b>
<b>NW Michigan Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>5.5</b>	<b>5.2</b>	<b>76.1</b>	<b>85.2</b>	<b>18.4</b>	<b>9.6</b>	<b>10</b>	<b>1.9</b>	<b>0</b>	<b>2.2</b>	<b>2.2</b>	<b>0.8</b>	<b>115</b>	<b>3.1</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	0	0	7.2	12.5	85.7	75.0	7.1	12.5	49	0.4	0	2.1	0.3	0	16	.4
Kalamazoo MSA (#3720)	4.0	6.5	15.8	15.0	45.4	30.8	34.8	47.7	43	0.3	0	0.6	0.3	0	107	2.9
Lansing MSA (#4040)	0	0	1.9	0	69.6	50.0	28.5	50.0	90	0.1	0	0	0.2	0	10	.3
Cass/Dowagiac Non-MSA	.6	0	0	0	68.3	100.0	31.1	0	35	0.6	0	0	1.0	0	28	.8
Central West MI Non-MSA	0	0	18.7	13.4	77.9	83.9	3.4	2.7	5	4.4	0	4.0	4.6	2.8	149	4.0
Sault Area Non-MSA	0	0	17.1	0	82.9	66.9	0	33.1	2	9.5	0	0	11.4	0	35	1.0
West MI Non-MSA	0	0	0	0	76.3	100.0	23.7	0	6	3.8	0	0	4.3	2.3	139	3.8

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>3.2</b>	<b>3.2</b>	<b>10.6</b>	<b>11.9</b>	<b>48.9</b>	<b>50.6</b>	<b>37.3</b>	<b>34.3</b>	<b>6</b>	<b>4.6</b>	<b>3.7</b>	<b>4.9</b>	<b>4.1</b>	<b>5.6</b>	<b>665</b>	<b>36.0</b>
<b>Grand Rapids (#3000)</b>	<b>2.5</b>	<b>2.6</b>	<b>11.8</b>	<b>11.9</b>	<b>64.9</b>	<b>61.6</b>	<b>20.8</b>	<b>23.9</b>	<b>2</b>	<b>7.2</b>	<b>4.4</b>	<b>8.6</b>	<b>7.1</b>	<b>7.3</b>	<b>724</b>	<b>39.2</b>
<b>NW Michigan Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>5.5</b>	<b>12.6</b>	<b>76.1</b>	<b>83.2</b>	<b>18.4</b>	<b>4.7</b>	<b>2</b>	<b>9.9</b>	<b>0</b>	<b>25.0</b>	<b>10.6</b>	<b>2.5</b>	<b>95</b>	<b>5.1</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	0	0	7.2	4.5	85.7	77.3	7.1	18.2	9	3.1	0	3.4	2.6	8.3	22	1.2
Kalamazoo MSA (#3720)	4.0	0	15.8	36.7	45.4	43.3	34.8	20.0	22	0.7	0	1.4	0.8	0.4	30	1.6
Lansing MSA (#4040)	0	0	1.9	0	69.6	100.0	28.5	0	17	1.0	0	0	1.3	0	9	.5
Cass/Dowagiac Non-MSA	.6	0	0	0	68.3	92.4	31.1	7.6	6	5.3	0	0	7.5	1.7	79	4.3
Central West MI Non-MSA	0	0	18.7	12.9	77.9	85.9	3.4	1.2	2	13.8	0	12.2	14.7	3.7	85	4.6
Sault Area Non-MSA	0	0	17.1	2.8	82.9	97.2	0	0	1	34.0	0	8.3	37.2	0	36	2.0
West MI Non-MSA	0	0	0	0	76.3	73.5	23.7	26.5	4	12.1	0	0	13.3	7.8	102	5.5

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating area.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>3.2</b>	<b>.9</b>	<b>10.6</b>	<b>6.5</b>	<b>48.9</b>	<b>42.7</b>	<b>37.3</b>	<b>49.9</b>	<b>31</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>0.7</b>	<b>0.8</b>	<b>1173</b>	<b>14.4</b>
<b>Grand Rapids (#3000)</b>	<b>2.5</b>	<b>.9</b>	<b>11.8</b>	<b>8.0</b>	<b>64.9</b>	<b>67.9</b>	<b>20.8</b>	<b>23.2</b>	<b>6</b>	<b>4.1</b>	<b>0.6</b>	<b>3.7</b>	<b>4.5</b>	<b>3.4</b>	<b>5235</b>	<b>64.4</b>
<b>NW Michigan Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>5.5</b>	<b>7.6</b>	<b>76.1</b>	<b>81.5</b>	<b>18.4</b>	<b>10.9</b>	<b>5</b>	<b>3.3</b>	<b>0</b>	<b>8.3</b>	<b>3.6</b>	<b>1.7</b>	<b>367</b>	<b>4.5</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	0	0	7.2	11.7	85.7	76.6	7.1	11.7	18	1.5	0	2.6	1.4	1.6	60	.8
Kalamazoo MSA (#3720)	4.0	2.8	15.8	19.0	45.4	33.0	34.8	46.0	46	0.4	0	0.4	0.3	0.5	100	1.2
Lansing MSA (#4040)	0	0	1.9	0	69.6	88.9	28.5	11.1	43	0.5	0	0	0.7	0.2	54	.7
Cass/Dowagiac Non-MSA	.6	.9	0	0	68.3	87.0	31.1	12.1	12	2.0	0	0	2.5	0.9	108	1.3
Central West MI Non-MSA	0	0	18.7	10.0	77.9	87.2	3.4	2.8	3	7.8	0	4.4	8.5	6.6	432	5.3
Sault Area Non-MSA	0	0	17.1	6.0	82.9	94.0	0	0	2	14.0	0	4.6	16.2	0	83	1.0
West MI Non-MSA	0	0	0	0	76.3	68.4	23.7	31.6	2	8.9	0	0	9.3	7.8	522	6.4

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY					TOTAL SMALL BUSINESS LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>2.5</b>	<b>1.8</b>	<b>10.5</b>	<b>13.4</b>	<b>46.0</b>	<b>45.2</b>	<b>41.0</b>	<b>39.5</b>	<b>11</b>	<b>1.9</b>	<b>1.6</b>	<b>2.4</b>	<b>1.7</b>	<b>1.9</b>	<b>1871</b>	<b>19.2</b>
<b>Grand Rapids (#3000)</b>	<b>7.3</b>	<b>5.3</b>	<b>14.4</b>	<b>10.4</b>	<b>59.0</b>	<b>63.3</b>	<b>19.3</b>	<b>21.0</b>	<b>2</b>	<b>17.1</b>	<b>10.6</b>	<b>12.3</b>	<b>18.9</b>	<b>17.8</b>	<b>4937</b>	<b>50.6</b>
<b>NW Michigan Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>4.2</b>	<b>8.8</b>	<b>75.7</b>	<b>85.1</b>	<b>20.1</b>	<b>6.1</b>	<b>4</b>	<b>6.8</b>	<b>0</b>	<b>23.6</b>	<b>7.6</b>	<b>2.3</b>	<b>615</b>	<b>6.3</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	0	0	18.8	24.8	76.6	65.5	4.6	9.7	10	2.9	0	2.9	4.0	0.9	102	1.0
Kalamazoo MSA (#3720)	10.2	8.7	15.7	15.4	42.0	43.8	32.1	30.5	6	9.2	7.9	9.7	10.9	7.6	672	6.9
Lansing MSA (#4040)	0	0	0.8	0	70.4	62.7	28.8	37.3	11	3.3	0	0	3.6	2.9	68	0.7
Cass/Dowagiac Non-MSA	0.9	0	0	0	75.1	92.9	24.0	7.1	1	16.6	0	0	22.1	4.9	203	2.1
Central West MI Non-MSA	0	0	13.4	7.5	81.3	90.7	5.3	1.7	2	17.1	0	18.4	17.8	6.5	632	6.5
Sault Area Non-MSA	0	0	13.7	8.1	86.3	91.9	0	0	3	13.8	0	0	16.0	0	145	1.5
West MI Non-MSA	0	0	0	0	79.3	77.2	20.7	22.8	2	21.1	0	0	20.6	23.7	509	5.2

(\*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(\*\*) Small Business loans within an MSA/AA as a % of all small business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL FARM LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>0.7</b>	<b>0</b>	<b>8.9</b>	<b>0</b>	<b>49.7</b>	<b>0</b>	<b>40.7</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0.5</b>
<b>Grand Rapids (#3000)</b>	<b>0.8</b>	<b>0</b>	<b>7.8</b>	<b>5.3</b>	<b>72.7</b>	<b>74.9</b>	<b>18.7</b>	<b>19.8</b>	<b>3</b>	<b>10.5</b>	<b>0</b>	<b>16.7</b>	<b>10.0</b>	<b>6.3</b>	<b>170</b>	<b>44.4</b>
<b>NW Michigan Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>4.8</b>	<b>35.0</b>	<b>76.0</b>	<b>60.0</b>	<b>19.2</b>	<b>5.0</b>	<b>2</b>	<b>12.5</b>	<b>0</b>	<b>10.0</b>	<b>9.1</b>	<b>0</b>	<b>21</b>	<b>5.5</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	0	0	2.6	33.3	84.2	33.3	13.2	33.3	8	2.9	0	0	0	12.5	5	1.3
Kalamazoo MSA (#3720)	3.8	0	19.9	100.0	51.8	0	24.5	0	0	0	0	0	0	0	1	0.3
Lansing MSA (#4040)	0	0	0.6	0	70.1	100.0	29.2	0	4	1.6	0	0	1.7	0	12	3.1
Cass/Dowagiac Non-MSA	1.1	0	0	0	61.1	77.8	37.8	22.2	6	2.2	0	0	3.9	0	8	2.1
Central West MI Non-MSA	0	0	12.6	3.2	87.4	96.8	0	0	3	14.8	0	0	15.9	0	113	29.5
Sault Area Non-MSA	0	0	18.5	0	81.5	100.0	0	0	2	33.3	0	0	100.0	0	1	0.3
West MI Non-MSA	0	0	0	0	82.7	54.5	17.3	45.5	2	19.6	0	0	10.1	76.9	50	13.0

(\*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

(\*\*) Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>16.1</b>	<b>13.8</b>	<b>16.2</b>	<b>25.0</b>	<b>23.2</b>	<b>27.3</b>	<b>44.5</b>	<b>33.9</b>	<b>29</b>	<b>0.7</b>	<b>1.1</b>	<b>0.9</b>	<b>0.7</b>	<b>0.7</b>	<b>667</b>	<b>18.2</b>
<b>Grand Rapids (#3000)</b>	<b>17.7</b>	<b>8.6</b>	<b>18.3</b>	<b>21.8</b>	<b>26.8</b>	<b>29.6</b>	<b>37.2</b>	<b>40.0</b>	<b>13</b>	<b>2.4</b>	<b>2.2</b>	<b>2.2</b>	<b>3.1</b>	<b>3.0</b>	<b>2402</b>	<b>65.5</b>
<b>NW Michigan Area Non-MSA</b>	<b>15.9</b>	<b>4.6</b>	<b>17.8</b>	<b>16.1</b>	<b>24.1</b>	<b>29.9</b>	<b>42.2</b>	<b>49.4</b>	<b>10</b>	<b>1.9</b>	<b>2.6</b>	<b>1.7</b>	<b>2.9</b>	<b>2.1</b>	<b>115</b>	<b>3.1</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	19.1	38.4	17.8	15.4	25.7	23.1	37.4	23.1	49	0.4	1.0	0	0.5	0.5	16	.4
Kalamazoo MSA (#3720)	20.0	17.9	16.7	21.7	22.6	18.9	40.7	41.5	43	0.3	0.5	0.2	0.3	0.5	107	2.9
Lansing MSA (#4040)	14.7	0	17.5	0	25.7	55.6	42.1	44.4	90	0.1	0	0	0.1	0.3	10	.3
Cass/Dowagiac Non-MSA	15.4	7.4	16.7	11.1	21.7	44.5	46.2	37.0	35	0.6	0	1.1	1.2	0.3	28	.8
Central West MI Non-MSA	23.7	7.1	19.7	18.9	21.9	27.6	34.7	46.4	5	4.4	7.9	6.4	4.6	3.9	149	4.0
Sault Area Non-MSA	23.3	0	22.2	20.0	23.4	25.7	31.1	54.3	2	9.5	0	11.1	9.3	12.9	35	1.0
West MI Non-MSA	17.6	1.0	17.3	16.7	21.1	20.6	44.0	61.7	6	3.8	3.1	4.0	2.3	3.8	139	3.8

(\*) As a percentage of loans with borrower income information available. No information was available for 12.1% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.



**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>16.1</b>	<b>15.8</b>	<b>16.2</b>	<b>26.9</b>	<b>23.2</b>	<b>30.3</b>	<b>44.5</b>	<b>27.0</b>	<b>6</b>	<b>4.6</b>	<b>4.8</b>	<b>5.4</b>	<b>5.6</b>	<b>4.0</b>	<b>665</b>	<b>36.0</b>
<b>Grand Rapids (#3000)</b>	<b>17.7</b>	<b>11.0</b>	<b>18.3</b>	<b>21.6</b>	<b>26.8</b>	<b>32.6</b>	<b>37.2</b>	<b>34.8</b>	<b>2</b>	<b>7.2</b>	<b>5.6</b>	<b>6.8</b>	<b>7.8</b>	<b>8.1</b>	<b>724</b>	<b>39.2</b>
<b>NW Michigan Area Non-MSA</b>	<b>15.9</b>	<b>11.6</b>	<b>17.8</b>	<b>23.1</b>	<b>24.1</b>	<b>33.7</b>	<b>42.2</b>	<b>31.6</b>	<b>2</b>	<b>9.9</b>	<b>15.9</b>	<b>13.4</b>	<b>12.4</b>	<b>7.5</b>	<b>95</b>	<b>5.1</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	19.1	38.1	17.8	28.6	25.7	19.0	37.4	14.3	9	3.1	2.9	4.0	4.4	1.7	22	1.2
Kalamazoo MSA (#3720)	20.0	20.0	16.7	16.7	22.6	33.3	40.7	30.0	22	0.7	1.8	0.8	0.7	0.4	30	1.6
Lansing MSA (#4040)	14.7	11.1	17.5	55.6	25.7	11.1	42.1	22.2	17	1.0	1.1	1.8	1.1	0.5	9	.5
Cass/Dowagiac Non-MSA	15.4	16.7	16.7	21.8	21.7	26.9	46.2	34.6	6	5.3	13.0	6.7	8.8	2.9	79	4.3
Central West MI Non-MSA	23.7	10.7	19.7	23.8	21.9	29.8	34.7	35.7	2	13.8	9.2	15.5	16.4	13.4	85	4.6
Sault Area Non-MSA	23.3	8.3	22.2	16.7	23.4	33.3	31.1	41.7	1	34.0	37.5	45.5	40.7	30.9	36	2.0
West MI Non-MSA	17.6	9.8	17.3	19.6	21.1	30.4	44.0	40.2	4	12.1	12.0	13.4	15.3	11.1	102	5.5

(\*) As a percentage of loans with borrower income information available. No information was available for 1.1% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Detroit MSA (#2160)</b>	<b>16.1</b>	<b>11.1</b>	<b>16.2</b>	<b>21.5</b>	<b>23.2</b>	<b>31.7</b>	<b>44.5</b>	<b>35.7</b>	<b>31</b>	<b>0.7</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>	<b>0.7</b>	<b>1173</b>	<b>14.4</b>
<b>Grand Rapids (#3000)</b>	<b>17.7</b>	<b>6.2</b>	<b>18.3</b>	<b>21.0</b>	<b>26.8</b>	<b>33.1</b>	<b>37.2</b>	<b>39.7</b>	<b>6</b>	<b>4.1</b>	<b>3.5</b>	<b>4.3</b>	<b>4.8</b>	<b>4.4</b>	<b>5235</b>	<b>64.4</b>
<b>NW Michigan Area Non-MSA</b>	<b>15.9</b>	<b>6.0</b>	<b>17.8</b>	<b>15.1</b>	<b>24.1</b>	<b>29.2</b>	<b>42.2</b>	<b>49.7</b>	<b>5</b>	<b>3.3</b>	<b>9.0</b>	<b>4.1</b>	<b>4.9</b>	<b>3.1</b>	<b>367</b>	<b>4.5</b>
<i>Limited Scope</i>																
Benton Harbor MSA (#0870)	19.1	21.5	17.8	11.8	25.7	47.1	37.4	19.6	18	1.5	2.2	0.3	3.6	0.7	60	.8
Kalamazoo MSA (#3720)	20.0	21.3	16.7	9.6	22.6	25.5	40.7	43.6	46	0.4	0.2	0.3	0.4	0.5	100	1.2
Lansing MSA (#4040)	14.7	10.2	17.5	26.5	25.7	32.7	42.1	30.6	43	0.5	0.4	1.3	0.7	0.3	54	.7
Cass/Dowagiac Non-MSA	15.4	17.8	16.7	11.1	21.7	32.2	46.2	38.9	12	2.0	4.4	2.2	2.9	1.7	108	1.3
Central West MI Non-MSA	23.7	3.8	19.7	16.5	21.9	26.7	34.7	53.0	3	7.8	5.5	8.2	8.6	8.9	432	5.3
Sault Area Non-MSA	23.3	1.3	22.2	9.1	23.4	24.7	31.1	64.9	2	14.0	4.8	9.5	12.9	18.6	83	1.0
West MI Non-MSA	17.6	2.6	17.3	15.5	21.1	25.1	44.0	56.8	2	8.9	4.3	8.3	7.9	12.0	522	6.4

(\*) As a percentage of loans with borrower income information available. No information was available for 14.0% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	BUSINESSES WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF BUSINESS SIZE			MARKET SHARE***		TOTAL SMALL BUSINESS LOANS		
	% of Businesses*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Detroit MSA (#2160)</b>	<b>72.2</b>	<b>44.9</b>	<b>43.8</b>	<b>62.1</b>	<b>20.0</b>	<b>17.9</b>	<b>1.9</b>	<b>1.2</b>	<b>1871</b>	<b>19.2</b>	<b>142</b>
<b>Grand Rapids (#3000)</b>	<b>71.6</b>	<b>65.5</b>	<b>60.8</b>	<b>72.8</b>	<b>15.6</b>	<b>11.6</b>	<b>17.1</b>	<b>11.7</b>	<b>4937</b>	<b>50.6</b>	<b>125</b>
<b>NW Michigan Area Non-MSA</b>	<b>77.7</b>	<b>76.6</b>	<b>65.3</b>	<b>82.1</b>	<b>10.4</b>	<b>7.5</b>	<b>6.8</b>	<b>6.2</b>	<b>615</b>	<b>6.3</b>	<b>85</b>
<i>Limited Scope</i>											
Benton Harbor MSA (#0870)	76.6	77.9	65.9	85.0	7.1	8.0	2.9	2.2	102	1.0	68
Kalamazoo MSA (#3720)	74.4	69.2	54.4	77.1	14.9	8.0	9.2	9.3	672	6.9	98
Lansing MSA (#4040)	68.0	70.7	60.6	88.0	10.7	1.3	3.3	1.3	68	0.7	61
Cass/Dowagiac Non-MSA	74.7	82.3	60.2	86.7	11.5	1.8	16.6	17.19	203	2.1	77
Central West MI Non-MSA	79.9	79.3	80.6	87.5	9.1	3.4	17.1	12.6	632	6.5	63
Sault Area Non-MSA	75.9	72.1	54.1	72.0	17.4	10.6	13.8	13.9	145	1.5	113
West MI Non-MSA	77.4	79.3	73.8	83.2	11.3	5.5	21.1	18.6	509	5.2	80

(\*) Businesses with revenues of \$1,000,000 or less as a percentage of all business.

(\*\*) Loans to businesses with revenues of \$1,000,000 or less as a percentage of all loans reported as small loans to businesses. No revenue information was available for 11% of small loans to businesses reported by HNB.

(\*\*\*) The market consists of all other Small Business reporters in HNB's assessment area and is based on 1998 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Michigan

MSA/ASSESSMENT AREA	FARMS WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF FARM SIZE			MARKET SHARE***		TOTAL SMALL FARM LOANS		
	% of Farm*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Detroit MSA (#2160)</b>	<b>88.1</b>	<b>100.0</b>	<b>33.3</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0.5</b>	<b>0</b>
<b>Grand Rapids (#3000)</b>	<b>88.4</b>	<b>86.1</b>	<b>87.3</b>	<b>75.7</b>	<b>18.0</b>	<b>6.3</b>	<b>10.5</b>	<b>9.2</b>	<b>170</b>	<b>44.4</b>	<b>34</b>
<b>NW Michigan Area Non-MSA</b>	<b>91.1</b>	<b>78.3</b>	<b>89.4</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>12.5</b>	<b>7.3</b>	<b>21</b>	<b>5.5</b>	<b>23</b>
<i>Limited Scope</i>											
Benton Harbor MSA (#0870)	88.4	100.0	84.6	83.3	16.7	0	2.9	3.3	5	1.3	15
Kalamazoo MSA (#3720)	87.9	100.0	86.3	100.0	0	0	0	0	1	0.3	0
Lansing MSA (#4040)	93.3	76.9	96.6	100.0	0	0	1.6	1.7	12	3.1	22
Cass/Dowagiac Non-MSA	90.9	100.0	75.6	100.0	0	0	2.2	2.9	8	2.1	35
Central West MI Non-MSA	87.7	93.7	94.2	92.9	4.8	2.4	14.8	13.7	113	29.5	24
Sault Area Non-MSA	90.0	100.0	50.0	100.0	0	0	33.3	50.0	1	0.3	10
West MI Non-MSA	87.6	83.6	91.9	90.9	9.1	0	19.6	12.8	50	13.0	28

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by HNB.

(\*\*\*) The market consists of all other Small Farm reporters in HNB's assessment area and is based on 1998 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Michigan

MSA/ASSESSMENT AREA	PRIOR PERIOD INVESTMENTS*			CURRENT PERIOD INVESTMENTS			TOTAL INVESTMENTS		
	#	\$(000's)	%**	#	\$(000's)	%**	#	\$(000's)	% of Total \$'s
<i>Full Scope</i>									
<b>Detroit MSA (#2160)</b>	<b>2</b>	<b>141</b>	<b>22.5</b>	<b>27</b>	<b>320</b>	<b>12.7</b>	<b>29</b>	<b>461</b>	<b>14.6</b>
<b>Grand Rapids (#3000)</b>	<b>4</b>	<b>353</b>	<b>56.3</b>	<b>68</b>	<b>2110</b>	<b>83.6</b>	<b>72</b>	<b>2463</b>	<b>78.2</b>
<b>NW Michigan Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>15</b>	<b>0.6</b>	<b>12</b>	<b>15</b>	<b>0.5</b>
<i>Limited Scope</i>									
Benton Harbor MSA (#0870)	0	0	0	3	11	0.4	3	11	0.3
Kalamazoo MSA (#3720)	0	0	0	3	21	0.8	3	21	0.7
Lansing MSA (#4040)	1	133	21.2	2	10	0.4	3	143	4.5
Cass/Dowagiac Non-MSA	0	0	0	2	3	0.1	2	3	0.1
Central West MI Non-MSA	0	0	0	10	15	0.6	10	15	0.5
Sault Area Non-MSA	0	0	0	5	10	0.4	5	10	0.3
West MI Non-MSA	0	0	0	4	8	0.3	5	8	0.3

(\*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.

(\*\*) Percentage of the dollars invested in that MSA/AA that are prior or current period investments.

**Table 13. Distribution of Branch and ATM Delivery Systems**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Michigan

MSA/ASSESSMENT AREA	DEPOSIT	BRANCHES						ATMs						POPULATION				
	% of Rating Area Deposits in AA	# of HNB Branch	% of Rating Area Branches in AA	% Distribution of Branches by Income Level of Geography				# of BANK ATMs	% of Rating Area ATMs in AA	% Distribution of ATMs by Income Level of Geography				% of the Population residing within Each Income Level of Geography*				
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<i>Full Scope</i>																		
<b>Detroit MSA (#2160)</b>	<b>44.7</b>	<b>40</b>	<b>31.7</b>	<b>0</b>	<b>10.0</b>	<b>42.5</b>	<b>47.5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5.0</b>	<b>12.4</b>	<b>47.1</b>	<b>35.5</b>	
<b>Grand Rapids (#3000)</b>	<b>37.7</b>	<b>48</b>	<b>38.1</b>	<b>6.2</b>	<b>12.5</b>	<b>62.5</b>	<b>18.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4.7</b>	<b>14.1</b>	<b>62.2</b>	<b>19.0</b>	
<b>NW Michigan Area Non-MSA</b>	<b>4.7</b>	<b>11</b>	<b>8.7</b>	<b>0</b>	<b>9.1</b>	<b>72.7</b>	<b>18.2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5.3</b>	<b>76.0</b>	<b>18.7</b>	
<i>Limited Scope</i>																		
Benton Harbor MSA (#0870)	.6	1	.8	0	0	100.0	0	0	0	0	0	0	0	0	10.1	83.6	6.3	
Kalamazoo MSA (#3720)	1.5	2**	1.6	0	0	0	50.0	0	0	0	0	0	0	9.5	19.0	40.7	30.6	
Lansing MSA (#4040)	.5	1	.8	0	0	100.0	0	1	50.0	0	0	100.0	0	0	1.6	69.9	28.5	
Cass/Dowagiac Non-MSA	1.1	2	1.6	0	0	100.0	0	0	0	0	0	0	0	.7	0	70.4	28.9	
Central West MI Non-MSA	4.3	10	7.9	0	0	90.0	10.0	0	0	0	0	0	0	0	16.4	77.2	5.4	
Sault Area Non-MSA	2.0	4	3.2	0	0	100.0	0	1	50.0	X	X	X	X	0	13.8	86.1	0	
West MI Non-MSA	2.9	7	5.6	0	0	71.4	28.6	0	0	0	0	0	0	0	0	77.9	22.1	

(\*) The percentage of the population in the MSA/AA that resides in these geographies.

(\*\*) One (1) branch is in an "NA" census tract

**State of Ohio**

**Table 1. Lending Volume**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	% OF RATING AREA DEPOSITS IN AA*	HOME MORTGAGE		SMALL BUSINESS		SMALL FARM		COMMUNITY DEVELOPMENT		TOTAL REPORTED LOANS		% OF RATING AREA LOANS IN AA (% OF #)
		#	\$	#	\$	#	\$	#	\$	#	\$	
<i>Full Scope</i>												
<b>Cleveland MSA (#1680)</b>	<b>21.7</b>	<b>2656</b>	<b>206932</b>	<b>2731</b>	<b>361380</b>	<b>15</b>	<b>970</b>	<b>14</b>	<b>34584</b>	<b>5416</b>	<b>603866</b>	<b>22.4</b>
<b>Columbus MSA (#1840)</b>	<b>42.6</b>	<b>4756</b>	<b>401347</b>	<b>3407</b>	<b>288507</b>	<b>198</b>	<b>18268</b>	<b>10</b>	<b>6388</b>	<b>8370</b>	<b>714510</b>	<b>34.6</b>
<b>Washington CH Area Non-MSA</b>	<b>1.0</b>	<b>92</b>	<b>3664</b>	<b>140</b>	<b>4979</b>	<b>109</b>	<b>7178</b>	<b>0</b>	<b>0</b>	<b>341</b>	<b>15821</b>	<b>1.4</b>
<i>Limited Scope</i>												
Akron MSA (#0080)	4.0	520	34890	579	61541	10	690	0	0	1109	97121	4.6
Dayton MSA (#2000)	5.5	749	46392	702	73734	56	6337	1	1500	1508	127963	6.2
Lima MSA (#4320)	4.1	232	9152	544	45177	22	1289	0	0	798	55618	3.3
Mansfield MSA (#4800)	.3	87	3989	143	12552	9	1255	2	6921	241	24717	1.0
Toledo MSA (#8400)	9.1	1112	68354	1090	90458	205	11908	0	0	2407	170720	9.9
Ashland Area Non-MSA	1.7	190	11361	176	18391	97	3869	0	0	463	33621	1.9
Bellefontaine Area Non-MSA	.8	179	9276	116	10204	107	6968	0	0	402	26448	1.7
Chillicothe Area Non-MSA	1.7	192	12131	225	17717	104	5903	0	0	521	35751	2.2
Dover Area Non-MSA	4.3	439	99656	1092	114523	99	5571	2	100	1632	219850	6.8
Marysville Area Non-MSA	1.0	137	9889	171	13785	96	5837	0	0	404	29511	1.7
Port Clinton Area Non-MSA	1.6	194	14676	315	27968	1	90	0	0	510	42734	2.1
Toledo Area Non-MSA	.6	10	528	22	1083	11	1070	0	0	43	2681	0.2
Wadsworth Area Non-MSA	0	9	343	1	27	0	0	0	0	10	370	0

(\*) Deposit Data as of June 30, 1998



**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL**
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>5.3</b>	<b>5.5</b>	<b>11.2</b>	<b>12.5</b>	<b>51.4</b>	<b>47.6</b>	<b>32.1</b>	<b>34.4</b>	<b>17</b>	<b>1.3</b>	<b>1.0</b>	<b>0.9</b>	<b>1.3</b>	<b>1.5</b>	<b>1039</b>	<b>26.3</b>
<b>Columbus MSA (#1840)</b>	<b>3.7</b>	<b>1.1</b>	<b>16.3</b>	<b>7.7</b>	<b>47.4</b>	<b>32.0</b>	<b>32.6</b>	<b>59.2</b>	<b>11</b>	<b>2.0</b>	<b>0.9</b>	<b>1.4</b>	<b>1.8</b>	<b>2.5</b>	<b>1689</b>	<b>42.8</b>
<b>Washington CH Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>28.0</b>	<b>15.0</b>	<b>72.0</b>	<b>85.0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>5.5</b>	<b>0</b>	<b>2.6</b>	<b>6.5</b>	<b>0</b>	<b>20</b>	<b>.5</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	0	0	1.5	1.8	69.1	57.9	29.4	40.3	35	0.8	0	0	0.7	1.0	114	2.9
Dayton MSA (#2000)	5.1	5.0	13.1	11.7	53.5	60.3	28.3	23.0	34	0.7	0.9	0.7	0.8	0.4	257	6.5
Lima MSA (#4320)	3.6	4.0	11.7	12.0	67.3	66.0	17.4	18.0	17	1.0	0	2.9	0.9	0.9	50	1.3
Mansfield MSA (#4800)	1.5	0	11.8	11.1	50.3	63.0	36.4	25.9	23	0.7	0	1.0	0.8	0.5	27	.7
Toledo MSA (#8400)	3.9	1.3	16.1	12.2	55.1	52.4	24.9	34.2	13	1.9	0	2.1	1.7	2.2	395	10.0
Ashland Area Non-MSA	0	0	0	0	81.0	70.0	19.0	30.0	10	2.0	0	0	2.2	0.8	80	2.0
Bellefontaine Area Non-MSA	0	0	9.4	8.2	70.3	75.5	20.3	16.3	17	1.3	0	2.3	1.6	0.3	49	1.3
Chillicothe Area Non-MSA	0	0	33.2	19.2	59.9	72.3	6.9	8.5	11	1.9	0	0.8	2.4	1.4	47	1.2
Dover Area Non-MSA	0	0	27.2	23.3	72.8	76.7	0	0	12	2.4	0	2.7	2.2	0	60	1.5
Marysville Area Non-MSA	0	0	0	0	36.0	25.8	64.0	74.2	15	1.5	0	0	1.3	1.6	31	.8
Port Clinton Area Non-MSA	0	0	0	0	81.4	76.2	18.6	23.8	3	5.9	0	0	5.0	8.6	84	2.1
Toledo Area Non-MSA	0	0	0	0	0	0	100.0	100.0	7	4.6	0	0	0	4.6	2	0.1
Wadsworth Area Non-MSA	0	0	0	0	100.0	100.0	0	0	40	0.8	0	0	0.8	0	1	0.0

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>5.3</b>	<b>8.1</b>	<b>11.2</b>	<b>12.8</b>	<b>51.4</b>	<b>52.4</b>	<b>32.1</b>	<b>26.7</b>	<b>7</b>	<b>4.2</b>	<b>2.2</b>	<b>2.7</b>	<b>4.6</b>	<b>6.2</b>	<b>752</b>	<b>22.9</b>
<b>Columbus MSA (#1840)</b>	<b>3.7</b>	<b>4.8</b>	<b>16.3</b>	<b>15.1</b>	<b>47.4</b>	<b>50.0</b>	<b>32.6</b>	<b>30.1</b>	<b>4</b>	<b>7.4</b>	<b>7.9</b>	<b>5.4</b>	<b>7.5</b>	<b>8.8</b>	<b>1125</b>	<b>34.3</b>
<b>Washington CH Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>28.0</b>	<b>44.4</b>	<b>72.0</b>	<b>55.6</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>11.9</b>	<b>0</b>	<b>16.7</b>	<b>10.4</b>	<b>0</b>	<b>45</b>	<b>1.4</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	0	0	1.5	2.4	69.1	82.2	29.4	15.4	5	9.0	0	6.3	9.7	6.0	208	6.3
Dayton MSA (#2000)	5.1	6.9	13.1	16.5	53.5	60.6	28.3	16.0	13	1.6	1.1	1.4	1.8	1.5	188	5.7
Lima MSA (#4320)	3.6	4.6	11.7	23.1	67.3	57.4	17.4	14.8	4	8.5	9.5	13.2	8.0	6.4	108	3.3
Mansfield MSA (#4800)	1.5	0	11.8	20.0	50.3	45.0	36.4	35.0	8	3.4	0	2.3	3.1	4.8	40	1.2
Toledo MSA (#8400)	3.9	8.1	16.1	20.1	55.1	55.2	24.9	16.6	6	4.5	9.2	5.0	3.8	4.7	308	9.4
Ashland Area Non-MSA	0	0	0	0	81.0	75.7	19.0	24.3	2	12.1	0	0	11.5	15.8	37	1.1
Bellefontaine Area Non-MSA	0	0	9.4	7.6	70.3	80.3	20.3	12.1	5	6.3	0	5.3	7.6	2.9	66	2.0
Chillicothe Area Non-MSA	0	0	33.2	39.4	59.9	56.3	6.9	4.2	3	16.6	0	19.5	14.8	16.7	71	2.2
Dover Area Non-MSA	0	0	27.2	38.3	72.8	61.7	0	0	1	46.5	0	48.5	45.3	0	253	7.7
Marysville Area Non-MSA	0	0	0	0	36.0	33.3	64.0	66.7	3	10.8	0	0	5.8	14.3	42	1.3
Port Clinton Area Non-MSA	0	0	0	0	81.4	78.1	18.6	21.9	2	19.5	0	0	21.1	12.5	32	1.0
Toledo Area Non-MSA	0	0	0	0	0	0	100.0	100.0	2	18.2	0	0	18.2	0	3	.1
Wadsworth Area Non-MSA	0	0	0	0	100.0	100.0	0	0	5	8.7	0	0	8.7	0	5	.1

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating area.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK**	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL**
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>5.3</b>	<b>1.3</b>	<b>11.2</b>	<b>4.3</b>	<b>51.4</b>	<b>46.9</b>	<b>32.1</b>	<b>47.5</b>	<b>19</b>	<b>1.1</b>	<b>0.1</b>	<b>0.4</b>	<b>1.0</b>	<b>1.6</b>	<b>865</b>	<b>20.0</b>
<b>Columbus MSA (#1840)</b>	<b>3.7</b>	<b>2.7</b>	<b>16.3</b>	<b>10.0</b>	<b>47.4</b>	<b>36.8</b>	<b>32.6</b>	<b>50.5</b>	<b>7</b>	<b>2.5</b>	<b>2.1</b>	<b>2.0</b>	<b>2.0</b>	<b>3.2</b>	<b>1942</b>	<b>44.9</b>
<b>Washington CH Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>28.0</b>	<b>37.0</b>	<b>72.0</b>	<b>63.0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>4.9</b>	<b>0</b>	<b>9.1</b>	<b>3.8</b>	<b>0</b>	<b>27</b>	<b>.6</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	0	0	1.5	1.0	69.1	63.1	29.4	35.9	19	1.3	0	2.2	1.1	1.6	198	4.6
Dayton MSA (#2000)	5.1	2.6	13.1	10.2	53.5	55.9	28.3	31.3	34	0.7	0.1	0.7	0.8	0.7	304	7
Lima MSA (#4320)	3.6	4.0	11.7	12.2	67.3	56.8	17.4	27.0	13	1.3	0.7	1.6	1.3	1.3	74	1.7
Mansfield MSA (#4800)	1.5	0	11.8	.1	50.3	0.3	36.4	0.6	54	0.3	0	0.5	0.1	0.4	20	.5
Toledo MSA (#8400)	3.9	1.0	16.1	6.4	55.1	50.6	24.9	42.0	12	1.6	0.8	0.5	0.1	0.4	409	9.4
Ashland Area Non-MSA	0	0	0	0	81.0	64.4	19.0	35.6	6	3.9	0	0	3.2	6.9	73	1.7
Bellefontaine Area Non-MSA	0	0	9.4	6.3	70.3	70.3	20.3	23.4	21	1.3	0	1.2	1.4	0.9	64	1.5
Chillicothe Area Non-MSA	0	0	33.2	18.9	59.9	67.6	6.9	13.5	5	3.2	0	1.9	3.2	7.0	74	1.7
Dover Area Non-MSA	0	0	27.2	19.0	72.8	81.0	0	0	4	4.1	0	2.6	4.6	0	126	2.9
Marysville Area Non-MSA	0	0	0	0	36.0	26.6	64.0	73.4	6	3.8	0	0	3.0	4.1	64	1.5
Port Clinton Area Non-MSA	0	0	0	0	81.4	78.2	18.6	21.8	3	6.2	0	0	5.8	7.5	78	1.8
Toledo Area Non-MSA	0	0	0	0	0	0	100.0	100.0	5	4.8	0	0	0	4.8	5	.1
Wadsworth Area Non-MSA	0	0	0	0	100.0	100.0	0	0	35	0.8	0	0	0.8	0	3	.1

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY					TOTAL SMALL BUSINESS LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>10.3</b>	<b>8.9</b>	<b>10.9</b>	<b>6.1</b>	<b>44.9</b>	<b>40.7</b>	<b>33.8</b>	<b>39.7</b>	<b>6</b>	<b>7.1</b>	<b>8.1</b>	<b>4.4</b>	<b>6.7</b>	<b>7.8</b>	<b>2731</b>	<b>23.9</b>
<b>Columbus MSA (#1840)</b>	<b>8.9</b>	<b>7.7</b>	<b>18.7</b>	<b>13.0</b>	<b>40.2</b>	<b>36.2</b>	<b>32.2</b>	<b>41.4</b>	<b>3</b>	<b>11.3</b>	<b>10.6</b>	<b>10.2</b>	<b>10.5</b>	<b>13.1</b>	<b>3407</b>	<b>29.7</b>
<b>Washington CH Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>23.9</b>	<b>24.4</b>	<b>76.1</b>	<b>75.6</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>31.2</b>	<b>0</b>	<b>36.4</b>	<b>30.6</b>	<b>0</b>	<b>140</b>	<b>1.2</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	0	0	1.8	0.6	65.0	76.0	33.2	23.3	6	5.7	3.6	1.2	7.8	4.9	579	5.1
Dayton MSA (#2000)	11.8	9.5	16.8	19.6	44.0	42.8	27.3	28.1	9	3.9	2.6	4.1	4.3	4.0	702	6.1
Lima MSA (#4320)	13.9	9.9	13.1	13.7	57.7	55.6	15.4	20.7	1	22.6	27.5	38.1	17.6	31.2	544	4.8
Mansfield MSA (#4800)	7.4	3.8	15.7	15.1	51.4	37.7	25.4	43.4	8	3.0	1.9	3.0	2.5	4.1	143	1.2
Toledo MSA (#8400)	11.3	7.8	13.7	14.5	51.0	49.6	24.0	28.1	6	9.0	6.6	8.4	10.0	8.4	1090	9.5
Ashland Area Non-MSA	0	0	0	0	82.2	73.5	17.8	26.5	3	17.8	0	0	14.9	32.9	176	1.5
Bellefontaine Area Non-MSA	0	0	12.7	10.9	73.8	72.9	13.4	16.3	3	10.4	0	8.2	10.6	13.9	116	1.0
Chillicothe Area Non-MSA	0	0	28.6	30.4	67.7	64.4	3.7	5.2	2	28.8	0	36.6	26.4	33.3	225	2.0
Dover Area Non-MSA	0	0	29.8	20.2	70.2	79.8	0	0	1	45.1	0	50.6	45.7	0	1092	9.5
Marysville Area Non-MSA	0	0	0	0	35.5	27.9	64.5	72.1	1	22.1	0	0	16.0	25.8	171	1.5
Port Clinton Area Non-MSA	0	0	0	0	80.5	72.6	19.5	27.4	1	40.5	0	0	45.8	34.3	315	2.8
Toledo Area Non-MSA	0	0	0	0	87.6	50.0	12.4	50.0	12	0.6	0	0	0.2	6.9	22	0.2
Wadsworth Area Non-MSA	0	0	0	0	100.0	100.0	0	0	6	6.1	0	3.2	6.9	4.8	1	0.0

(\*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(\*\*) Small Business loans within an MSA/AA as a % of all small business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK**	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL FARM LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>1.6</b>	<b>0</b>	<b>5.4</b>	<b>5.9</b>	<b>48.4</b>	<b>58.8</b>	<b>44.6</b>	<b>35.3</b>	<b>3</b>	<b>10.0</b>	<b>0</b>	<b>10.0</b>	<b>3.9</b>	<b>16.7</b>	<b>15</b>	<b>1.3</b>
<b>Columbus MSA (#1840)</b>	<b>2.6</b>	<b>0</b>	<b>12.0</b>	<b>10.5</b>	<b>54.9</b>	<b>74.0</b>	<b>30.6</b>	<b>15.5</b>	<b>1</b>	<b>27.4</b>	<b>0</b>	<b>52.4</b>	<b>26.2</b>	<b>24.5</b>	<b>197</b>	<b>17.3</b>
<b>Washington CH Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>13.9</b>	<b>5.0</b>	<b>86.1</b>	<b>95.0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>59.7</b>	<b>0</b>	<b>66.7</b>	<b>59.4</b>	<b>0</b>	<b>109</b>	<b>9.6</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	0	0	0.4	0	66.3	90.9	33.3	9.1	2	33.3	0	0	35.3	0	10	0.9
Dayton MSA (#2000)	1.9	0	13.3	12.9	58.7	66.1	26.0	21.0	3	22.3	0	25.0	21.0	29.2	56	4.9
Lima MSA (#4320)	3.2	0	5.3	0.0	75.5	100.0	16.0	0	5	6.7	0	0	7.0	0	22	1.9
Mansfield MSA (#4800)	2.6	0	9.0	70.0	48.7	30.0	39.7	0	5	5.6	0	100	4.2	0	9	0.9
Toledo MSA (#8400)	0.6	0	9.4	3.5	62.9	84.2	27.1	12.3	1	45.1	0	50.0	42.9	68.4	205	18.0
Ashland Area Non-MSA	0	0	0	0	84.8	88.0	15.2	12.0	2	27.9	0	0	25.5	80.0	97	8.5
Bellefontaine Area Non-MSA	0	0	7.0	4.2	64.0	76.5	29.1	19.3	1	37.1	0	66.7	36.3	50.0	107	9.4
Chillicothe Area Non-MSA	0	0	30.6	29.6	61.2	69.6	8.2	0.9	1	94.0	0	100	97.4	0	104	9.1
Dover Area Non-MSA	0	0	15.9	10.9	84.1	89.1	0	0	1	73.2	0	80.0	72.6	0	99	8.7
Marysville Area Non-MSA	0	0	0	0	33.9	14.0	66.1	86.0	1	67.2	0	0	61.5	69.8	96	8.4
Port Clinton Area Non-MSA	0	0	0	0	53.8	100.0	46.2	0	0	0	0	0	0	0	1	0.1
Toledo Area Non-MSA	0	0	0	0	92.2	33.3	7.8	66.7	4	5.0	0	0	0	45.5	11	1.0
Wadsworth Area Non-MSA	0	0	0	0	100.0	0	0	0	0	0	0	0	0	0	0	0.0

(\*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

(\*\*) Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>20.2</b>	<b>8.8</b>	<b>17.2</b>	<b>27.2</b>	<b>23.8</b>	<b>31.2</b>	<b>38.8</b>	<b>32.8</b>	<b>17</b>	<b>1.3</b>	<b>0.9</b>	<b>1.4</b>	<b>1.9</b>	<b>1.8</b>	<b>1039</b>	<b>26.3</b>
<b>Columbus MSA (#1840)</b>	<b>19.1</b>	<b>10.8</b>	<b>18.0</b>	<b>30.9</b>	<b>24.6</b>	<b>25.6</b>	<b>38.3</b>	<b>32.7</b>	<b>11</b>	<b>2.0</b>	<b>3.0</b>	<b>3.1</b>	<b>2.1</b>	<b>2.3</b>	<b>1689</b>	<b>42.8</b>
<b>Washington CH Area Non-MSA</b>	<b>24.6</b>	<b>5.0</b>	<b>21.0</b>	<b>20.0</b>	<b>23.4</b>	<b>40.0</b>	<b>31.0</b>	<b>35.0</b>	<b>6</b>	<b>5.5</b>	<b>5.3</b>	<b>6.4</b>	<b>8.1</b>	<b>11.1</b>	<b>20</b>	<b>.5</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	13.6	6.2	16.3	14.2	25.2	35.4	44.9	44.2	35	0.8	1.9	0.6	1.4	0.8	114	2.9
Dayton MSA (#2000)	20.0	16.5	17.6	27.8	23.8	30.2	38.6	25.5	34	0.7	1.4	0.9	0.6	0.6	257	6.5
Lima MSA (#4320)	20.3	20.0	18.8	32.0	23.6	22.0	37.3	26.0	17	1.0	2.7	1.8	0.6	0.6	50	1.3
Mansfield MSA (#4800)	17.8	4.0	17.8	28.0	24.3	20.0	40.1	48.0	23	0.7	0	0.7	0.8	0.6	27	.7
Toledo MSA (#8400)	21.2	11.1	17.2	24.9	22.9	29.8	38.7	34.2	13	1.9	2.8	2.4	2.1	1.9	395	10.0
Ashland Area Non-MSA	16.4	10.0	19.0	21.2	23.3	35.0	41.3	33.8	10	2.0	2.6	0.7	2.8	2.8	80	2.0
Bellefontaine Area Non-MSA	17.1	10.2	17.1	20.4	24.4	32.7	41.4	36.7	17	1.3	3.5	2.1	1.1	1.2	49	1.3
Chillicothe Area Non-MSA	24.2	6.5	17.9	30.4	21.3	19.6	36.6	43.5	11	1.9	0	3.1	2.0	2.9	47	1.2
Dover Area Non-MSA	18.4	5.0	20.0	25.0	27.0	36.7	34.6	33.3	12	2.4	0.9	1.7	4.4	3.3	60	1.5
Marysville Area Non-MSA	12.9	3.2	13.6	12.9	21.5	35.5	52.0	48.4	15	1.5	0	3.3	2.8	1.2	31	.8
Port Clinton Area Non-MSA	16.0	9.6	16.1	19.3	21.6	19.3	46.3	51.8	3	5.9	10.0	7.7	17.0	5.2	84	2.1
Toledo Area Non-MSA	11.5	0	14.2	0	24.1	100.0	50.2	0	7	4.6	0	0	8.3	3.9	2	0.1
Wadsworth Area Non-MSA	11.5	0	15.4	0	25.2	0	47.9	100.0	40	0.8	0	0	0	1.9	1	0.0

(\*) As a percentage of loans with borrower income information available. No information was available for 2.0% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>20.2</b>	<b>13.2</b>	<b>17.2</b>	<b>24.5</b>	<b>23.8</b>	<b>28.4</b>	<b>38.8</b>	<b>33.9</b>	<b>7</b>	<b>4.2</b>	<b>2.4</b>	<b>3.8</b>	<b>4.2</b>	<b>6.1</b>	<b>752</b>	<b>22.9</b>
<b>Columbus MSA (#1840)</b>	<b>19.1</b>	<b>13.9</b>	<b>18.0</b>	<b>21.6</b>	<b>24.6</b>	<b>27.4</b>	<b>38.3</b>	<b>37.1</b>	<b>4</b>	<b>7.4</b>	<b>8.4</b>	<b>7.0</b>	<b>6.6</b>	<b>6.6</b>	<b>1125</b>	<b>34.3</b>
<b>Washington CH Area Non-MSA</b>	<b>24.6</b>	<b>8.9</b>	<b>21.0</b>	<b>28.9</b>	<b>23.4</b>	<b>33.3</b>	<b>31.0</b>	<b>28.9</b>	<b>3</b>	<b>11.9</b>	<b>7.7</b>	<b>20.0</b>	<b>12.2</b>	<b>8.7</b>	<b>45</b>	<b>1.4</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	13.6	14.9	16.3	19.2	25.2	31.3	44.9	34.6	5	9.0	14.1	8.9	9.0	8.4	208	6.3
Dayton MSA (#2000)	20.0	16.5	17.6	23.9	23.8	30.3	38.6	29.3	13	1.6	1.6	1.6	1.5	2.0	188	5.7
Lima MSA (#4320)	20.3	25.0	18.8	32.4	23.6	25.0	37.3	17.6	4	8.5	12.9	11.3	7.7	5.3	108	3.3
Mansfield MSA (#4800)	17.8	7.5	17.8	22.5	24.3	27.5	40.1	42.5	8	3.4	1.7	6.3	2.7	3.3	40	1.2
Toledo MSA (#8400)	21.2	26.1	17.2	18.9	22.9	28.0	38.7	27.0	6	4.5	8.2	4.3	3.5	4.0	308	9.4
Ashland Area Non-MSA	16.4	8.1	19.0	18.9	23.3	27.0	41.3	46.0	2	12.1	8.3	6.5	9.6	20.5	37	1.1
Bellefontaine Area Non-MSA	17.1	9.2	17.1	16.9	24.4	24.6	41.4	49.3	5	6.3	6.4	5.9	4.8	8.0	66	2.0
Chillicothe Area Non-MSA	24.2	19.7	17.9	16.9	21.3	26.8	36.6	36.6	3	16.6	22.2	16.7	14.8	19.3	71	2.2
Dover Area Non-MSA	18.4	16.3	20.0	30.1	27.0	29.0	34.6	24.6	1	46.5	50.0	45.3	46.0	49.5	253	7.7
Marysville Area Non-MSA	12.9	4.8	13.6	11.9	21.5	21.4	52.0	61.9	3	10.8	33.3	8.0	11.1	10.3	42	1.3
Port Clinton Area Non-MSA	16.0	18.8	16.1	15.6	21.6	21.9	46.3	43.7	2	19.5	10.0	31.3	16.0	21.2	32	1.0
Toledo Area Non-MSA	11.5	0	14.2	0	24.1	33.3	50.2	66.7	2	18.2	0	0	0	22.2	3	.1
Wadsworth Area Non-MSA	11.5	0	15.4	20.0	25.2	60.0	47.9	20.0	5	8.7	0	0	0	14.3	5	.1

(\*) As a percentage of loans with borrower income information available. No information was available for 0.7% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Cleveland MSA (#1680)</b>	<b>20.2</b>	<b>6.3</b>	<b>17.2</b>	<b>19.9</b>	<b>23.8</b>	<b>26.9</b>	<b>38.8</b>	<b>46.9</b>	<b>19</b>	<b>1.1</b>	<b>0.4</b>	<b>0.9</b>	<b>1.1</b>	<b>1.7</b>	<b>865</b>	<b>20.0</b>
<b>Columbus MSA (#1840)</b>	<b>19.1</b>	<b>6.4</b>	<b>18.0</b>	<b>17.3</b>	<b>24.6</b>	<b>26.5</b>	<b>38.3</b>	<b>49.8</b>	<b>7</b>	<b>2.5</b>	<b>2.1</b>	<b>2.3</b>	<b>2.6</b>	<b>3.3</b>	<b>1942</b>	<b>44.9</b>
<b>Washington CH Area Non-MSA</b>	<b>24.6</b>	<b>14.8</b>	<b>21.0</b>	<b>18.5</b>	<b>23.4</b>	<b>40.8</b>	<b>31.0</b>	<b>25.9</b>	<b>3</b>	<b>4.9</b>	<b>7.7</b>	<b>2.3</b>	<b>10.0</b>	<b>4.4</b>	<b>27</b>	<b>.6</b>
<i>Limited Scope</i>																
Akron MSA (#0080)	13.6	5.3	16.3	17.9	25.2	27.9	44.9	48.9	19	1.3	1.4	1.0	1.4	1.5	198	4.6
Dayton MSA (#2000)	20.0	8.7	17.6	22.7	23.8	29.8	38.6	38.8	34	0.7	0.7	0.9	0.7	0.9	304	7
Lima MSA (#4320)	20.3	5.4	18.8	18.9	23.6	25.7	37.3	50.0	13	1.3	1.1	1.3	1.4	1.6	74	1.7
Mansfield MSA (#4800)	17.8	0	17.8	15.0	24.3	40.0	40.1	45.0	54	0.3	0	0.3	0.4	0.3	20	.5
Toledo MSA (#8400)	21.2	5.3	17.2	18.3	22.9	30.8	38.7	45.6	12	1.6	0.9	1.3	1.8	2.0	409	9.4
Ashland Area Non-MSA	16.4	5.6	19.0	21.2	23.3	22.5	41.3	50.7	6	3.9	2.9	5.0	3.6	5.0	73	1.7
Bellefontaine Area Non-MSA	17.1	6.3	17.1	1.6	24.4	36.5	41.4	55.6	21	1.3	0	0.2	1.5	2.0	64	1.5
Chillicothe Area Non-MSA	24.2	6.0	17.9	8.9	21.3	25.4	36.6	59.7	5	3.2	3.6	1.3	4.0	4.1	74	1.7
Dover Area Non-MSA	18.4	7.5	20.0	22.3	27.0	38.0	34.6	32.2	4	4.1	4.3	2.8	5.9	4.6	126	2.9
Marysville Area Non-MSA	12.9	4.7	13.6	4.7	21.5	26.6	52.0	64.0	6	3.8	8.7	0.9	3.9	5.2	64	1.5
Port Clinton Area Non-MSA	16.0	6.7	16.1	16.0	21.6	24.0	46.3	53.3	3	6.2	5.9	8.3	5.0	7.4	78	1.8
Toledo Area Non-MSA	11.5	0	14.2	0	24.1	20.0	50.2	80.0	5	4.8	0	0	0	8.1	5	.1
Wadsworth Area Non-MSA	11.5	0	15.4	0	25.2	66.7	47.9	33.3	35	0.8	0	0	1.4	0.9	3	.1

(\*) As a percentage of loans with borrower income information available. No information was available for 5.6% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.



**Table 10. Borrower Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	BUSINESSES WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF BUSINESS SIZE			MARKET SHARE***		TOTAL SMALL BUSINESS LOANS		
	% of Businesses*	% HNB Loans**	% Market Loans**	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Cleveland MSA (#1680)</b>	<b>71.7</b>	<b>44.9</b>	<b>54.8</b>	<b>69.4</b>	<b>14.6</b>	<b>16.0</b>	<b>7.1</b>	<b>5.1</b>	<b>2731</b>	<b>23.9</b>	<b>131</b>
<b>Columbus MSA (#1840)</b>	<b>70.3</b>	<b>43.6</b>	<b>58.7</b>	<b>79.5</b>	<b>12.4</b>	<b>8.2</b>	<b>11.3</b>	<b>8.5</b>	<b>3407</b>	<b>29.7</b>	<b>75</b>
<b>Washington CH Area Non-MSA</b>	<b>71.1</b>	<b>87.2</b>	<b>73.3</b>	<b>94.2</b>	<b>5.1</b>	<b>0.6</b>	<b>31.2</b>	<b>35.0</b>	<b>140</b>	<b>1.2</b>	<b>41</b>
<i>Limited Scope</i>											
Akron MSA (#0080)	74.2	59.9	53.7	72.5	14.9	12.6	5.7	5.8	579	5.1	120
Dayton MSA (#2000)	70.1	47.2	57.7	73.5	16.9	9.6	3.9	3.8	702	6.1	68
Lima MSA (#4320)	70.0	61.3	63.3	81.1	9.9	8.9	22.6	22.0	544	4.8	84
Mansfield MSA (#4800)	71.3	56.0	60.8	81.8	6.3	11.9	3.0	2.0	143	1.2	127
Toledo MSA (#8400)	69.8	52.8	56.0	77.0	14.7	8.3	9.0	8.3	1090	9.5	79
Ashland Area Non-MSA	76.0	71.9	76.1	77.0	13.3	9.7	17.8	16.9	176	1.5	119
Bellefontaine Area Non-MSA	73.8	48.1	71.1	85.3	6.2	8.5	10.4	8.7	116	1.0	91
Chillicothe Area Non-MSA	74.0	62.4	28.8	79.2	16.0	4.8	28.8	45.7	225	2.0	96
Dover Area Non-MSA	71.5	78.7	64.4	81.9	12.6	5.4	45.1	50.5	1092	9.5	83
Marysville Area Non-MSA	72.9	82.6	57.9	77.4	16.8	5.8	22.1	28.0	171	1.5	64
Port Clinton Area Non-MSA	75.9	66.0	57.1	75.7	15.1	9.1	40.5	43.4	315	2.8	111
Toledo Area Non-MSA	74.8	70.8	45.5	95.8	0	4.2	0.6	0.9	22	0.2	87
Wadsworth Area Non-MSA	82.1	0	43.3	100.0	0	0	6.1	6.4	1	0.0	122

(\*) Businesses with revenues of \$1,000,000 or less as a percentage of all businesses.

(\*\*) Loans to businesses with revenues of \$1,000,000 or less as a percentage of all loans reported as small loans to businesses. No revenue information was available for 12% of small loans to business reported by HNB.

(\*\*\*) The market consists of all other Small Business reporters in HNB's assessment area and is based on 1998 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: Ohio

MSA/ASSESSMENT AREA	FARMS WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF FARM SIZE			MARKET SHARE***		TOTAL SMALL FARM LOANS		
	% of Farms*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Cleveland MSA (#1680)</b>	<b>91.4</b>	<b>58.8</b>	<b>82.4</b>	<b>82.4</b>	<b>17.6</b>	<b>0</b>	<b>10.0</b>	<b>8.8</b>	<b>15</b>	<b>1.3</b>	<b>84</b>
<b>Columbus MSA (#1840)</b>	<b>92.2</b>	<b>90.0</b>	<b>90.1</b>	<b>74.0</b>	<b>17.4</b>	<b>8.7</b>	<b>27.4</b>	<b>26.1</b>	<b>197</b>	<b>17.3</b>	<b>64</b>
<b>Washington CH Area Non-MSA</b>	<b>94.4</b>	<b>95.0</b>	<b>96.3</b>	<b>76.0</b>	<b>23.1</b>	<b>0.8</b>	<b>59.7</b>	<b>58.7</b>	<b>109</b>	<b>9.6</b>	<b>57</b>
<i>Limited Scope</i>											
Akron MSA (#0080)	93.0	63.6	80.0	81.8	18.2	0	33.3	23.1	10	0.9	36
Dayton MSA (#2000)	91.2	67.7	88.9	56.5	37.1	6.5	22.3	18.8	56	4.9	99
Lima MSA (#4320)	91.3	91.7	72.6	75.0	25.0	0	6.7	9.2	22	1.9	63
Mansfield MSA (#4800)	96.3	70.0	84.4	50.0	30.0	20.0	5.6	6.7	9	0.9	88
Toledo MSA (#8400)	89.7	74.6	95.1	87.7	10.1	2.2	45.1	39.6	205	18.0	52
Ashland Area Non-MSA	86.8	98.2	90.0	91.7	7.4	0.9	27.9	30.1	97	8.5	28
Bellefontaine Area Non-MSA	94.5	94.1	91.8	79.8	19.3	0.8	37.1	38.3	107	9.4	70
Chillicothe Area Non-MSA	89.1	92.3	0	81.7	15.7	2.6	94.0	95.6	104	9.1	52
Dover Area Non-MSA	88.7	90.9	93.3	84.5	11.8	3.6	73.2	72.6	99	8.7	40
Marysville Area Non-MSA	84.9	98.1	90.5	83.2	15.9	0.9	67.2	69.2	96	8.4	66
Port Clinton Area Non-MSA	86.7	100.0	0	100.0	0	0	0	0	1	0.1	76
Toledo Area Non-MSA	88.9	41.7	47.3	75.0	16.7	8.3	5.0	4.2	11	1.0	81
Wadsworth Area Non-MSA	100.0	0	0	0	0	0	13.5	12.1	0	0	0

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by HNB.

(\*\*\*) The market consists of all other Small Farm reporters in HNB's assessment area and is based on 1998 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Ohio

MSA/ASSESSMENT AREA	PRIOR PERIOD INVESTMENTS*			CURRENT PERIOD INVESTMENTS			TOTAL INVESTMENTS		
	#	\$(000's)	%**	#	\$(000's)	%**	#	\$(000's)	% of Total \$'s
<i>Full Scope</i>									
<b>Cleveland MSA (#1680)</b>	<b>17</b>	<b>3876</b>	<b>31.5</b>	<b>33</b>	<b>2557</b>	<b>35.6</b>	<b>50</b>	<b>6433</b>	<b>33.1</b>
<b>Columbus MSA (#1840)</b>	<b>16</b>	<b>5422</b>	<b>44.1</b>	<b>16</b>	<b>2006</b>	<b>28.0</b>	<b>32</b>	<b>7428</b>	<b>38.2</b>
<b>Washington CH Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0.0</b>	<b>1</b>	<b>1</b>	<b>0.0</b>
<i>Limited Scope</i>									
Akron MSA (#0080)	5	591	4.8	9	1032	14.4	14	1623	8.3
Dayton MSA (#2000)	6	1165	9.5	4	423	5.9	10	1588	8.2
Lima MSA (#4320)	0	0	0	1	3	0.1	1	3	0.0
Mansfield MSA (#4800)	0	0	0	4	274	3.8	4	274	1.4
Toledo MSA (#8400)	3	732	6.0	8	190	2.6	11	922	4.7
Ashland Area Non-MSA	0	0	0	4	99	1.4	4	99	0.5
Bellefontaine Area Non-MSA	1	207	1.7	1	2	0.0	2	209	1.1
Chillicothe Area Non-MSA	2	178	1.5	2	2	0.0	4	180	0.9
Dover Area Non-MSA	0	0	0	3	26	0.4	3	26	0.1
Marysville Area Non-MSA	0	0	0	2	551	7.7	2	551	2.8
Port Clinton Area Non-MSA	1	65	.5	3	7	0.1	4	72	0.4
Toledo Area Non-MSA	1	52	.4	1	1	0.0	2	53	0.3
Wadsworth Area Non-MSA	0	0	0	1	2	0.0	1	2	0.0

(\*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.

(\*\*) Percentage of the dollars invested in that MSA/AA that are prior or current period investments.

**Table 13. Distribution of Branch and ATM Delivery Systems**

Evaluation Period: October 16, 1996 to June 30, 1999

State: Ohio

MSA/ASSESSMENT AREA	DEPOSIT	BRANCHES						ATMs						POPULATION				
	% of Rating Area Deposits in AA	# of HNB Branch	% of Rating Area Branches in AA	% Distribution of Branches by Income Level of Geography				# of HNB ATMs	% of Rating Area ATMs in AA	% Distribution of ATMs by Income Level of Geography				% of the Population residing within Each Income Level of Geography*				
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<i>Full Scope</i>																		
<b>Cleveland MSA (#1680)</b>	<b>21.7</b>	<b>44**</b>	<b>26.2</b>	<b>4.5</b>	<b>11.4</b>	<b>43.2</b>	<b>36.4</b>	<b>2</b>	<b>22.2</b>	<b>0</b>	<b>50.0</b>	<b>0</b>	<b>50.0</b>	<b>10.9</b>	<b>15.2</b>	<b>46.7</b>	<b>27.1</b>	
<b>Columbus MSA (#1840)</b>	<b>42.6</b>	<b>53***</b>	<b>31.5</b>	<b>7.5</b>	<b>15.1</b>	<b>35.9</b>	<b>38.6</b>	<b>7****</b>	<b>77.8</b>	<b>16.7</b>	<b>33.3</b>	<b>0</b>	<b>50.0</b>	<b>9.0</b>	<b>20.1</b>	<b>43.3</b>	<b>27.6</b>	
<b>Washington CH Area Non-MSA</b>	<b>1.0</b>	<b>1</b>	<b>.6</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27.9</b>	<b>72.1</b>	<b>0</b>	
<i>Limited Scope</i>																		
Akron MSA (#0080)	4.0	9	5.4	0	0	100.0	0	0	0	0	0	0	0	0	1.7	72.7	25.6	
Dayton MSA (#2000)	5.5	11	6.5	18.2	0	36.4	45.4	0	0	0	0	0	0	8.9	17.8	49.0	24.3	
Lima MSA (#4320)	4.1	5	3.0	0	20.0	60.0	20.0	0	0	0	0	0	0	5.9	14.3	64.0	15.7	
Mansfield MSA (#4800)	.3	1	.6	0	0	100.0	0	0	0	0	0	0	0	2.3	13.9	50.7	33.1	
Toledo MSA (#8400)	9.1	23	13.6	4.3	21.8	39.1	34.8	0	0	0	0	0	0	7.0	19.6	50.4	21.6	
Ashland Area Non-MSA	1.7	3	1.8	0	0	100.0	0	0	0	0	0	0	0	0	0	80.7	19.3	
Bellefontaine Area Non-MSA	.8	2	1.2	0	0	100.0	0	0	0	0	0	0	0	0	9.1	71.7	19.2	
Chillicothe Area Non-MSA	1.7	3	1.8	0	0	100.0	0	0	0	0	0	0	0	0	32.2	61.6	6.2	
Dover Area Non-MSA	4.3	9	5.4	0	33.3	66.7	0	0	0	0	0	0	0	0	28.4	71.6	0	
Marysville Area Non-MSA	1.0	1	.6	0	0	0	100.0	0	0	0	0	0	0	0	0	36.6	63.4	
Port Clinton Area Non-MSA	1.6	2	1.2	0	0	100.0	0	0	0	0	0	0	0	0	0	83.7	16.3	
Toledo Area Non-MSA	.6	1	.6	0	0	0	100.0	0	0	0	0	0	0	0	0	0	100.0	
Wadsworth Area Non-MSA	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	100.0	0	

(\*) The percentage of the population in the MSA/AA that resides in these geographies.

(\*\*) Two (2) branches are located in census tracts categorized as NA

(\*\*\*) One (1) branch is located in a census tract categorized as NA

(\*\*\*\*) One (1) ATM is located in a census tract categorized as NA

**State of West Virginia**

**Table 1. Lending Volume**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	% OF RATING AREA DEPOSITS IN AA*	HOME MORTGAGE		SMALL BUSINESS		SMALL FARM		COMMUNITY DEVELOPMENT		TOTAL REPORTED LOANS		% OF RATING AREA LOANS IN AA (% OF#)
		#	\$	#	\$	#	\$	#	\$	#	\$	
<i>Full Scope</i>												
<b>Charleston MSA (#1480)</b>	<b>23.8</b>	<b>933</b>	<b>64780</b>	<b>392</b>	<b>34690</b>	<b>1</b>	<b>180</b>	<b>4</b>	<b>1731</b>	<b>1330</b>	<b>101381</b>	<b>26.0</b>
<b>Elkins Area Non-MSA</b>	<b>3.6</b>	<b>237</b>	<b>12085</b>	<b>52</b>	<b>2763</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>65</b>	<b>290</b>	<b>14913</b>	<b>5.7</b>
<i>Limited Scope</i>												
Huntington MSA (#3400)	10.1	448	17832	193	14263	2	30	4	333	647	32458	12.7
Parkersburg MSA (#6020)	5.5	230	6962	72	6725	1	36	0	0	303	13723	5.9
Washington DC MSA (#8840)	6.6	342	20324	36	3386	0	0	1	6	379	23716	7.4
NorthCentral WV Non-MSA	47.4	1498	70792	537	55670	5	49	6	670	2046	127181	40.1
Parkersburg Area Non-MSA	3.0	89	2330	24	734	0	0	0	0	113	3064	2.2

(\*) Deposit Data as of June 30, 1998

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL**
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	.1	.3	17.5	7.6	58.0	48.5	24.4	43.6	7	3.6	5.9	2.6	3.4	4.2	330	32.5
<b>Elkins Area Non-MSA</b>	0	0	0	0	100.0	100.0	0	0	2	19.9	0	0	19.9	0	63	6.2
<i>Limited Scope</i>																
Huntington MSA (#3400)	.5	0	20.1	11.8	48.5	47.0	30.9	41.2	16	1.9	0	.9	1.4	3.1	85	8.4
Parkersburg MSA (#6020)	0	0	17.4	16.0	64.6	68.0	18.0	16.0	13	1.5	0	2.8	1.4	1.2	50	4.9
Washington DC MSA (#8840)	0	0	100.0	100.0	0	0	0	0	25	1.1	0	1.1	0	0	94	9.3
NorthCentral WV Non-MSA	0	0	2.1	2.1	55.8	48.0	42.1	49.9	1	10.8	0	10.7	12.5	9.7	373	36.8
Parkersburg Area Non-MSA	0	0	0	0	100.0	100.0	0	0	5	6.0	0	0	6.0	0	19	1.9

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	.1	0	17.5	14.7	58.0	61.6	24.4	23.7	4	6.3	0	6.1	6.9	5.2	211	21.1
<b>Elkins Area Non-MSA</b>	0	0	0	0	100.0	100.0	0	0	1	50.0	0	0	50.0	0	33	3.3
<i>Limited Scope</i>																
Huntington MSA (#3400)	.5	0	20.1	17.8	48.5	48.9	30.9	33.3	3	13.7	0	14.7	13.3	14.0	180	18.0
Parkersburg MSA (#6020)	0	0	17.4	23.1	64.6	66.7	18.0	10.2	4	10.3	0	11.3	11.2	6.5	78	7.8
Washington DC MSA (#8840)	0	0	100.0	100.0	0	0	0	0	3	8.4	0	8.4	0	0	45	4.5
NorthCentral WV Non-MSA	0	0	2.1	1.5	55.8	66.0	42.1	32.5	1	39.3	0	13.3	45.3	31.1	415	41.4
Parkersburg Area Non-MSA	0	0	0	0	100.0	100.0	0	0	2	30.8	0	0	30.8	0	39	3.9

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating area.



**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS	% OWNER OCC UNITS	% HNB LOANS								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	.1	.3	17.5	7.9	58.0	55.3	24.4	36.5	7	3.2	5.6	1.7	3.3	3.5	392	22.2
<b>Elkins Area Non-MSA</b>	0	0	0	0	100.0	100.0	0	0	1	32.1	0	0	32.1	0	141	8.0
<i>Limited Scope</i>																
Huntington MSA (#3400)	.5	0	20.1	11.5	48.5	57.9	30.9	30.6	8	2.8	0	1.9	2.9	3.0	183	10.4
Parkersburg MSA (#6020)	0	0	17.4	19.6	64.6	63.7	18.0	16.7	20	.9	0	1.4	0.9	0.7	102	5.8
Washington DC MSA (#8840)	0	0	100.0	100.0	0	0	0	0	5	4.5	0	4.5	0	0	203	11.5
NorthCentral WV Non-MSA	0	0	2.1	1.0	55.8	55.8	42.1	43.2	1	10.5	0	0	11.0	10.7	710	40.3
Parkersburg Area Non-MSA	0	0	0	0	100.0	100.0	0	0	8	2.0	0	0	2.0	0	31	1.8

(\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(\*\*) Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL BUSINESS LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS	% OF BUSINESSES	% HNB LOANS								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	<b>12.7</b>	<b>9.9</b>	<b>20.3</b>	<b>23.6</b>	<b>44.6</b>	<b>40.8</b>	<b>22.5</b>	<b>25.7</b>	<b>5</b>	<b>6.9</b>	<b>8.6</b>	<b>8.8</b>	<b>6.8</b>	<b>6.3</b>	<b>392</b>	<b>30.0</b>
<b>Elkins Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>37.6</b>	<b>0</b>	<b>0</b>	<b>38.0</b>	<b>0</b>	<b>52</b>	<b>4.0</b>
<i>Limited Scope</i>																
Huntington MSA (#3400)	21.4	19.2	16.8	15.4	37.4	32.7	24.4	32.7	4	9.3	11.4	11.0	8.4	9.4	193	14.8
Parkersburg MSA (#6020)	0	0	33.2	32.5	55.4	56.3	11.4	11.3	8	3.5	0	2.7	4.7	2.3	72	5.5
Washington DC MSA (#8840)	0	0	100.0	100.0	0	0	0	0	7	3.2	0	3.2	0	0	36	2.8
NorthCentral WV Non-MSA	0	0	6.0	4.7	51.0	41.5	43.0	53.8	3	12.3	0	19.0	11.7	12.9	537	41.1
Parkersburg Area Non-MSA	0	0	0	0	100.0	100.0	0	0	1	24.1	0	0	25.0	0	24	1.8

(\*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(\*\*) Small Business loans within an MSA/AA as a % of all small business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	GEOGRAPHIES								OVERALL MARKET RANK*	MARKET SHARE BY GEOGRAPHY*					TOTAL SMALL FARM LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL **
	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS	% OF FARMS	% HNB LOANS								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	<b>3.2</b>	<b>0</b>	<b>16.1</b>	<b>100.0</b>	<b>53.2</b>	<b>0</b>	<b>27.4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>11.1</b>	
<b>Elkins Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	
<i>Limited Scope</i>																
Huntington MSA (#3400)	2.5	0	15.0	0	37.5	50.0	45.0	50.0	2	25.0	0	0	25.0	0	2	22.2
Parkersburg MSA (#6020)	0	0	22.9	0	62.5	0	14.6	100.0	4	7.7	0	0	0	50.0	1	11.1
Washington DC MSA (#8840)	0	0	100.0	0	0	0	0	0	0	0	0	0	0	0	0	0
NorthCentral WV Non-MSA	0	0	4.4	0	51.5	60.0	44.1	40.0	2	23.5	0	0	23.1	33.3	5	55.6
Parkersburg Area Non-MSA	0	0	0	0	100.0	0	0	0	0	0	0	0	0	0	0	0

(\*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

(\*\*) Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME PURCHASE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	<b>21.1</b>	<b>8.3</b>	<b>18.4</b>	<b>18.8</b>	<b>21.0</b>	<b>28.1</b>	<b>39.5</b>	<b>44.8</b>	<b>7</b>	<b>3.6</b>	<b>1.6</b>	<b>3.9</b>	<b>5.5</b>	<b>3.6</b>	<b>330</b>	<b>32.5</b>
<b>Elkins Area Non-MSA</b>	<b>21.0</b>	<b>0</b>	<b>18.9</b>	<b>15.9</b>	<b>23.0</b>	<b>30.1</b>	<b>37.1</b>	<b>54.0</b>	<b>2</b>	<b>19.9</b>	<b>0</b>	<b>15.0</b>	<b>20.0</b>	<b>33.3</b>	<b>63</b>	<b>6.2</b>
<i>Limited Scope</i>																
Huntington MSA (#3400)	22.9	8.2	16.6	12.9	18.8	36.5	41.7	42.4	16	1.9	1.6	1.3	2.7	2.3	85	8.4
Parkersburg MSA (#6020)	21.1	10.2	17.5	24.5	22.5	12.2	38.9	53.1	13	1.5	2.3	2.4	0.9	1.4	50	4.9
Washington DC MSA (#8840)	38.1	26.9	32.7	46.2	19.0	15.1	10.2	11.8	25	1.1	0.9	1.7	0.9	2.2	94	9.3
NorthCentral WV Non-MSA	17.9	3.3	14.4	8.9	18.0	23.0	48.8	64.8	1	10.8	10.0	6.5	13.6	13.1	373	36.8
Parkersburg Area Non-MSA	21.6	0	17.6	10.5	20.2	31.6	40.6	57.9	5	6.0	0	9.1	5.6	8.9	19	1.9

(\*) As a percentage of loans with borrower income information available. No information was available for 1.5% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME IMPROVEMENT LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	<b>21.1</b>	<b>17.6</b>	<b>18.4</b>	<b>23.8</b>	<b>21.0</b>	<b>20.5</b>	<b>39.5</b>	<b>38.1</b>	<b>4</b>	<b>6.3</b>	<b>6.3</b>	<b>4.4</b>	<b>5.1</b>	<b>8.7</b>	<b>211</b>	<b>21.1</b>
<b>Elkins Area Non-MSA</b>	<b>21.0</b>	<b>0</b>	<b>18.9</b>	<b>27.3</b>	<b>23.0</b>	<b>24.2</b>	<b>37.1</b>	<b>48.5</b>	<b>1</b>	<b>50.0</b>	<b>0</b>	<b>85.7</b>	<b>57.1</b>	<b>28.6</b>	<b>33</b>	<b>3.3</b>
<i>Limited Scope</i>																
Huntington MSA (#3400)	22.9	9.0	16.6	18.7	18.8	24.3	41.7	48.0	3	13.7	6.8	14.3	11.3	17.6	180	18.0
Parkersburg MSA (#6020)	21.1	24.6	17.5	33.8	22.5	23.4	38.9	18.2	4	10.3	15.5	15.5	7.7	6.4	78	7.8
Washington DC MSA (#8840)	38.1	57.8	32.7	17.8	19.0	20.0	10.2	4.4	3	8.4	13.3	6.1	1.9	11.8	45	4.5
NorthCentral WV Non-MSA	17.9	8.2	14.4	23.0	18.0	25.7	48.8	43.1	1	39.3	45.5	38.5	55.8	31.5	415	41.4
Parkersburg Area Non-MSA	21.6	13.5	17.6	5.4	20.2	29.7	40.6	51.4	2	30.8	28.6	20.0	30.0	35.3	39	3.9

(\*) As a percentage of loans with borrower income information available. No information was available for .9% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	BORROWERS								OVERALL MARKET RANK**	MARKET SHARE BY BORROWER INCOME**					TOTAL HOME MORTGAGE REFINANCE LOANS	
	LOW-INCOME		MOD-INCOME		MID-INCOME		UPP-INCOME			TOTAL	LOW	MOD	MID	UPP	#	% OF TOTAL
	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*	% OF FAMILIES	% HNB LOANS*								
<i>Full Scope</i>																
<b>Charleston MSA (#1480)</b>	<b>21.1</b>	<b>5.0</b>	<b>18.4</b>	<b>11.2</b>	<b>21.0</b>	<b>21.5</b>	<b>39.5</b>	<b>62.3</b>	<b>7</b>	<b>3.2</b>	<b>1.6</b>	<b>1.2</b>	<b>2.2</b>	<b>4.7</b>	<b>392</b>	<b>22.2</b>
<b>Elkins Area Non-MSA</b>	<b>21.0</b>	<b>3.5</b>	<b>18.9</b>	<b>8.5</b>	<b>23.0</b>	<b>28.4</b>	<b>37.1</b>	<b>59.6</b>	<b>1</b>	<b>32.1</b>	<b>25.0</b>	<b>4.0</b>	<b>31.0</b>	<b>43.2</b>	<b>141</b>	<b>8.0</b>
<i>Limited Scope</i>																
Huntington MSA (#3400)	22.9	5.5	16.6	12.6	18.8	24.0	41.7	57.9	8	2.8	1.0	2.0	2.9	3.9	183	10.4
Parkersburg MSA (#6020)	21.1	13.7	17.5	19.6	22.5	31.4	38.9	35.3	20	.9	1.4	.4	1.7	.8	102	5.8
Washington DC MSA (#8840)	38.1	32.6	32.7	31.0	19.0	29.9	10.2	6.5	5	4.5	3.9	4.7	5.7	3.8	203	11.5
NorthCentral WV Non-MSA	17.9	2.9	14.4	10.4	18.0	22.6	48.8	64.1	1	10.5	2.7	6.1	8.8	15.9	710	40.3
Parkersburg Area Non-MSA	21.6	3.2	17.6	16.1	20.2	29.1	40.6	51.6	8	2.0	0	0	0	3.2	31	1.8

(\*) As a percentage of loans with borrower income information available. No information was available for 2.1% of loans originated by HNB.

(\*\*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	BUSINESSES WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF BUSINESS SIZE			MARKET SHARE***		TOTAL SMALL BUSINESS LOANS		
	% of Businesses*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Charleston MSA (#1480)</b>	<b>68.9</b>	<b>53.9</b>	<b>74.9</b>	<b>78.2</b>	<b>13.3</b>	<b>8.5</b>	<b>6.9</b>	<b>6.2</b>	<b>392</b>	<b>30.0</b>	<b>97</b>
<b>Elkins Area Non-MSA</b>	<b>74.8</b>	<b>55.2</b>	<b>57.9</b>	<b>86.2</b>	<b>13.8</b>	<b>0</b>	<b>37.6</b>	<b>34.0</b>	<b>52</b>	<b>4.0</b>	<b>53</b>
<i>Limited Scope</i>											
Huntington MSA (#3400)	70.4	58.9	67.0	84.1	7.9	7.9	9.3	7.7	193	14.8	65
Parkersburg MSA (#6020)	69.6	56.3	61.2	81.9	6.9	11.1	3.5	2.1	72	5.5	109
Washington DC MSA (#8840)	72.6	47.5	51.5	75.0	17.5	7.5	3.2	2.6	36	2.8	50
NorthCentral WV Non-MSA	72.4	54.6	72.4	76.9	11.4	11.7	12.3	8.8	537	41.1	104
Parkersburg Area Non-MSA	73.1	74.1	59.0	100.0	0	0	24.1	32.4	24	1.8	24

(\*) Businesses with revenues of \$1,000,000 or less as a percentage of all businesses.

(\*\*) Loans to businesses with revenues of \$1,000,000 or less as a percentage of all loans reported as small loans to businesses. No revenue information was available for 13% of small loans to businesses reported by HNB.

(\*\*\*) The market consists of all other Small Business reporters in HNB's assessment area and is based on 1998 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Evaluation Period: January 1, 1997 to December 31, 1998

State: West Virginia

MSA/ASSESSMENT AREA	FARMS WITH REVENUES OF \$1,000,000 OR LESS			% DISTRIBUTION OF LOANS BY ORIGINAL AMOUNT REGARDLESS OF FARM SIZE			MARKET SHARE***		TOTAL SMALL FARM LOANS		
	% of Farms*	% HNB Loans**	% Market Loans***	\$100,000 or Less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	ALL	REVENUES \$1,000,000 OR LESS	#	% OF TOTAL	AVG LOAN SIZE
<i>Full Scope</i>											
<b>Charleston MSA (#1480)</b>	<b>95.2</b>	<b>100.0</b>	<b>75.0</b>	<b>0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>11.1</b>	<b>0</b>
<b>Elkins Area Non-MSA</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Limited Scope</i>											
Huntington MSA (#3400)	88.9	100.0	100.0	100.0	0	0	25.0	25.0	2	22.2	12
Parkersburg MSA (#6020)	90.6	100.0	71.4	100.0	0	0	7.7	11.1	1	11.1	40
Washington DC MSA (#8840)	85.0	0	81.8	0	0	0	0	0	0	0	0
NorthCentral WV Non-MSA	94.4	100.0	100.0	100.0	0	0	23.5	23.5	5	55.6	12
Parkersburg Area Non-MSA	85.7	0	100.0	0	0	0	0	0	0	0	0

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by HNB.

(\*\*\*) The market consists of all other Small Farm reporters in HNB's assessment area and is based on 1998 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

Evaluation Period: October 16, 1996 to June 30, 1999

State: West Virginia

MSA/ASSESSMENT AREA	PRIOR PERIOD INVESTMENTS*			CURRENT PERIOD INVESTMENTS			TOTAL INVESTMENTS		
	#	\$(000's)	%**	#	\$(000's)	%**	#	\$(000's)	% of Total \$'s
<i>Full Scope</i>									
<b>Charleston MSA (#1480)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>36</b>	<b>2.7</b>	<b>5</b>	<b>36</b>	<b>1.7</b>
<b>Elkins Area Non-MSA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>.3</b>	<b>4</b>	<b>4</b>	<b>0.2</b>
<i>Limited Scope</i>									
Huntington MSA (#3400)	0	0	0	2	484	36.0	2	484	23.3
Parkersburg MSA (#6020)	1	730	100.0	2	4	.3	3	734	35.4
Washington DC MSA (#8840)	0	0	0	3	10	.7	3	10	0.5
NorthCentral WV Non-MSA	0	0	0	3	804	59.9	3	804	38.8



Parkersburg Area Non-MSA	0	0	0	2	1	0.1	2	1	0.1
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- (\*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.
- (\*\*) Percentage of the dollars invested in that MSA/AA that are prior period investment or current period investment.

**Table 13. Distribution of Branch and ATM Delivery Systems**

Evaluation Period: October 16, 1996 to June 30, 1999

State: West Virginia

MSA/ASSESSMENT AREA	DEPOSIT	BRANCHES						ATMs						POPULATION					
	% of Rating Area Deposits in AA	# of HNB Branch	% of Rating Area Branches in AA	% Distribution of Branches by Income Level of Geography				# of HNB ATMs	% of Rating Area ATMs in AA	% Distribution of ATMs by Income Level of Geography				% of the Population residing within Each Income Level of Geography					
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp		
<i>Full Scope</i>																			
<b>Charleston MSA (#1480)</b>	<b>23.8</b>	<b>8</b>	<b>20.5</b>	<b>25.0</b>	<b>25.0</b>	<b>37.5</b>	<b>12.5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>.8</b>	<b>19.0</b>	<b>57.7</b>	<b>22.5</b>
<b>Elkins Area Non-MSA</b>	<b>3.6</b>	<b>2</b>	<b>5.1</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.0</b>	<b>0</b>
<i>Limited Scope</i>																			
Huntington MSA (#3400)	10.1	3	7.7	33.3	0	66.7	0	0	0	0	0	0	0	0	4.0	21.9	45.4	28.7	
Parkersburg MSA (#6020)	5.5	1	2.6	0	100.0	0	0	0	0	0	0	0	0	0	0	18.8	64.0	17.2	
Washington DC MSA (#8840)	6.6	4	10.3	0	100.0	0	0	0	0	0	0	0	0	0	100.0	0	0	0	
NorthCentral WV Non-MSA	47.4	19	48.7	0	10.5	52.6	36.9	4	100.0	0	0	2	0	0	2.7	57.2	40.1		
Parkersburg Area Non-MSA	3.0	2	5.1	0	0	100.0	0	0	0	0	0	0	0	0	0	0	100.0	0	