



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

January 6, 2003

### Community Reinvestment Act **Performance Evaluation**

**The Farmers National Bank of Canfield**  
**Charter Number: 3654**

**20 South Broad Street**  
**Canfield, Ohio 44406**

#### Office of the Comptroller of the Currency

**Cleveland Field Office**  
**3 Summit Park Drive, Suite 530**  
**Independence, Ohio 44131**

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

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## Overall CRA Rating

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

The following table indicates the performance level of **The Farmers National Bank of Canfield** with respect to the Lending, Investment, and Service Tests:

Performance Levels	The Farmers National Bank of Canfield Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory	X	X	X
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The bank's distribution of loans by income level of borrower is excellent.
- A substantial majority of the bank's loan originations are located within its AA.
- Given the opportunities within the bank's AA, the level of community development loans is good.
- The bank's geographic distribution of loans is poor.
- Given the opportunities within the bank's AA, the level of qualified investments is adequate.
- Delivery systems are reasonably accessible to all geographies and individuals of different income levels throughout its AA.

## Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

Farmers National Bank of Canfield (FNB) is a wholly owned subsidiary of Farmers National Banc Corp., a publicly traded company (Nasdaq: FMNB) headquartered in Canfield, Ohio. As of September 30, 2002 FMNB had \$751 million in total assets.

FNB is an interstate bank, with 17 branch offices in the state of Ohio. FNB has one assessment area for CRA purposes. The bank operates in the Youngstown-Warren MA. In April 2001, the bank acquired Security Dollar Bank, which operated 6 branches, also in the Youngstown-Warren MA. As a result, the bank expanded its AA within this metropolitan area to include the communities of Warren, Howland, Girard, and Niles, where these branches are located.

FNB offers a full range of banking products and services. As of December 31, 2002, FNB had \$746 million in assets. Loans represented 64 percent of total assets. The distribution of FNB's loan portfolio is as follows: real estate loans (61 percent); commercial & industrial loans (4 percent); loans to individuals (33 percent); the remaining (2 percent) is comprised of multiple other loan categories. The bank's real estate loan mix primarily consists of 1-4 family residential (63 percent) and commercial (32 percent) loans. FNB's Tier One Capital is \$72 million.

In determining the size and capacity of FNB for CRA evaluation purposes, we did not consider operating subsidiaries and affiliates of the bank, as the bank does not have either.

FNB was rated "Satisfactory" at its last Large Bank CRA evaluation dated March 6, 2000.

There are no legal, financial or other factors that impede the bank's ability to help meet the credit needs in its assessment areas (AA).

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment and Service Tests. In evaluating the bank's lending performance, we reviewed its home mortgage loans subject to filing under HMDA and small loans to businesses. We did not evaluate small farm loans since this is not a significant lending activity of FNB. With the exception of CD loans, the evaluation period for the Lending Test is January 1, 2000 through December 31, 2002. The evaluation period for CD loans, qualified investments and CD services is March 6, 2000 through January 6, 2003.

### Data Integrity

The Community Reinvestment Act requires that banks collect and maintain certain data regarding originations and purchases of home mortgage loans, small loans to businesses and small loans to farms. This information is maintained in the bank's Public File. As part of the CRA evaluation, we tested the bank's publicly filed home mortgage and small loans to businesses data for accuracy. We also evaluated FNB's processes to ensure that data are reliable.

We determined the bank's home mortgage data and small loans to businesses data to be accurate. No significant errors were noted as a result of the Data Integrity review. Therefore, this evaluation is based on accurate data.

CD loans, qualified investments and CD services submitted by FNB management were verified to ensure that they met the regulatory definition for community development. Some items submitted for consideration were excluded from this evaluation because they did not meet the definition or purpose of community development. Therefore, this evaluation was based on CD loans, qualified investments and CD services that met the regulatory definitions.

### Selection of Areas for Full-Scope Review

The bank operates only in the Youngstown-Warren MA, which received a full-scope review.

### Ratings

The bank's overall rating is based on the full-scope review of the Youngstown-Warren MA.

### Other

Information regarding the credit and deposit needs of the full-scope review area was obtained through contacts with local community development organizations, local municipalities, the Department of Housing and Urban Development, the Ohio Department of Jobs and Family Services and information provided by the OCC Central District Community Affairs Officer. Details for each AA is contained within the Market Profile for Full-Scope Area in Appendix B.



## **Fair Lending Review**

An analysis of the most recent public comments and consumer complaint information was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year.

## Conclusions with Respect to Performance Tests

### LENDING TEST

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

The bank's performance under the lending test is rated "Low Satisfactory". Based on full-scope review, the bank's performance in the Youngstown-Warren MA is adequate.

We placed more emphasis on home mortgage loans when evaluating product performance based on identified credit needs and the fact that FNB originated more home mortgage loans than small loans to businesses. Based on volume, we placed more weight on home refinance loans (913). Home purchase loans (376) and home improvement loans (262) received moderate weight. Because the number of the bank's multifamily loans is not significant enough to perform a meaningful analysis, we did not consider multifamily loans in evaluating the bank's performance under the Lending Test.

#### Lending Activity

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

The bank's overall lending levels reflect an adequate responsiveness to meeting the credit needs of the AA. Relative to its deposit market rank, FNB's home mortgage lending levels are adequate, its small loans to business lending levels are adequate and its small loans to farms lending levels are excellent. Within the AA, the bank ranks seventh in deposits (7 percent market share), eleventh in home mortgages (3 percent market share), tenth in small loans to businesses (3 percent market share) and first in small loans to farms (twenty-seven percent market share). By home mortgage product, FNB ranks fifteenth (2 percent market share) in home purchase, fourth (7 percent market share) in home improvement and tenth (3 percent market share) in home refinance loans.

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

The bank's overall geographic distribution of loans in the AA is poor. The geographic distribution of home mortgage loans is poor. The geographic distribution of small loans to businesses is adequate and the distribution of small loans to farms is adequate.

We considered the following factors in assessing the bank's lending performance in low- and moderate-income geographies. For home mortgage loans, our review focused on the bank's lending performance relative to the level of owner-occupied units in low- and moderate-income geographies. The AA has less than one percent of its owner-occupied housing units located in low-income geographies and eight percent located within moderate-income geographies. For small loans to businesses, our review focused on the bank's lending performance relative to

the percentage of businesses located within low- and moderate-income geographies. The AA has one percent of its businesses located in low-income geographies and nine percent located within moderate-income geographies. For small loans to farms, our review focused on the bank's lending performance relative to the percentage of farms located within low- and moderate-income geographies. The AA has no farms located in low-income geographies and four percent located within moderate-income geographies.

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

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

### **Home Purchase Loans**

The geographic distribution of the bank's home purchase loans is poor.

FNB did not originate any home purchase loans in the AA's low-income geography. This performance, however, did not have a negative impact on the lending test for the following reasons. Given the small number of owner-occupied units (214), opportunity for home purchase lending in the low-income geography is limited. Based on 2001 Aggregate HMDA data, only 5 home purchase loans were originated within this geography. Additionally, 2000 Aggregate HMDA data indicate only 1 home purchase origination within this low-income geography.

FNB's percentage of home purchase loans in moderate-income geographies is below the percentage of owner-occupied housing units within the same. The bank's market share for home purchase loans in moderate-income geographies is somewhat below its overall market share. Although the level of competition within the bank's AA is strong, opportunities for home mortgage lending in moderate-income geographies are considered moderate to high. None of the AA lenders dominate this market in presence, loan origination, or home mortgage products.

### **Home Improvement Loans**

The geographic distribution of the bank's home improvement loans is adequate.

FNB did not originate any home improvement loans in the AA's low-income geography. This performance, however, did not have a negative impact on the lending test for the following reasons. Given the small number of owner-occupied housing units (214), the opportunity for home improvement lending in the low-income geography is limited. Based on 2001 Aggregate HMDA data, only 3 home improvement loans were originated within this geography. Additionally, 2000 Aggregate HMDA data indicate only 4 home improvement originations within this low-income geography.

FNB's percentage of home improvement loans in moderate-income geographies is below the percentage of owner-occupied housing units within the same. The bank's market share for home improvement loans in moderate-income geographies is significantly below its overall market share. Although the bank's portion of home improvement loans originated in moderate-income geographies is lower than the portion of owner-occupied units within those

geographies, this level of performance is considered adequate given the high level of competition in the AA. Based on 2001 Aggregate HMDA data, there were 24 lenders competing for 118 home improvement loans in moderate-income geographies. The top 2 lenders originated 52 loans and comprised over 44 percent of the market share. FNB ranks nineteenth in this market, with 1 home improvement origination.

### **Home Refinance Loans**

The geographic distribution of the bank's home refinance loans is poor.

FNB's percentage of home refinance loans in low-income geographies significantly exceeds the percentage of owner-occupied housing units within the same. The bank's market share for home improvement loans in low-income geographies is significantly below its overall market share. The bank's market share performance, however did not have a negative impact on the lending test given the fact that market share is determined by 2001 Aggregate HMDA data only. FNB did not originate any home refinance loans in the low-income geography in 2001. The bank originated 2 home refinance loans in the low-income geography during the evaluation period.

FNB's percentage of home refinance loans in moderate-income geographies is significantly below the percentage of owner-occupied housing units within the same. The bank's market share for home improvement loans in moderate-income geographies is below its overall market share. Although the level of competition within the bank's AA is strong, opportunities for home mortgage lending in moderate-income geographies are considered moderate to high. None of the AA lenders dominate this market in presence, loan origination, or home mortgage products.

### ***Small Loans to Businesses***

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

The geographic distribution of the bank's small loans to businesses is adequate. FNB's percentage of small loans to businesses in low-income geographies is significantly below the percentage of businesses located within low-income geographies. Although the portion of small loans to businesses originated in low-income geographies is lower than the percentage of businesses in those geographies, this performance is considered adequate given the small number of business (100) and high level of competition within the AA. Based on 2001 Aggregate CRA data, there were 68 lenders competing for 546 small loans to businesses in the low-income geography. FNB ranks twelfth in this market with 6 small loans to business originations. The bank's market share for small loans to businesses in low-income geographies below its overall market share.

FNB's percentage of small loans to businesses in moderate-income geographies is below the percentage of businesses located within moderate-income geographies. Although the portion of small loans to businesses originated in moderate-income geographies is lower than the percentage of businesses within those geographies, this performance is considered adequate given the high level of competition within the AA. Based on 2001 Aggregate CRA data, there were 68 lenders competing for 915 small loans to businesses in moderate-income

geographies. FNB ranks fifteenth in this market with 10 small loans to businesses originations. The bank's market share for small loans to businesses in moderate-income geographies below is overall market share.

### ***Small Loans to Farms***

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

The geographic distribution of the bank's small loans to farms is adequate.

FNB did not originate any small loans to farms in the AA's low- or moderate-income geographies. This performance, however, did not have a negative impact on the lending test for the following reasons. There are no farms in the AAs low-income geography and only 26 farms located in moderate-income geographies. Based on 2001 Aggregate HMDA data, only one small loan to a farm was originated within moderate-income geographies.

### **Lending Gap Analysis**

FNB's lending within the AA was evaluated to determine if any unexplained or conspicuous gaps were identified regarding the geographic distribution of the bank's home mortgage and small loans to businesses. No unexplained or conspicuous gaps were identified.

### ***Inside/Outside Ratio***

A substantial majority of bank's loan originations are within its AA. Overall, 86 percent of FNB's loan originations are within its AA. By loan product, 86 percent of home mortgage loans, 86 percent of small loans to businesses and 100 percent of small loans to farms are inside the AA. Within the home mortgage loans, FNB's originations of home purchase, home improvement and home refinance inside the bank's AA are 83 percent, 85 percent and 88 percent respectively. This performance was positively factored into the overall analysis of the bank's lending performance.

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

The overall distribution of loans by income level of borrower in the AA is excellent. The distribution of home mortgage loans by borrower income level is excellent. The distribution of small loans to businesses with annual revenues of \$1 million or less is excellent. The distribution of small loans to farms with annual revenues of \$1 million or less is excellent.

We considered the following factors in assessing the bank's lending performance to low- and moderate-income borrowers. For home mortgage loans, our review focused on the bank's lending performance relative to the level of low- and moderate-income families within the AA. Seventeen percent of the AA is listed as low-income and 18 percent are listed as moderate-income. Additionally, 11 percent of the households in the AA are below the poverty level. Information obtained from local realtors and community organizations regarding the median

and average sales price for single-family residences in the AA was used to determine the affordability of home mortgage loans for low-income borrowers. Based on this information, it was determined that home mortgage loan opportunities for low-income families in the AA are limited. This issue was factored into the analysis of home purchase and home refinance loans.

For small loans to businesses, our review focused on the bank's lending performance relative to the percentage of businesses with annual revenues of \$1 million or less. Seventy-nine percent of the businesses located in the AA have reported gross annual revenues of \$1 million or less. Information obtained from community contacts also indicated that business loans in amounts of \$100,000 or less was a credit need of the AA. As such, loan size was also considered in the analysis.

For small loans to farms, our review focused on the bank's lending performance relative to the percentage of businesses with annual revenues of \$1 million or less. Ninety-five percent of the farms located in the AA have reported gross annual revenues of \$1 million or less.

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

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

### **Home Purchase Loans**

The borrower distribution of the bank's home purchase loans is excellent.

FNB's percentage of home purchase loans to low-income borrowers is below the percentage of low-income families in the AA. Although the portion of home purchase loans originated to low-income borrowers is lower than the portion of low-income families in the AA, this performance is considered good given performance context issues outlined above. The bank's market share for home purchase loans to low-income borrowers is somewhat below its overall market share.

FNB's percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share for home purchase loans to moderate-income borrowers is near to its overall market share.

### **Home Improvement Loans**

The borrower distribution of the bank's home improvement loans is excellent.

FNB's percentage of home improvement loans to low-income borrowers is near to the percentage of low-income families in the AA. The bank's market share for home improvement loans to low-income borrowers significantly exceeds its overall market share.

FNB's percentage of home improvement loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share for home improvement loans to moderate-income borrowers substantially meets its overall market share.

## **Home Refinance Loans**

The borrower distribution of the bank's home refinance loans is excellent.

FNB's percentage of home refinance loans to low-income borrowers is somewhat below the percentage of low-income families in the AA. Although the portion of home refinance loans originated to low-income borrowers is lower than the portion of low-income families in the AA, this performance is considered good given performance context issues outlined above. The bank's market share for home refinance loans to low-income borrowers exceeds its overall market share.

FNB's percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share for home refinance loans to moderate-income borrowers significantly exceeds its overall market share.

### ***Small Loans to Businesses***

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

The borrower distribution of the bank's small loans to businesses is excellent.

FNB's percentage of small loans to businesses with revenues of \$1 million or less exceeds the percentage of businesses defined as such. The bank's market share for small loans to businesses with revenues of \$1 million or less significantly exceeds its overall market share. Additionally, a majority (85 percent) of the small loans to businesses originated by the bank were for amounts of \$100,000 or less, which reflects identified credit needs of the AA.

### ***Small Loans to Farms***

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

The borrower distribution of the bank's small loans to farms is excellent.

FNB's percentage of small loans to farms with revenues of \$1 million or less exceeds the percentage of farms defined as such. The bank's market share for small loans to farms with revenues of \$1 million or less exceeds its overall market share.

## **Community Development Lending**

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

FNB's level of community development lending within the Youngstown-Warren MA is good. The level of community development lending represents approximately 2 percent of the bank's

Tier One capital. The bank's community development lending had a positive impact on the bank's overall lending performance in the AA.

Within the AA, FNB made ten loans totaling \$1.1 million for community development purposes. All eight loans originated to local non-profit CD agencies that provide technical assistance and lending to small businesses. Additionally, the types of lending provided by the local non-profit CD agencies are small business working capital loans to existing and start-up businesses in amount of \$100 thousand and less, which was an identified credit need of the AA.

## **Product Innovation and Flexibility**

FNB offers several flexible home mortgage products designed to assist low- and moderate-income borrowers obtain financing. Loans originated under these programs are evaluated as home mortgage loans under the Lending Test. While these programs provide flexible terms and conditions, none are considered innovate. The bank's flexible home mortgage products had a neutral impact on the lending performance in the AA.

## **INVESTMENT TEST**

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

The bank's performance under the investment test is rated "Low Satisfactory". Based on full-scope review, the bank's performance in the Youngstown-Warren MA is adequate.

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

FNB's qualified investments during the evaluation period total \$56 thousand. FNB made \$17 thousand in qualified investments in the Youngstown-Warren MA that were the result of unfunded commitments during the previous CRA evaluation period. The remaining portion of the bank's qualified investments in the Youngstown-Warren MA consist of \$39 thousand in grants and donations to local community development organizations that provide affordable housing and social services to low- and moderate-income individuals in the community.

FNB also has two unfunded commitments for projects in the AA. The first is a carry-over of the bank's 1999 annual commitment to Focus on the Future, which is a five-year economic plan coordinated by the Youngstown-Warren Regional Chamber of Commerce for business recruitment, retention and development of a workforce education center. The second unfunded commitment is \$40 thousand for a children's rehabilitation center project. This organization provides physical rehabilitation services for children of low- income families that cannot afford medical attention.

Information gathered from bank management, performance evaluations of similarly situated local financial institutions, contact with community organizations and the CED Community Affairs Officer indicate that investment opportunities in the Youngstown-Warren MA are



moderate. Refer to the Youngstown-Warren MA Market Profile in appendix B for additional details regarding investment opportunities within the AA,

FNB also has two unfunded commitments for projects in the AA. The first is a carry-over of the bank's 1999 annual commitment to Focus on the Future, which is a five-year economic plan coordinated by the Youngstown-Warren Regional Chamber of Commerce for business recruitment, retention and development of a workforce education center. The second unfunded commitment is \$40 thousand to the Children's Rehabilitation Center for building improvements. This organization provides physical rehabilitation services for children of low- income families that cannot afford medical attention.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the Youngstown-Warren MA is adequate.

### **Retail Banking Services**

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

In the Youngstown-Warren MA, FNB's delivery systems are reasonably accessible to all income level geographies and individuals. The bank operates 16 full-service branches and 1 drive-through only facility in the AA. The bank has no branch offices located in low- or moderate-income geographies. However, several of the bank's branch locations are in immediate proximity to the only low-income geography in the AA and 6 (56%) moderate-income geographies in the AA.

The bank also operates 24-hour automated teller machines (ATMs) at 15 of its branch locations. The Niles Office and State Route 422 Office do not have ATMs. Services do not vary in a way that inconveniences any portion of the AA.

FNB did not open or close any branch locations during the evaluation period.

### **Community Development Services**

FNB provided an adequate level of CD services to the Youngstown-Warren MA. During the evaluation period, the bank provided 16 CD services to the Youngstown-Warren MA. Primary services included providing financial expertise to a variety of community service and development organizations through board memberships, credit counseling, and the provision of technical financial assistance for CD organizations that serve low- and moderate-income consumers. The types of CD services provided reflect the needs of the AA (information

obtained by CED Community Affairs Officer and community contacts). None of the CD services are considered innovative.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 01/01/00 to 12/31/02) Investment and Service Tests and CD Loans: March 6, 2000 to January 6, 2003	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Farmers National Bank of Canfield (FNB) Canfield, Ohio	Home Mortgage Loans Small Loans to Businesses Community Development Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Youngstown-Warren MA	Full-Scope	Portions of Columbiana, Mahoning and Trumbull counties

# Appendix B: Market Profiles for Full-Scope Areas

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

Youngstown-Warren MA.....	2
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**Youngstown-Warren MA**

Demographic Information for Full-Scope Area: Youngstown-Warren MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	81	1.23	13.58	60.49	24.69	0.00
Population by Geography	378,623	0.40	9.68	58.93	31.00	0.00
Owner-Occupied Housing by Geography	152,782	0.14	7.72	60.10	32.04	0.00
Businesses by Geography	17,378	0.58	9.14	52.18	38.10	0.00
Farms by Geography	711	0.00	3.66	70.89	25.46	0.00
Family Distribution by Income Level	106,721	16.65	17.93	22.89	42.53	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	36,905	0.82	14.90	63.70	20.59	0.00
Median Family Income = \$30,605		Median Housing Value = \$54,161 Unemployment Rate = 3.31%				
HUD Adjusted Median Family Income for 2002 = \$46,400						
Households Below the Poverty Level = 11.26%						

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

The AA consists of 81 geographies located in Trumbull, Mahoning and Columbiana counties within the Youngstown-Warren MA. Within the AA, there is 1 low-income geography, 11 moderate-income geographies, 49 middle-income geographies and 20 upper-income geographies.

FNB has 16 full-service branches, 1 drive-through only facility and 15 ATMs in the AA, which conduct traditional banking services. The bank’s primary business focus in the AA is traditional retail banking.

FNB’s deposits in the Youngstown-Warren MA total approximately \$537 million. FNB is the seventh largest deposit taking institution in the MA with a 7 percent market share. Competitors in the MA include, but are not limited to Home Savings & Loan, First Place Bank, Sky Bank and National City Bank NA.

Total bank loans in the AA equal \$158 million and represent 100 percent of total reported loans.

The unemployment rate as of December 2002 for the Youngstown-Warren MA is three percent. All three are slightly below the Ohio state average of five percent. Historically the Youngstown area was dominated by the steel industry. The downturn of the steel industry in the 1970’s left Youngstown with a depressed local economy. From that time until the present,

this AA has been attempting to rebuild its economic base. Manufacturing, retail and services are the major industry trades in the MA today.

The 2002 HUD adjusted median family income for the AA is \$46,400. Based on the 1990 census data, 17 percent of the families are low-income and 18 percent of the families are moderate-income. The 1990 median housing value for the AA is \$54,161 and the 11 percent of individuals are listed as below the poverty level.

We determined the community's credit needs by contacting representatives from local housing and community service agencies, and small business development organizations. Information regarding community credit needs was also obtained from bank management and the CED Community Affairs Officer.

We identified the following credit and non-credit related needs in this AA:

- Affordable housing (i.e. single family rental, multifamily rental, homeownership and rehabilitation) for low- and moderate-income individuals. Public and rental assisted housing and down payment assistance were also identified needs.
- Small business working capital loans to existing and start-up businesses in amount of \$100 thousand and less. Technical assistance to new and existing small businesses was also identified as a need.
- Social services to low- and moderate-income families, including child care services, counseling and job training, credit and home ownership counseling, food donation and health care services.

We determined that the opportunity to make CD loans and qualified investments, and to provide CD services with the AA is moderate. Opportunities within the MA consist of investments in affordable housing projects individually, through participations in community development capital funds and community development organizations. Investment opportunities are also available through donations to organizations providing community development services and technical assistance to small businesses. Competition for CD loans, qualified investments and CD services is moderate to high and consists primarily of several financial institutions that have a presence with the AA.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

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

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.



Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

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

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Table 1. Lending Volume**

LENDING VOLUME		Geography: YOUNGSTOWN-WARREN MA						Evaluation Period: January 1, 2000 TO December 31, 2002				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Youngstown-Warren MA	100.00	1559	104,935	777	51,172	42	1,084	10	1,100	2,388	158,291	100.00

\* Loan Data as of 12/31/2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is 7/6/2000 to 1/5/2003.

\*\*\* Deposit Data as of 9/30/2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE			Geography: YOUNGSTOWN-WARREN MA				Evaluation Period: January 1, 2000 TO December 31, 2002					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Youngstown-Warren MA	376	100.00	0.14	0.00	7.72	2.13	60.10	61.44	32.04	36.44	1.58	0.00	0.80	1.72	1.49	

\* Based on 2001 Peer Mortgage Data: Central Region.

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

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

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

Geographic Distribution: HOME IMPROVEMENT			Geography: YOUNGSTOWN-WARREN MA				Evaluation Period: January 1, 2000 TO December 31, 2002					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Youngstown-Warren MA	262	100.00	0.14	0.00	7.72	1.91	60.10	68.70	32.04	29.39	7.14	0.00	0.85	8.79	5.81	

\* Based on 2001 Peer Mortgage Data: Central Region.

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

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: YOUNGSTOWN-WARREN MA				Evaluation Period: January 1, 2000 TO December 31, 2002					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Youngstown-Warren MA	913	100.00	0.14	0.22	7.72	1.42	60.10	64.62	32.04	33.73	2.70	0.00	1.04	3.14	2.32	

\* Based on 2001 Peer Mortgage Data: Central Region.

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

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

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

Geographic Distribution: MULTIFAMILY		Geography: YOUNGSTOWN-WARREN MA						Evaluation Period: January 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Youngstown-Warren MA	8	100.00	0.40	0.00	5.91	0.00	54.05	75.00	39.64	25.00	2.56	0.00	0.00	9.09	0.00

\* Based on 2001 Peer Mortgage Data: Central Region.

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

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: YOUNGSTOWN-WARREN MA				Evaluation Period: January 1, 2000 TO December 31, 2002					Market Share (%) by Geography				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
<b>Full Review:</b>																
Youngstown-Warren MA	777	100.00	0.58	0.01	9.14	3.08	52.18	60.62	38.10	36.29	2.89	1.10	1.09	3.85	2.64	

\* Based on 2001 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2002.

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: YOUNGSTOWN-WARREN MA					Evaluation Period: January 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Youngstown-Warren MA	42	100.00	0.00	0.00	3.66	0.00	70.89	95.24	25.56	4.76	26.56	0.00	0.00	31.37	9.09									

\* Based on 2001 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2002.



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

Borrower Distribution: HOME PURCHASE		Geography: YOUNGSTOWN-WARREN MA						Evaluation Period: January 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Youngstown-Warren MA	376	100.00	16.65	7.45	17.93	18.09	22.89	26.6	42.53	44.15	1.71	1.06	1.49	1.98	1.78

\* Based on 2001 Peer Mortgage Data: Central Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 3.72% of loans originated and purchased by Bank.

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

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

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

Borrower Distribution: HOME IMPROVEMENT		Geography: YOUNGSTOWN-WARREN MA						Evaluation Period: January 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Youngstown-Warren MA	262	100.00	16.65	14.12	17.93	21.37	22.89	33.59	42.53	28.24	7.10	10.77	6.75	7.16	6.32

\* Based on 2001 Peer Mortgage Data: Central Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 2.67% of loans originated and purchased by Bank.

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

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

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: YOUNGSTOWN-WARREN MA						Evaluation Period: January 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Youngstown-Warren MA	913	100.00	16.65	8.32	17.93	20.37	22.89	27.16	42.53	39.87	2.93	3.60	3.74	2.90	2.53

\* Based on 2001 Peer Mortgage Data: Central Region.

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

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

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

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: YOUNGSTOWN-WARREN MA		Evaluation Period: January 1, 2000 TO December 31, 2002					
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Youngstown-Warren MA	777	100.00	78.96	79.92	84.94	8.88	6.18	2.89	5.83

\* Based on 2001 Peer Small Business Data: US.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 2.12% of small loans to businesses originated and purchased by the Bank.

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

Borrower Distribution: SMALL LOANS TO FARMS		Geography: YOUNGSTOWN-WARREN MA			Evaluation Period: January 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Youngstown-Warren MA	42	100.00	95.36	100.00	97.62	2.38	0.00	26.56	32.69

\* Based on 2001 Peer Small Business Data: US.

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2002).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 1.79% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: YOUNGSTOWN-WARREN MA				Evaluation Period: March 7, 2000 TO January 5, 2003			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Youngstown-Warren MA	0	0	55	56	55	56	100	2	46

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS										Geography: YOUNGSTOWN-WARREN MA							
<b>Evaluation Period:</b> March 7, 2000 TO January 5, 2003																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Opening	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Youngstown-Warren MA	100.00	16	100.00	0.00	0.00	68.25	31.25	0	0	0	0	0	0	0.40	9.68	58.92	31.00

