

Comptroller of the Currency
Administrator of National Banks

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Chicago, Illinois 60605

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

August 26, 1996

Fifth Third Bank of Northwestern Ohio, N.A.

Charter Number 14586

606 Madison Ave.

Toledo, Ohio 43603

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.

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Fifth Third Bank of Northwestern Ohio, N.A.** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of **August 26, 1996**. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, this institution is rated: **Satisfactory Record of Meeting Community Credit Needs.**

This evaluation covers bank activities from December 7, 1993 through August 26, 1996.

Bank and Community Profile:

Fifth Third Bank of Northwestern Ohio, N.A. (5th3rd-NW) is a \$2.5 billion financial institution headquartered in Toledo, Ohio and is owned by Fifth Third Bancorp (Bancorp). Bancorp, headquartered in Cincinnati, Ohio, is a \$17 billion holding company operating 11 banks across Ohio and parts of Indiana, Kentucky and Florida. 5th3rd-NW is Bancorp's third largest subsidiary and currently operates 45 branches across northwestern Ohio. 5th3rd-NW also operates a loan production office in Michigan. The bank provides a full range of retail and commercial banking products, as well as trust and brokerage services.

The northwestern Ohio banking market is highly competitive. Some of 5th3rd-NW's major competitors include: Charter One Bank, Huntington National Bank, Key Bank, Mid American National Bank, and National City Bank.

5th3rd-NW has established one delineated community that captures all of its 45 branches. The community includes all of Lucas and Hancock Counties and portions of Erie, Fulton, Huron, Sandusky, Seneca and Wood Counties. Major cities within the bank's delineated community include Toledo, Bowling Green, Findlay, Fostoria, Fremont, Maumee, Norwalk, Perrysburg, Sandusky, Sylvania, and Tiffin.

The bank's delineated community encompasses a portion of the Greater Toledo Metropolitan Statistical Area (MSA #8400). MSAs are areas within the country where Home Mortgage Disclosure Act (HMDA) information is collected on all home mortgage originators. This enables us to assess the bank's penetration into these markets. The Toledo MSA covers approximately 1/3 of the geographic territory of the bank's delineated community. This includes the cities and surrounding areas of Toledo, Bowling Green, Maumee, Oregon, Perrysburg, Rossford, and Sylvania. Although the MSA covers only 1/3 of the bank's delineated community, 70% of the bank's delineated community population resides within these areas. Additionally, virtually all (95%) of the identified "low-income" (less than 50% of the median income) and "moderate-income" (50% to 80% of the median income) areas and 73% of the identified "low-income" and "moderate-income" families are within the MSA.

Northwestern Ohio's economy is driven primarily by non-manufacturing jobs (wholesale, retail, and other service related industries). The current business climate is stable. The following table highlights demographic information for the MSA and Non-MSA portions of

the bank's delineated community. Demographic and employment data included in the table was provided by the U.S. Census Bureau and the Ohio Bureau of Employment Services:

	MSA		Non-MSA		Total	
TOTAL POPULATION (1990 census data)	576,458		245,937		822,395	
MEDIAN FAMILY INCOME (1996)	\$42,800		\$37,000		N/A	
POPULATED CENSUS TRACT OR BLOCK NUMBERING AREA CHARACTERISTICS (Based on HUD Median Family Income)	Count	%	Count	%	Count	%
Low (below 50% of median)	18	12%	0	0%	18	9%
Mod. (50 - 80% of median)	34	23%	3	5%	37	18%
Middle (80-120% of median)	71	47%	38	69%	109	53%
Upper (over 120% of median)	28	19%	14	25%	42	20%
HOUSING INFORMATION	Count	%	Count	%	Count	%
Owner Occupied Units	143,279	61%	65,065	67%	208,344	63%
Rental Occupied Units	74,127	32%	26,059	27%	100,186	30%
Vacant Housing Units	15,929	7%	5,675	6%	21,064	6%
MAY 1996 UNEMPLOYMENT RATE (Blended County Average)	4.3%		6.1%		N/A	

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

- **5th3rd-NW has developed a formal outreach program which is used to adequately ascertain the credit needs of the community.**

Ascertainment efforts are adequately addressed in the bank's formal CRA Program. Program goals and objectives are clearly spelled out on an annual basis. The main element of 5th3rd-NW's ascertainment activities is its calling program. Each loan officer is required to make a minimum number of calls to existing customers or business prospects on a monthly basis. Additionally, each loan officer is required to make three "CRA Calls" each month. The bank defines "CRA Calls" as calls to minority or female owned small businesses. Each calling officer is required to complete a call report for each call made. Bank management then analyzes these call reports to assess credit needs and determine if bank products are meeting those needs.

In the first five months of 1996, over 15,000 calls were made to various businesses. Since 1993, 5th3rd-NW bank officers have made over 87,000 calls throughout the bank's delineated community.

To augment the calling program, bank officers are encouraged to participate actively in various community/business organizations. The information gathered from employee participation with various community groups is reported and analyzed to determine if the bank needs to adjust any of its products or services.

5th3rd-NW's Assistant Vice President for Community Affairs is active in the Greater Toledo area and serves on numerous community groups, such as the Lucas County Metropolitan Housing Authority and the Economic Development Loan Committee. This individual also meets with numerous community development corporations (CDCs) throughout the delineated community to discuss their credit needs.

The bank periodically conducts home buyer/credit/deposit product seminars. During these presentations, the bank requests that attendees complete a survey that details banking and credit needs.

Based on feedback received from the various ascertainment efforts, 5th3rd-NW has revised some of its loan programs to better meet the credit needs of the community (Good Neighbor Program, etc.). The bank has also expanded its small business loan activities based on input from the community. For detail on some of the bank's credit and investment initiatives, please refer to Assessment Factors H and I.

Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

➤ **The Board and Senior Management provide sufficient oversight of the bank's CRA activities.**

Primary Board oversight is provided through the CRA Committee. This committee includes members from both the Board and from Senior Management. Meetings are held at least on a quarterly basis. Day-to-day activities are coordinated and tracked by the bank's CRA Officer.

The Board and Senior management set CRA goals and objectives on an annual basis. These goals take into consideration information obtained from the various outreach activities. The Committee reviews the progress of achieving the stated goals and objectives on a quarterly basis. Based on current market conditions, the goals are periodically updated throughout the year.

Many of the Directors are active in the community by participating in or serving on boards or committees which are involved in economic development or philanthropic activities.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- **5th3rd-NW has implemented adequate marketing and advertising programs designed to inform all segments of the bank's delineated community.**

The bank markets its credit offerings through a number of various mediums, including newspaper, radio, television, direct mail and billboards. Marketing of bank products and services is also conducted by banking center managers and loan officers who make daily calls on individuals, businesses and organizations. The bank also conducts marketing blitzes on a periodic basis. The blitz program consists of calls in a specific geographic area and distribution of packets of bank materials to selected businesses and residences.

Although no formal marketing "coverage" survey has been conducted by the bank, it is apparent that community members should be able to readily identify services offered by 5th3rd-NW.

5th3rd-NW periodically conducts or participates in workshops and seminars that help individuals and groups understand the credit application process. Some of these included the following:

- * A bank representative attended a workshop sponsored by the City of Toledo Department of Neighborhoods entitled, "Financing Tools for Affordable Housing".
- * The bank participated in the First Annual City of Toledo Homebuyers Fair and provided mortgage information to participants.
- * 5th3rd-NW conducted a Homebuyers and Home Improvement workshop. Topics included the benefits of buying a home, types of mortgages and the lending process, home improvement financing, and how an applicant's credit history affects the bank's credit decision process.
- * 5th3rd-NW participated in a Small Business Symposium along with four other community banks. This symposium provided valuable information on how to obtain bank financing and how to create a business plan. The event was well attended by small business owners from across the community.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans and small business loans.

- **5th3rd-NW lending activities reflect a general responsiveness to the credit needs of the bank's delineated community.**

5th3rd-NW offers a variety of lending products to its delineated community, including residential mortgages, home improvement loans, and loans for small business and small farm purposes. The bank's CRA Statement accurately reflects the products offered.

Following are loan portfolio totals for 5th3rd-NW as of June 30, 1996:

Loan Portfolio		
Loan Type	Amount	Percentage of Portfolio
Commercial Loans	\$508,081,000	39.94%
Instalment Loans - Indirect	\$382,988,000	30.11%
Residential Mortgage	\$155,130,000	12.20%
Instalment Loans - Direct	\$68,372,000	5.37%
Home Equity	\$64,106,000	5.04%
Credit Card	\$41,441,000	3.26%
Student Loans	\$29,036,000	2.28%
Home Improvement	\$15,163,000	1.19%
Agricultural	\$4,027,000	0.32%
Other Loans	\$3,708,000	0.29%
Total Loans	\$1,272,052,000	100.00%

The percentage of 5th3rd-NW's loan products inside its delineated community is reasonable given its product mix. As of June 30, 1996, approximately 47% of the number and 76% of the dollar amount of loan commitments were within the delineated community. As reflected in the table on the following page, these percentages are significantly impacted by a sizeable number of credit cards that are held by individuals across a large multi state area. The bank's large indirect loan portfolio and a Loan Production Office located in Detroit, Michigan also impact the percentage of lending within the delineated community.

Distribution of Loan Commitments			
Loan Type	Total # and \$ Amount of Commitments	Total # and \$ Amount of Commitments Inside Delineated Community	Percentage of # and \$ Amount of Commitments Inside Delineated Community
Commercial Loans	# 3,534 \$802,885,000	# 3,282 \$674,404,000	93% 84%
Instalment Loans	# 82,349 \$619,621,000	# 55,686 \$386,909,000	68% 62%
Residential Mortgage	# 8,228 \$469,614,000	# 7,546 \$440,484,000	92% 94%
Credit Card	# 175,530 \$110,737,000	# 68,541 \$25,528,000	39% 23%
Other Revolving Credit	# 74,456 \$14,580,000	# 26,242 \$7,027,000	35% 48%
Total Loan Commitments	# 344,097 \$2,017,437,000	# 161,297 \$1,534,352,000	47% 76%

Excluding the bank's credit card and revolving credit portfolios, the percentage of the number and dollar amount of credit commitments inside the delineated community jumps to 71% and 79% respectively.

An analysis of residential mortgage and home improvement loans made in the first six months of 1996 showed that of 1,996 loans made, 1,564, or 78%, were made within the delineated community.

Over 90% of the bank's depositors reside within the delineated community.

The following table provides origination totals for the bank's HMDA reportable loan products:

HMDA Reportable Loan Products			
Loan Product	1994	1995	1996 (6 months)
	# / \$(000's)	# / \$(000's)	# / \$(000's)
Conventional Mortgages	914 / \$63,326	1,187 / \$83,900	545 / \$42,021
Refinance Mortgages	522 / \$33,401	326 / \$24,135	388 / \$30,751
Home Improvement	2,102 / \$8,653	2,591 / \$11,179	1,063 / \$4,682
Total Housing Related Credit	3,538 / \$105,380	4,104 / \$119,214	1,996 / \$77,454

5th3rd-NW's HMDA loan volume is reasonable given its market presence.

The table above includes activity in the bank's Good Neighbor Program, which is targeted at low-income and moderate-income areas and low-income and moderate-income individuals. The program allows for lower up front fees and, in some cases, lower interest rates to promote home ownership opportunities. Activity in this program has been good as reflected below:

Good Neighbor Loan Program		
1994	1995	1996 (3 months)
# / \$(000's)	# / \$(000's)	# / \$(000's)
269 / \$10,500	436 / \$19,800	72 / \$3,400

Due to the significant percentage of the delineated community population residing within the Toledo MSA coupled with the bank's high percentage of loan activity within this area, a review of MSA loan activity is a good indicator of the bank's loan activity across the entire delineated community (for further information on MSAs, please refer to the Bank and Community Profile). 5th3rd-NW is the leading home improvement lender within the MSA portions of its delineated community and is one of the leading residential mortgage lenders.

Approximately 58% of the bank's residential mortgage activity and 55% of the bank's home improvement activity from January 1994 to June 1996 occurred in the Toledo Metropolitan Statistical Area portion of its delineated community. An analysis of residential mortgage and home improvement loans made

and applications taken in these areas in 1995 reveal the following:

- * Based on the total number of applications, the bank took 5.5% of all residential mortgage applications and 38.6% of home improvement applications within the portion of the MSA that its delineated community covers.
- * Based on the total number of loans, the bank made 6.9% of all residential mortgage loans and 43.8% of home improvement loans within the portion of the MSA that its delineated community covers.
- * The bank originated 14.7% of the total number and 7.1% of the total dollar amount of all HMDA reportable loans within the portion of the MSA that its delineated community covers.

These market penetration percentages represent a reasonable presence in the residential mortgage market and a dominant presence in the home improvement lending market (Although home improvement lending constitutes only 1.19% of the bank's total loan portfolio). 5th3rd-NW's overall penetration into the home lending market is somewhat less than the bank's market percentage of deposits within the Toledo MSA. Based on an independent penetration analysis performed by Sheshunoff Information Services, Inc., 5th3rd-NW has a 19% market share of deposits within the Toledo MSA.

Comparable lending market share numbers are not available for the non-MSA areas.

As of June 30, 1996, approximately \$194 million, or 44%, of the bank's \$436 million of commercial loans outstanding were "small business loans". In general, any commercial loan with an original amount of \$1,000,000 or less is considered a "small business loan." This percentage is consistent with the average portfolio composition of similar banks across the country. Approximately 44% of the commercial loan portfolio outstandings at similar banks are "small business loans" as well.

The bank's loan to deposit ratio as of June 30, 1996 is 85% (i.e. 5th3rd-NW loans out 85 cents of every \$1 of deposits it takes in). This compares favorably to banks of similar size across the country. On average, similar sized banks lend 81 cents for every dollar of deposits they take in. Loan growth over the last two years has been relatively consistent with peer bank loan growth.

Assessment Factor J - The institution's participation in government insured, guaranteed or subsidized loan programs.

➤ **5th3rd-NW offers and participates in a variety of government guaranteed or subsidized loan programs for housing and small businesses.**

The board and management are aware of and show involvement in a number of government sponsored loan programs. Following is a description of some of these programs:

* Small Business Association (SBA) Loan Products

The SBA provides a federally funded program through which up to 90% of a loan may be guaranteed by the government. 5th3rd-NW is a SBA Preferred Lender which allows for expedited SBA applications.

5th3rd-NW has also booked several of the SBA "LowDoc" program loans. This program is aimed specifically at the small business borrower and provides a simplified application process, a rapid response from the SBA, and a focus on an applicant's character, credit, and experience.

* Link Deposit (State of Ohio Program)

5th3rd-NW is an active participant in this program. The Withrow Plan of Linked Deposits provides an injection of funds within the banking community in Ohio for the specific purpose of creating lower cost capital for Ohio businesses. The unique feature of the program uses eligible Ohio depositories such as this bank to funnel a portion of the State Treasurer's investment portfolio into a variety of packaged small business loans. The types of loans range from short term working capital to longer term plant and equipment improvements and/or expansion. Agricultural loans are also offered under this program.

* State of Ohio 166 Loan Program

This program provides funds for land and building acquisition, expansion or renovation, and equipment purchase at favorable terms. To qualify for this program, the applicant must create one job for every \$15,000 received.

* Toledo NEDL and EDL

The Toledo Neighborhood Economic Development Loan Pool was developed to promote the growth and profitability of small community-based businesses. NEDL provides loans of up to \$25,000 to businesses and individuals who do not normally qualify for commercial credit. The NEDL program is a loan pool provided by five banks, including 5th3rd-NW, and the City of Toledo Economic Development Office. The bank also participates in the EDL program offered by the City of Toledo. This

program provides loans of up to \$100,000 to businesses to create or retain jobs in the Toledo area.

* Home-4- Neighborhood

This program is administered by the City of Toledo and provides a line of credit to participating community development corporations for property rehabilitation. Risk is shared among participating banks.

The bank has chosen not to offer Federal Housing Administration (FHA) or Veterans Administration (VA) guaranteed loan products at this time. Numerous other financial institutions within the delineated community offer these products. Also, bank management believes that the bank's specialty mortgage product (Good Neighbor) provides many of the same advantages offered by these guaranteed loan products.

Virtually all of the bank's government loan activity displayed in the following table is within the delineated community, with a concentration of activity in the greater Toledo area:

Government Lending			
Government Loan Type	1994 # / \$	1995 # / \$	1996 (3 months) # / \$
SBA	19 / \$1,944,000	9 / \$4,170,000	4 / \$3,772,000
SBA - LowDoc	0 / \$0	18 / \$808,400	2 / \$197,000
Linked Deposit	5 / \$1,480,000	19 / \$3,523,800	5 / \$1,595,800
Ohio 166	0 / \$0	0 / \$0	1 / \$4,842,800
EDL	1 / \$86,000	3 / \$243,500	0 / \$0
NEDL	15 / \$256,660	10 / \$172,000	0 / \$0
Home-4-Neighborhood	3 / \$65,000	2 / \$29,000	0 / \$0
Total Government Loan Activity	43 / \$3,831,660	61 / \$8,946,700	12 / \$10,407,600

Although activity in some of these programs has been minimal, 5th3rd-NW has shown a willingness to use government guaranteed or sponsored loan programs when they are available.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

- **5th3rd-NW's delineated community is reasonable and does not exclude any identified low- and moderate-income areas.**

5th3rd-NW's community is described at the beginning of this Public Disclosure under the "Bank and Community Profile".

The bank's method for determining its community delineation is based upon the location of its offices, and the volume of loans generated from the surrounding areas. The community is bordered to the north by the Michigan/Ohio state line. This political boundary constricts any growth to the north of the existing community.

Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

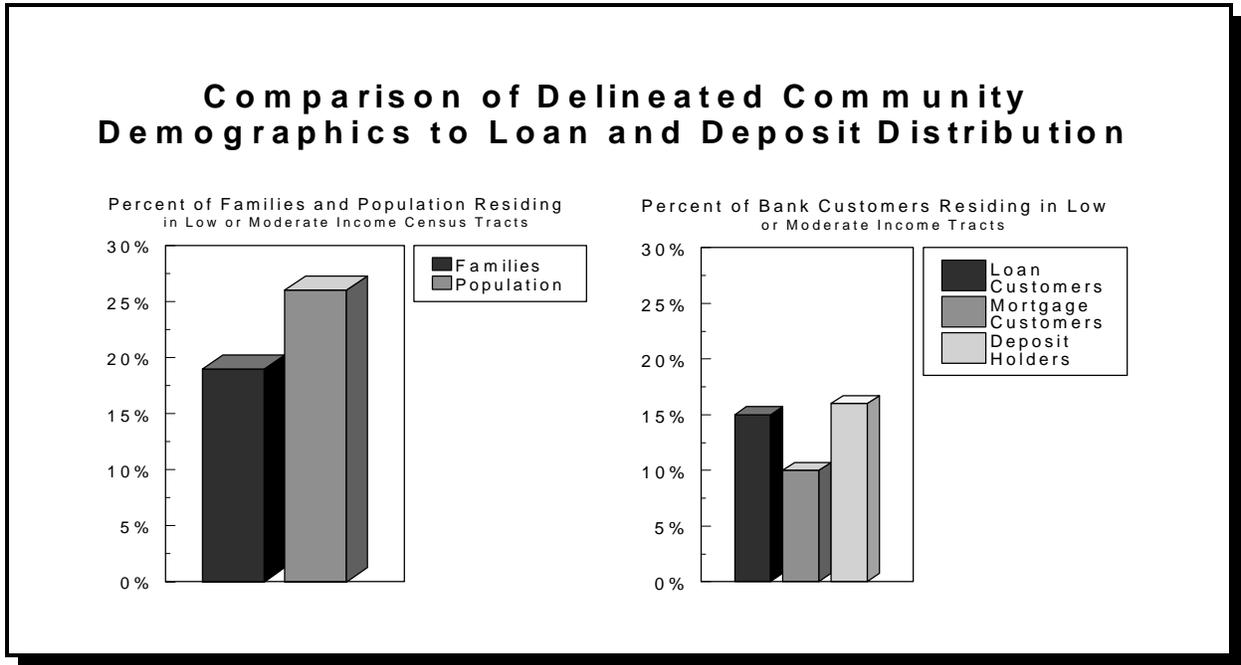
- **The bank's credit extensions, applications, and denials are well distributed throughout the delineated community.**

5th3rd-NW reviews portfolio commitments and mortgage denials by zip code to verify that all segments of the bank's community are being serviced. The bank also performs a detailed analysis of HMDA data on an annual basis. Our analysis of the bank compiled data on loan commitments shows adequate penetration of low-income and moderate-income areas within the bank's delineated community:

- * The bank has over 168,000 loan customers within its delineated community. Approximately 15% of these customers reside in areas where the zip code area roughly corresponds with low- and moderate-income census tracts or block numbering areas. Approximately 10% of the bank's 7,500 residential mortgage loan customers reside in these low- and moderate-income areas
- * Within the delineated community, approximately 16% of the bank's 195,000 deposit account holders reside in these low- and moderate-income areas.

According to 1990 Census data, nearly 19% of the 215,000 families within the bank's delineated community reside in low-income or moderate-income census tracts or block numbering areas. Over 26% of the total population of 822,000 within the bank's delineated community reside in these areas.

As displayed by the following chart, the bank's loan activity in low-income and moderate-income areas is consistent with the volume of individuals and families residing within these areas of the delineated community:



Further review of the bank's geographic distribution of its loan portfolio by zip code shows that the portfolio is spread across the delineated community, including the non-MSA portions of the community. Approximately two thirds of the loan portfolio within the delineated community is located in the MSA portion. This penetration is consistent with the demographics of the community. Approximately 70% of the total delineated community population is located inside the MSA.

As stated earlier, 5th3rd-NW does a complete analysis of HMDA data on an annual basis. Loan activity is reviewed and assessed to ensure that all MSA areas within the delineated community are being adequately reached. Due to requirements imposed by the new CRA regulation, the bank is now collecting geographic information on its lending activity outside of the MSA areas. The bank intends on analyzing this data as it becomes available.

Our analysis of 5th3rd-NW's home mortgage and home improvement applications showed that the bank's loans are well distributed across its delineated community and to borrowers of different income levels. This conclusion is based on an analysis of lending activity within the MSA portions of the bank's delineated community for 1994, 1995, and the first six months of 1996. Due to limitations on available data, only a limited analysis of loan activity in the Non-MSA areas could be performed. A market share analysis based on 1994 and 1995 loan volume within the MSA areas of the delineated community was performed as well.

Home Mortgages (Conventional Home Purchase and Refinance)

Home mortgage loans are reasonably spread across all income tract types based on the distribution of owner occupied housing within these tracts:

Home Mortgage Census Tract Distribution								
MSA Portions of Delineated Community								
Census Tract Type	1994 Loan Volume		1995 Loan Volume		1996 (6 mos.) Loan Volume		Distribution of Owner Occupied Units	
	#	%	#	%	#	%	#	%
Low	20	2.4%	20	2.3%	9	1.6%	5,575	3.9%
Moderate	118	14.2%	125	14.5%	69	12.5%	23,041	16.1%
Middle	419	50.3%	463	53.7%	291	52.7%	77,891	54.4%
Upper	276	33.1%	255	29.5%	183	33.2%	36,772	25.6%

Home Mortgage Block Numbering Area Distribution				
Non-MSA Portions of Delineated Community				
Block Numbering Area Type	1996 (6 mos.) Loan Volume		Distribution of Owner Occupied Units	
	#	%	#	%
Low	0	0%	0	0%
Moderate	10	3.5%	2,655	4.1%
Middle	173	59.8%	42,756	65.7%
Upper	106	36.6%	19,654	30.2%

Home mortgage loans are reasonably spread across all family income types based on the distribution of family incomes within the delineated community. Lending to moderate-income families is particularly good:

Home Mortgage Family Income Distribution								
MSA Portions of Delineated Community								
Family Income Type	1994 Loan Volume		1995 Loan Volume		1996 (6 mos.) Loan Volume		Percentage of Families by Income Level	
	#	%	#	%	#	%	#	%
Low	106	13.2%	85	10.2%	40	7.4%	31,292	21.1%
Moderate	183	22.8%	211	25.3%	125	23.2%	25,433	17.1%
Middle	206	25.7%	237	28.4%	141	26.2%	33,931	22.9%
Upper	307	38.3%	301	36.1%	233	43.2%	57,716	38.9%

Home Mortgage Family Income Distribution				
Non-MSA Portions of Delineated Community				
Family Income Type	1996 (6 mos.) Loan Volume		Percentage of Families by Income Level	
	#	%	#	%
Low	14	5.0%	9,884	14.8%
Moderate	63	22.3%	11,114	16.6%
Middle	89	31.6%	15,803	23.7%
Upper	116	41.1%	30,012	44.9%

Total home mortgage application volume shows similar distribution characteristics as that displayed by the loan volume.

Home Improvement

Home improvement loans are well spread across all income tract types, particularly low-income and moderate-income tracts, based on the distribution of owner occupied housing within these tracts:

Home Improvement Census Tract Distribution								
MSA Portions of Delineated Community								
Census Tract Type	1994 Loan Volume		1995 Loan Volume		1996 (6 mos.) Loan Volume		Distribution of Owner Occupied Units	
	#	%	#	%	#	%	#	%
Low	99	6.8%	131	8.9%	55	8.7%	5,575	3.9%
Moderate	392	27.1%	363	24.6%	160	25.5%	23,041	16.1%
Middle	743	51.4%	773	52.5%	320	51.0%	77,891	54.4%
Upper	212	14.7%	206	14.0%	93	14.8%	36,772	25.6%

Home Improvement Block Numbering Area Distribution				
Non-MSA Portions of Delineated Community				
Block Numbering Area Type	1996 (6 mos.) Loan Volume		Distribution of Owner Occupied Units	
	#	%	#	%
Low	0	0%	0	0%
Moderate	4	4.3%	2,655	4.1%
Middle	67	71.3%	42,756	65.7%
Upper	23	24.4%	19,654	30.2%

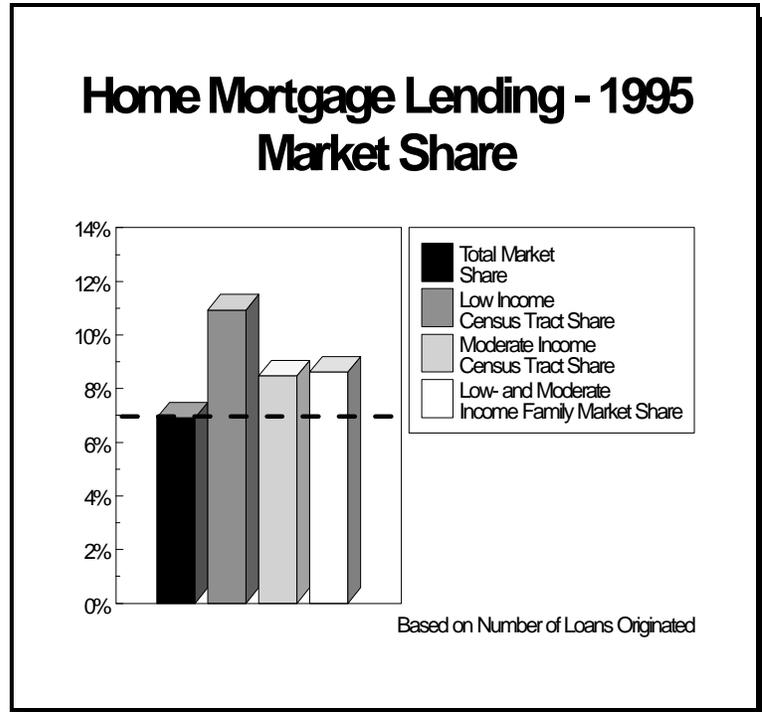
Since a substantial portion of Home Improvement applications do not rely on total family income (for example, the husband or wife may apply for a home improvement loan and only use his or her income to qualify for said loan) an analysis of borrower income distribution is not relevant and was therefore not performed.

Market Share Analysis

Home Mortgages (Conventional Home Purchase and Refinance)

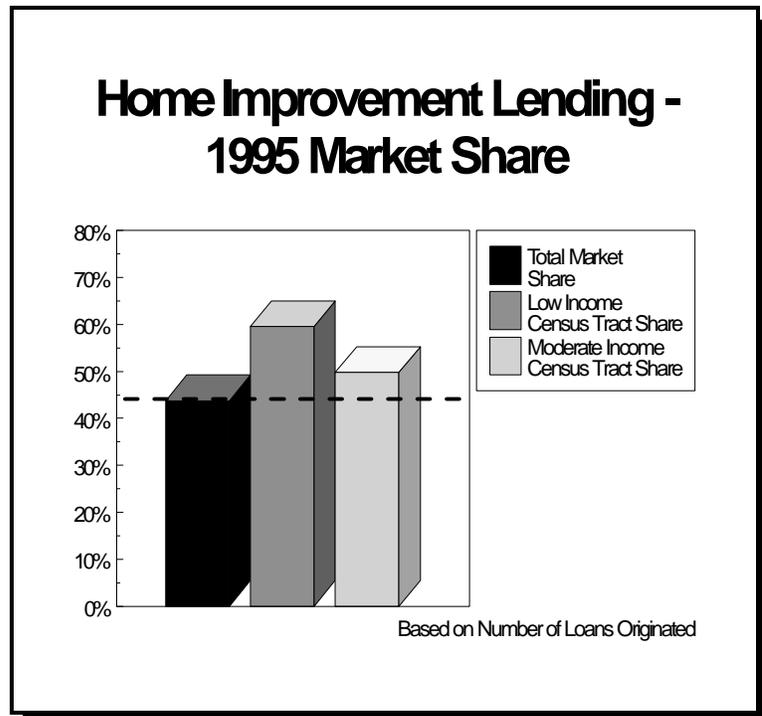
As illustrated in the adjacent graph, 5th3rd-NW has captured 6.9% (over 860 loans) of the total home mortgage lending market within the MSA portions of its delineated community.

Penetration into low income and moderate income census tracts has been good (20 loans in low-income tracts, 125 loans in moderate-income tracts). Market penetration to families earning less than 80% of the MSA median income has also been good (296 loans). 5th3rd-NW's 1994 market penetration was similar to the 1995 penetration.



Home Improvement Loans

Due to its strong relationship with a number of home improvement contractors and retailers, 5th3rd-NW is by far the market leader in home improvement loans within the MSA portion of its delineated community. The bank made nearly half of all home improvement loans within the market (1,472 loans). It also dominated the low-income and moderate-income census tract market (131 and 363 loans respectively). 5th3rd-NW's 1994 market penetration was similar to the 1995 penetration. As stated earlier, an analysis of home improvement market share based on family income would not be meaningful.



Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.

- **Banking offices are reasonably accessible to all segments of the bank's community. Services and business hours are tailored towards the needs of the community.**

5th3rd-NW has 45 branches in the following locations:

City of Toledo	16
Lucas County (excluding Toledo)	9
Wood County	6
Hancock County	5
Seneca County	5
Sandusky County	2
City of Swanton	1
City of Norwalk	1

Seven of these branches are located in low-income or moderate-income areas.

Most of the bank’s branches are open weekdays from 9 a.m. to 5 p.m. Due to customer demand, many of the branches remain open until 6 p.m. and some as late as 7 p.m. Many branches also have Saturday lobby hours as well as Drive-in hours. Eight branches are located in Kroger stores. These “Bankmarts” are open from 10 a.m. to 8 p.m. on the weekdays, 9 a.m. to 5 p.m. on Saturdays, and from 11 a.m. to 4 p.m. on Sundays. 5th3rd-NW’s extended branch hours provide good customer accessibility to bank services.

The bank provides a full range of services at all of its branch locations.

In addition to its branch network, 5th3rd-NW also offers telephone banking to its customers to transact most of their banking activities. The bank has also established a number of ATMs across the delineated community to further provide services to its customers.

The bank has established a branch closing policy, which states the following: “The bank will consider the impact of any reduction or closing of the banking center facilities on the communities in which these facilities are located. The factors considered will include the bank’s ability to provide continuity of service through other offices, the physical proximity of other offices of the bank and the presence of other financial institutions in the community”.

Since January 1994, 5th3rd-NW has closed four branches and relocated one other branch. Most community contact has been informal. Following is detail on the branch transactions:

- * 10/15/94 - Closure of University Banking Center, Toledo, Ohio. This branch serviced primarily University of Toledo students. Three other branches were within two miles

of this branch and there is an Automated Teller Machine (ATM) in the Student Union building on the campus of the University. Informal contacts with existing branch customers revealed that this closure would have little impact on the local community.

- * 6/30/95 - Closure of Tiffin Sixes Corners Branch, Tiffin, Ohio. This branch was closed due to declining customer traffic. Three other branches were within three miles of this branch. Also, the bank continued to operate the ATM at this closed site. Contacts with community leaders confirmed that this closing would have little impact on the local community.
- * 2/29/96 - Closure of the Spring Meadows Plaza Branch, Holland, Ohio. Another branch was located less than 1000 feet from this branch. This had no impact on the community.
- * 6/29/96 - Closure of the West Toledo Branch, Toledo, Ohio. Another branch was within one mile of this location. This other branch was recently remodeled and expanded to handle any new business from the closed branch. This had a minimal impact on the community.
- * 4/94 - Relocation of Sandusky branch. Larger branch opened less than one mile from old location. The relocation had a positive impact on the community.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- **5th3rd-NW solicits credit applications from all segments of its local community. No practices to discourage credit applications have been identified.**

The bank has implemented an effective fair lending program. Policies, procedures and an employee training program are in place to help ensure that equal treatment is provided to all individuals applying for credit. A second review program exists for residential mortgage and retail credit applications from minority and female applicants. Applications which are recommended for denial upon initial review are subsequently evaluated by a management committee to determine if there are ways in which the loan can be approved or an alternative product offered. Additional quality control processes are also in place to monitor lending decisions for consistency.

The bank actively solicits credit applications from the entire community, including from low- and moderate-income areas and individuals. This is in part supported by geographic distribution of application and loan analyses discussed under Assessment Factor E. No policy or underwriting standards were identified which would tend to discourage credit applicants.

Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.

- **5th3rd-NW is in compliance with the substantive provisions of anti-discrimination laws. No illegal credit practices were identified.**

The OCC examination included testing for compliance with the Equal Credit Opportunity Act, the Fair Housing Act, and the Home Mortgage Disclosure Act to determine if all applicants have had an equal opportunity to obtain credit. This was accomplished through conducting an analysis of home improvement loan applications received during the first five months of 1996. Application files of Black and Hispanic applicants who were denied credit were compared to files from White applicants who were granted credit. Over 350 files were reviewed in total. We found that all groups were treated similarly. Home Improvement lending was selected for review due to 5th3rd-NW having a dominant presence in the market for this product line.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.

- **5th3rd-NW is generally aware of available community development projects and programs and often participates in these programs.**

5th3rd-NW has established a reasonable level of contact with various community members and local governments to maintain an awareness of community development projects and programs. The bank's Community Affairs Officer works with a number of community groups and representatives to identify potential community development activities.

Investment has taken several forms, including: loans and equity investment for redevelopment projects; technical assistance programs; and monetary donations.

Most of the community development opportunities identified by the bank have been in the Greater Toledo Area. Following are some of the community development activities undertaken by the bank in the last 2 ½ years:

1994 -

\$20,000 Line of Credit to Organized Neighbors Yielding Excellence (ONYX) for the purchase and rehabilitation of housing.

\$10,000 Line of Credit to Housing East Redevelopment Corporation for the purchase and rehabilitation of housing.

\$75,000 Line of Credit to Toledo Olde Towne Community Organization (TOCO) for the purchase and rehabilitation of housing.

1995 -

\$19,500 Line of Credit to North River Development Corporation for the purchase and rehabilitation of housing.

\$70,000 Loan Program through Lucas County Housing Authority for start-up financing of micro enterprises undertaken by individuals living in public housing.

5th3rd-NW has also made numerous loans to area churches. Many of these churches are located in low-income or moderate-income areas. Bank financing provides a stabilizing influence on the community. Over \$500,000 in church related loans have been made since 1994.

5th3rd-NW is an active participant in several local government sponsored loan programs that provide community development. Please refer to Assessment Factor J for further information on these activities.

Since 1994, the bank has also donated nearly \$100,000 to various groups and organizations that either support low-income or moderate-income individuals or stabilize low-income or moderate-income areas.

Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

➤ **5th3rd-NW has supported economic revitalization and growth through its origination of housing and small business related credit.**

5th3rd-NW has sufficient resources to meet the credit needs of its community. There are no legal impediments or other factors which limit the bank's efforts.

Assessment Factor L - Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

➤ **5th3rd-NW is actively involved in many other activities that contribute to community development.**

The bank is involved in many activities that contribute to community development. Some of these activities are listed below:

- * As stated earlier, the bank's Community Affairs Officer is extremely active in the community. He serves on the Lucas County Metropolitan Housing Authority, the Economic Development Loan Committee, Toledo Area Metroparks, Toledo Urban Bankers Association, Minority Development Finance Board - State of Ohio, and the Toledo Urban League. Numerous other bank employees are also active in the community.
- * The bank has established an "Adopt-A-School" program. This program creates a "bank" at a school. Currently, 11 schools are in the program, some in low-income or moderate-income areas. Students apply for "bank" jobs and are trained/monitored by actual 5th3rd-NW employees. The program promotes saving, budgeting, and accountability.
- * In partnership with the Toledo Board of Realtors, the bank has adopted Jones Junior High which is located in central city Toledo. This program has provided choir robes, physical education equipment, books, speakers, and various other materials.
- * In addition to the \$100,000 of community development donations mentioned under Assessment Factor H, 5th3rd-NW has donated over \$1,000,000 to various other community groups, organizations, and causes since 1994. These donations supplement the credit needs of these organizations.
- * The bank's Community Affairs Officer was instrumental in establishing a chapter of the Urban League in Toledo. 5th3rd-NW also donates office space to the Urban League.
- * The bank, in conjunction with a local building company, conducted a construction management training course. This course provided information on how individuals and businesses can obtain commercial construction credit.
- * The bank has taken an active role in coordinating the Regional Neighborhood Network conference. The conference is held annually with the main goal being to provide information to neighborhood association members about developing partnerships that strengthen their communities and improve the living conditions in their neighborhoods.

ADDITIONAL INFORMATION

Central Data Depository

The Central Data Depository that maintains copies of all HMDA reports submitted within the Greater Toledo MSA and the HMDA Aggregation Table is:

Toledo Metropolitan Area Council of Governments
P.O. Box 9508
Toledo, Ohio 43697-9508