



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

**Public Disclosure**

**July 23, 2007**

Community Reinvestment Act  
**Performance Evaluation**

**First Bank Richmond, National Association  
Charter Number: 23570**

**20 North 9th Street  
Richmond, IN 47374**

**Office of the Comptroller of the Currency**

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*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.*

## Table of Contents

<b>OVERALL CRA RATING .....</b>	<b>2</b>
<b>DEFINITIONS AND COMMON ABBREVIATIONS .....</b>	<b>3</b>
<b>DESCRIPTION OF INSTITUTION .....</b>	<b>7</b>
<b>SCOPE OF THE EVALUATION .....</b>	<b>8</b>
<b>FAIR LENDING REVIEW .....</b>	<b>9</b>
<b>CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS .....</b>	<b>10</b>
LENDING TEST .....	10
INVESTMENT TEST .....	14
SERVICE TEST .....	15
<b>APPENDIX A: SCOPE OF EXAMINATION .....</b>	<b>A-1</b>
<b>APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS .....</b>	<b>B-1</b>
<b>APPENDIX C: TABLES OF PERFORMANCE DATA .....</b>	<b>C-1</b>

## Overall CRA Rating

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

The following table indicates the performance level of **First Bank Richmond, National Association (FBR)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The bank’s lending levels reflect good responsiveness to the assessment area.
- The geographic and borrower dispersion throughout the assessment area is excellent for small loans to businesses.
- The geographic distribution throughout the assessment area is good for mortgage loans and the lending to borrowers of different incomes is adequate.
- Community development lending had a positive effect on the Lending Test conclusions.
- The number and amount of qualified investments made during the evaluation period is good.
- Delivery systems provide reasonable access to low- and moderate-income geographies and individuals. Community development services had a positive effect on the Service Test.

## 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.

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

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

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

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

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

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

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**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 metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an

employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

**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.

**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

First Bank Richmond, National Association (FBR) is a \$590 million intrastate financial institution headquartered in Richmond, Indiana. FBR is a wholly owned subsidiary of Richmond Mutual Bancorporation (Richmond Mutual), a two-bank holding company headquartered in Richmond, Indiana. Richmond Mutual also owns American Trust Federal Savings Bank in Peru, Indiana. Richmond Mutual is a wholly owned subsidiary of First Mutual of Richmond Incorporated, which has consolidated total assets of \$740 million and is also headquartered in Richmond, Indiana.

The bank's business philosophy is to provide high-quality, relationship-based products and services to businesses and individuals. FBR is a full-service banking institution and operates nine banking offices in Indiana. The bank offers a wide range of products and services, including commercial, home mortgage, and consumer loans and commercial leases. In addition, the bank offers fiduciary and on-line banking services. The bank's primary focus is commercial loans followed by home mortgages. The following financial information is reported as of March 31, 2007: The loan portfolio totaled \$472 million and was comprised of 35 percent commercial, 33 percent residential real estate loans, 23 percent commercial leases, 6 percent construction and land development loans, 1 percent consumer loans, 1 percent agricultural loans, and 1 percent other loans. Net loans represent 114 percent of total deposits and 79 percent of the bank's total assets. Tier 1 capital totaled \$62 million. No merger or acquisition activity occurred during the evaluation period.

FBR designated two assessment areas within the state of Indiana: Wayne County (a non-MSA), and a portion of Shelby County, which is located in the Indianapolis Metropolitan Statistical Area (MSA).

FBR has the financial capacity to meet community credit needs. There are no known legal or financial constraints that could impede its CRA efforts. FBR received a "Satisfactory" rating on its last CRA evaluation dated February 23, 2004.

## **Scope of the Evaluation**

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

The evaluation period for the Lending Test, excluding community development loans, is January 1, 2004 through December 31, 2006. Products reviewed in the Lending Test include home mortgage loans and small business loans. Farm lending and multifamily loans are not significant lending products and are not considered in this evaluation. We used 2005 peer lending data to compare the bank's lending performance to other reporting lenders in the assessment areas (AAs).

The evaluation period for community development loans and the investment and the service tests is February 23, 2004 through July 23, 2007.

We used deposit information, reported annually to the Federal Deposit Insurance Corporate, to determine the bank's deposit market share and market presence within its AAs. The most recent deposit information available is as of June 30, 2006.

### **Data Integrity**

To assess the accuracy of the data, we conducted an independent test of the home mortgage, small business, and small farm loan data. We found the reported data to be accurate and reliable for this evaluation.

We reviewed 100 percent of the bank's community development loans, investments, and services. Only those activities that qualified are presented and considered in this evaluation.

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

The Wayne County AA is the only assessment area receiving a full-scope review. This AA accounts for 99 percent of the loans, 96 percent of the deposits, and 89 percent of the bank's branches.

### **Ratings**

We based the bank's overall rating on the performance in the Wayne County AA. Home mortgage loans and small business loans received equal weight due to the volume of loans generated during the evaluation period.

## **Fair Lending or Other Illegal Credit Practices Review**

Based on a comprehensive fair lending examination performed according to the OCC's risk based approach, we found no evidence of discriminatory or other illegal credit practices.

## 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 "High Satisfactory". Based on a full-scope review, the bank's performance in the Wayne County AA is good.

#### Lending Activity

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

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. Home mortgage lending, specifically affordable housing, and small business loans are the primary credit needs of the AA. Competition in this market is strong with ten financial institutions operating 38 banking offices in the AA. In addition, the bank originated nine community development loans totaling \$1.2 million.

As of June 30, 2006, FBR ranks first in deposit market share among all financial institutions in the AA, with 33.91 percent of the market. The 2005 peer mortgage data shows that the bank ranks first in home mortgage lending with approximately 10 percent of the market. There are 160 lenders reporting mortgage originations in the Wayne County AA. The 2005 peer small business data shows the bank ranks first with 16 percent of the market.

In drawing our conclusions, we gave equal weight to home mortgage and small business lending activity. Home mortgage loans represent 50 percent and small loans to businesses represent 47 percent of the loan originations during the evaluation period. Within the home mortgage loan products, home refinance and home purchase loans were given equal weight. These loans represent 48 and 39 percent respectively of the bank's home mortgage loan activity in the Wayne County AA. Although the bank offers home improvement loans, the volume of these loans represents only 11 percent of the total home mortgage loan originations. Home improvement lending is primarily facilitated through the bank's home equity lending program. Information on home equity lending is not subject to data collection and reporting requirements.

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

The geographic distribution of loans is good. The performance for home mortgage loans is good and the performance for small loans to businesses is excellent.

### ***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.

The overall geographic distribution of home mortgages is good. The bank's performance in penetrating low-income tracts is excellent and performance in moderate-income tracts is good and generally comparable to its market share. The moderate-income tracts are predominately industrial areas with a high percentage of single-family rental properties and a high vacancy rate. The bank holds the highest market share for home mortgage lending, among a large number of other lenders, in the Wayne County AA.

The geographic distribution of home refinance loans is good. The percentage of home refinance loans in low-income tracts matches the geographic comparator for owner-occupied units. The performance in moderate-income tracts is near to the geographic comparator. Market share in moderate-income tracts is near to the bank's overall market share and lower in low-income tracts.

The geographic distribution of home purchase loans is good. The percentage of home purchase loans in low-income tracts is excellent and exceeds the geographic comparator. The performance in moderate-income tracts is good and near to the geographic comparator. Market share in both the low- and moderate-income tracts is near to the bank's overall market share.

The geographic distribution of home improvement loans is adequate. The percentage of home improvement loans in low-income tracts is excellent and exceeds the geographic comparator. The performance in moderate-income tracts is adequate and lower than the geographic comparator. Market share in both the low- and moderate-income tracts is lower than the bank's overall market share. Home improvement loans are not a primary focus of the bank's mortgage lending products.

The geographic distribution of multifamily loans is adequate. The percentage of multifamily loans in low-income tracts is excellent and significantly exceeds the geographic comparator for multifamily units. In moderate-income tracts performance is poor. Multifamily loans are not a primary focus of the bank's mortgage lending 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 originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is excellent. Performance in both low- and moderate- income tracts is excellent and exceeds the geographic comparators. Market share in both the low- and moderate-income tracts significantly exceeds the bank's overall market share.

## **Lending Gap Analysis**

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Wayne County AA.

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

An adequate percentage of loans were made in the bank's AA. A majority of the bank's loans, 51 percent, were made to borrowers in the bank's AA. By product type, 84 percent of small business loans and 39 percent of home mortgage loans originated to borrowers within the bank's AA. The inside/outside ratio for home mortgage loans is greatly impacted by the bank's brokered loan department, which originates and purchases mortgage loans nationwide. The inside/outside ratio was performed at the bank level and included both the Wayne County and Shelby County AAs.

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

The distribution of loans by income level of the borrower is good. The performance for home mortgage loans is adequate and the performance for small loans to businesses is excellent.

### ***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.

The distribution of home loans to borrowers of different income levels is adequate. Home refinance and home purchase loans received the most weight in this analysis, followed by home improvement lending. We also considered the high family poverty rate of 11% in the Wayne County AA for this analysis. The housing units in the low-income tract are predominately rental property and the tract has an extremely high vacancy rate.

The distribution of home refinance and home purchase loans is adequate. Performance with moderate-income borrowers is excellent and exceeds the demographic comparator for home purchase loans. Performance with moderate-income borrowers is good and is near to the demographic comparator for home refinance loans. For both loan products, performance with low-income borrowers is adequate. Although the percentage of loans to low-income borrowers is lower than the demographic data, performance is considered adequate given the high family poverty level and above average unemployment rate in the Wayne County AA. With income below the poverty level, it is difficult to afford home ownership. However, it is noted that lending to moderate-income borrowers for home purchase exceeds the bank's overall market share, and lending to low-income borrowers for home purchase is near to the bank's overall market share. Lending to moderate-income borrowers for home refinance is also near to the bank's overall market share.

The distribution of home improvement loans is also adequate. Performance with moderate-income borrowers is excellent and substantially exceeds the demographic comparator. Performance with low-income borrowers is lower than the demographic comparator. As

previously mentioned, home improvement lending is not a primary focus of the bank's mortgage lending products. The majority of loans originated for home improvement purposes are facilitated through the home equity lending products. Lending to moderate-income borrowers for home improvement substantially exceeds the bank's 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 originations and purchases of small loans to businesses.

The distribution of small loans to businesses is excellent and exceeds the demographic comparator. It is also noted that the bank's lending to businesses with revenues of less than \$1 million is greater than its 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 community development loans. No multifamily loans reported on Table 5 are considered community development loans.

Our analysis gave positive consideration to the bank's community development lending activities. The bank's responsiveness is good given its size, lending capacity, and area opportunities. The bank originated nine community development loans totaling \$1.3 million in the AA during the evaluation period, including:

- Four loans totaling \$450,000 to a non-profit organization that provides affordable housing to low- and moderate-income individuals and families in the Richmond area.
- Four loans totaling \$625,497 to a non-profit charter school serving "at risk" students from the Richmond area. The majority of students, 67 percent, qualify for the "Free Lunch" program, indicating the service they provide primarily benefits students from low- and moderate-income households. The school is located in a moderate-income census tract.
- One loan for \$176,000 to a non-profit organization to build a 12-unit low-income senior housing facility in Fountain City, Indiana.

In addition to its community development lending activity in the Wayne County AA, FBR extended one loan totaling \$500,000 to borrowers operating outside the bank's AAs. This loan to a non-profit organization was used to build a 16-unit low-income apartment facility in Connersville, Indiana, located in a neighboring county about 25 miles southwest of Richmond. Community development loans made inside the AA are given more weight in this analysis than those made outside the AA.

### **Product Innovation and Flexibility**

Product innovation and flexibility had a positive impact on the Lending Test conclusions for the Wayne County AA. While none of FBR's lending programs are considered innovative, the

bank does offer some loan products with flexible underwriting criteria. Examples include the “My Community Mortgage” program through Fannie Mae and the “First Time Homebuyers and Down Payment Assistance” programs through the Indiana Housing and Community Development Authority. Both programs allow for flexibility regarding down payments, terms, and loan-to-value criteria for low- and moderate-income borrowers and communities. In 2005, the bank deferred lease payments for one to three months for twenty-one customers affected by hurricane Katrina.

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

Based on the limited-scope review, the bank’s performance under the Lending Test in the Shelby County MSA is weaker than the bank’s overall performance. Refer to Tables 1-13 in Appendix C for the facts and data that support these conclusions.

Performance in the limited-scope AA is weaker due to the limited loan activity resulting in less favorable penetration of moderate-income tracts and weaker combined lending to low- and moderate-income individuals. Although, lending to small businesses exceeded the demographic data. In addition, market share for home purchase loans in moderate-income tracts exceeds the bank’s overall market share. The bank only originated five mortgage loans and two small loans to businesses in the Shelby County MSA during the evaluation period. The volume of lending in the limited-scope AA is not significant in relation to the volume of lending in the Wayne County AA. Therefore, this weaker performance did not impact the bank’s overall Lending Test performance rating.

## **INVESTMENT TEST**

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

The bank’s performance under the Investment Test is rated “High Satisfactory”. Based on the full-scope review, the bank’s performance in the Wayne County AA is good. Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank’s level of qualified investments.

FBR made a significant level of qualified investments over the evaluation period. Qualified investments totaled \$1.4 million, of which 100 percent was made during the evaluation period. Qualified investments include \$195,205 made outside the AA. This represents a good volume level in light of the bank’s size, resources, and opportunities in the AA. This includes \$883,129 of additional contributions toward tax credits for two Section 42 low- and moderate-income housing projects; one located in a moderate-income tract in Richmond and one in Indianapolis, outside the AA. Charitable donations to 21 organizations benefiting low- and moderate-income families total \$477,212. Additional unfunded donation commitments to five organizations total \$100,000. While the investments are responsive to community development needs, none of the investments are considered innovative or complex.

## Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Investment Test in the Shelby County AA is weaker than the bank's overall performance. Refer to Table 14 in Appendix C for the facts and data that support this conclusion. Performance in the limited-scope AA did not impact the bank's overall investment test rating.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the Wayne County AA is good. Refer to Table 15 Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

### Retail Banking Services

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

FBR's branch delivery systems are reasonably accessible to geographies and individuals of different income levels. FBR operates eight branches and nine automated teller machines (ATMs) in the Wayne County AA. The percentage of branches and ATMs in the one low-income tract exceeds the percent of population in that tract. The bank and one ATM are headquartered in a low-income tract. The bank does not operate any branches in moderate-income tracts; however, within the AA four branches and five ATMs are located in tracts adjacent to the three moderate-income tracts in Richmond. The bank did not close any branches during the evaluation period. The bank opened one branch and one ATM in a middle-income tract, adjacent to a moderate-income tract, during the evaluation period.

There are no material differences in services offered at branch locations. All the branches, except one branch, are full service. The one limited-service branch is a drive-up facility located within four blocks of the main office. Banking hours do not vary in a way that inconveniences the AA, particularly low- and moderate-income geographies and individuals. A majority of the branches offer extended hours on Friday and Saturday, and one branch is open on Sunday afternoon. Eight of the ATMs provide 24-hour access and all accept deposits. Other alternative delivery systems offered by FBR include internet and telephone banking services. The bank does not maintain information to demonstrate the effectiveness or impact of the alternative delivery systems in low- or moderate-income geographies or use of these systems by low- or moderate-income individuals. Therefore, these services did not influence the service test performance.

## **Community Development Services**

FBR provides a relatively high level of community development services in the Wayne County AA. FBR officers have leadership roles in nine different organizations that promote community development initiatives in the AA. Six of the organizations provide community services and affordable housing to low- and moderate-income individuals and families, and three organizations promote small business development and revitalization of low- and moderate-income geographies. The bank provides servicing for 36 Habitat for Humanity home mortgages free of charge. The bank sponsored a \$350,000 Affordable Housing Program (AHP) grant from the Federal Home Loan Bank of Indianapolis (FHLBI) to fund construction of a 12-unit low-income senior housing facility in Fountain City, Indiana. The bank also sponsored another \$200,000 AHP grant from the FHLBI to fund construction of a 16-unit low-income apartment building in Connorsville, Indiana, located in a neighboring county about 25 miles southwest of Richmond.

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

Based on the limited-scope review, the bank's performance under the Service Test in the Shelby County AA is not inconsistent with the bank's overall performance. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

## 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): 01/01/2004 to 12/31/2006 Investment and Service Tests and CD Loans: 02/23/2004 to 07/23/2007	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
First Bank Richmond, National Association (FBR) Richmond, Indiana	Home mortgage, small business, community development loans, qualified investments, and community development services.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Wayne County, IN (non-MSA) Shelby County, IN MSA #26900	Full-Scope Limited-Scope	

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

### Wayne County Non-MSA AA

Demographic Information for Full-Scope Area: Wayne County Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	17	5.88	17.65	70.59	5.88	0.00
Population by Geography	71,097	6.36	18.84	66.41	8.39	0.00
Owner-Occupied Housing by Geography	19,564	2.99	17.00	70.99	9.03	0.00
Business by Geography	3,933	14.19	16.53	56.83	12.46	0.00
Farms by Geography	291	1.37	5.84	89.35	3.44	0.00
Family Distribution by Income Level	19,340	20.58	20.95	23.67	34.79	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	8,033	9.46	25.23	59.80	5.50	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		45,666 53,500 11%	Median Housing Value Unemployment Rate (March 2007)		79,563 5.80%	

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

Source: 2000 US Census and 2006 HUD updated MFI

The Wayne County AA includes all of Wayne County, containing seventeen contiguous census tracts. This AA includes one low-income, three moderate-income, twelve middle-income, and one upper-income census tracts. The AA complies with the regulation and does not arbitrarily exclude any low- or moderate-income areas. The low-income area is in the center of Richmond and the moderate-income areas are to the south side and the northwest side of Richmond. Richmond has an urban enterprise zone established in the low-income tract and an adjoining moderate-income tract.

Housing stock reflects 64.21 percent owner-occupied units, 29.23 percent rental-occupied units, and 6.56 percent vacant housing units. The median age of housing is 1954. Over 98 percent of the farms and 63 percent of the businesses in the AA are small with annual gross revenues less than \$1 million.

The economic conditions in the AA are stable. The March 2007 unemployment figure for the county is 5.8 percent, compared to the state average of 5.0 percent and the national average of 4.4 percent. The primary industry in Wayne County is manufacturing. Although the manufacturing base has been shrinking, service industries have increased, such as hospitals and health services, local government, and education. Major employers in the AA include Reid Hospital, Belden Wire and Cable Company, Richmond Community Schools, Richmond State Hospital. Eighteen large and small manufacturers provide nearly 4,800 jobs in the AA.

We performed two community contacts in the AA and reviewed two other recent contacts. They did not identify any specific unmet credit needs in the community, but would welcome additional contributions to recapitalize grant and service programs in the area.

## 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: (1) 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; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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 in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- 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 in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

**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: RICHMOND AA'S						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area (2006):	% 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 Scope Review:</b>												
Wayne County	99.67	1,087	94,879	1,007	163,925	51	6,321	9	1,252	2,154	266,377	95.74
<b>Limited Scope Review:</b>												
Shelby County MSA	0.33	5	332	2	210	0	0	0	0	7	542	4.26
Regional/Statewide								1	500	1	500	

\* Loan Data as of December 31, 2006. Rated area refers to state of Indiana.

\*\* The evaluation period for Community Development Loans is from February 23, 2004 to July 23, 2007.

\*\*\* Deposit Data as of June 30, 2006. Rated Area refers to the state of Indiana.

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: RICHMOND AA'S						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	423	99.30	2.99	4.02	17.00	12.53	70.99	65.48	9.03	17.97	9.12	9.09	8.19	9.81	5.96
<b>Limited Scope Review:</b>															
Shelby County MSA	3	0.70	0.00	0.00	30.43	33.33	69.57	66.67	0.00	0.00	0.17	0.00	0.74	0.00	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Geographic Distribution: HOME IMPROVEMENT		Geography: RICHMOND AA'S								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	119	100.00	2.99	5.04	17.00	11.76	70.99	71.43	9.03	11.76	16.00	7.14	3.45	19.01	20.00
<b>Limited Scope Review:</b>															
Shelby County MSA	0	0.00	0.00	0.00	30.43	0.00	69.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: RICHMOND AA'S								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	526	99.62	2.99	2.85	17.00	12.74	70.99	70.91	9.03	13.50	9.34	1.96	8.43	9.13	17.89
<b>Limited Scope Review:</b>															
Shelby County MSA	2	0.38	0.00	0.00	30.43	0.00	69.57	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Geographic Distribution: MULTIFAMILY		Geography: RICHMOND AA'S						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	19	100.00	19.89	42.11	20.75	0.00	33.29	47.37	26.06	10.53	50.00	0.00	0.00	66.67	0.00
<b>Limited Scope Review:</b>															
Shelby County MSA	0	0.00	0.00	0.00	29.68	0.00	70.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: RICHMOND AA'S				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					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 Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans						
<b>Full Scope Review:</b>																
Wayne County	1,007	99.80	14.19	18.07	16.53	25.02	56.83	41.31	12.46	15.59	16.32	32.68	23.10	11.43	16.44	
<b>Limited Scope Review;</b>																
Shelby County MSA	2	0.20	0.00	0.00	41.41	0.00	58.59	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2005 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2006).

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

Geographic Distribution: SMALL LOANS TO FARMS      Geography: RICHMOND AA'S      Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	51	100.00	1.37	0.00	5.84	0.00	89.35	100.00	3.44	0.00	12.20	0.00	0.00	12.61	0.00
<b>Limited Scope Review:</b>															
Shelby County MSA	0	0.00	0.00	0.00	22.22	0.00	77.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2006).

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

Borrower Distribution: HOME PURCHASE 2006		Geography: RICHMOND AA'S						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,							
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 <sup>1</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	423	99.30	20.58	9.67	20.95	23.16	23.67	25.70	34.79	41.48	10.61	6.28	14.29	9.02	11.18
<b>Limited Scope Review:</b>															
Shelby County MSA	3	0.70	24.15	0.00	22.37	66.67	26.28	33.33	27.19	0.00	0.20	0.00	0.00	0.76	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 7.0% of loans originated and purchased by bank.

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

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

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: RICHMOND AA'S								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					
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 <sup>2</sup>	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>															
Wayne County	119	100.00	20.58	10.53	20.95	28.95	23.67	30.70	34.79	29.82	16.23	0.00	19.23	18.18	17.19
<b>Limited Scope Review:</b>															
Shelby County MSA	0	0.00	24.15	0.00	22.37	0.00	26.28	0.00	27.19	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 4.2% of loans originated and purchased by bank.

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

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

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: RICHMOND AA'S					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>3</sup>	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**						
<b>Full Scope Review:</b>																
Wayne County	526	99.62	20.58	9.00	20.95	17.79	23.67	22.49	34.79	50.72	10.17	4.65	7.67	8.46	17.44	
<b>Limited Scope Review:</b>																
Shelby County MSA	2	0.38	24.15	0.00	22.37	0.00	26.28	0.00	27.19	100.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 7.0% of loans originated and purchased by bank.

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

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

<sup>3</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: RICHMOND AA'S			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
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 Scope Review:</b>									
Wayne County	1,007	99.80	63.18	67.03	57.99	20.36	21.65	16.32	22.33
<b>Limited Scope Review:</b>									
Shelby County MSA	2	0.20	61.83	100.00	0.00	100.00	0.00	0.00	0.00

\* Based on 2005 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 1.78% 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: RICHMOND AA'S			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Scope Review:</b>									
Wayne County	51	100.00	98.28	88.24	66.67	19.61	13.73	12.20	10.34
<b>Limited Scope Review:</b>									
Shelby County MSA	0	0.00	91.67	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2006).

\*\*\*\* 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 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: RICHMOND AA'S				Evaluation Period: FEBUARY 23, 2004 TO JULY 23, 2007			
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 Scope Review:</b>									
Wayne County	0	0	160	1,165	160	1,165	85.47	12	100
<b>Limited Scope Review:</b>									
Shelby County MSA	0	0	3	3	3	3	0.22	0	0
Regional/Statewide	0	0	7	195	7	195	14.31	0	0

\* 'Prior Period Investments' means investments made in a previous 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: RICHMOND AA'S Evaluation Period: February 23, 2004 TO July 23, 2007																	
MA/Assessment Area:	Deposit s	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>																	
Wayne County	95.74	8	88.89	12.50	0.00	62.50	25.00	1	0	0	0	+1	0	6.36	18.84	66.41	8.39
<b>Limited Scope Review:</b>																	
Shelby County MSA	4.26	1	11.11	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	37.69	62.31	0.00

**Table 15 (continued). Distribution of Branch and ATM Delivery System**

Distribution of Branch and ATM Delivery System				Geography: RICHMOND AA'S				Evaluation Period: FEBRUARY 23, 2004 TO JULY 23, 2007									
MA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				#of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Scope Review:</b>																	
Wayne County	95.74	8	88.89	12.50	0	62.50	25.00	9	90.00	11.11	0	66.67	22.22	6.36	18.84	66.41	8.39
<b>Limited Scope Review:</b>																	
Shelby County MSA	4.26	1	11.11	0	0	100.00	0	1	10.00	0	0	100.00	0	0.00	37.69	62.31	0.00