



Comptroller of the Currency
Administrator of National Banks

LARGE BANK

PUBLIC DISCLOSURE

February 16, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Century National Bank
Charter Number 23106**

**14 South Fifth Street
Zanesville, Ohio 43701**

**Office of the Comptroller of the Currency
Central Ohio Field Office
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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.

Table of Contents

General Information	1
Definitions and Common Abbreviations	2
Overall CRA Rating	4
Description of Institution	5
Scope of Evaluation	6
Fair Lending Review	6
Conclusions with Respect to Performance Tests	7
Lending Test	7
Investment Test	14
Service Test.....	16
Appendix A: Scope of Evaluation	A-1
Appendix B: Market Profiles for Counties in the Assessment Area	B-1
Appendix C: Tables of Performance Data	C-1

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of Century National Bank, Zanesville, Ohio as prepared by the **Office of the Comptroller of the Currency**, the institution's supervisory agency, as of February 16, 1999. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

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

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

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

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

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

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

Home Mortgage Disclosure Act (HMDA) - The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their

mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

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

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

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

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

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

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

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

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

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

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

OVERALL CRA RATING

INSTITUTION'S CRA RATING: This institution is rated satisfactory record of meeting credit needs in its communities.

The major factors that support this rating include:

- CNB has an adequate distribution of loans by income level of geography and to borrowers of different income levels.
- CNB’s very high level of qualified investments, representing 8.9 percent of tier 1 capital, is responsive to its assessment area community development needs.
- CNB provides banking services that are reasonably accessible within its assessment area.
- CNB demonstrates a high participation in community development services.

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

Performance Levels	Century National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High satisfactory			X
Low satisfactory	X		
Needs to improve			
Substantial noncompliance			

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

DESCRIPTION OF INSTITUTION

Century National Bank (CNB), headquartered in Zanesville, Ohio, has total assets of \$385 million as of December 31, 1998. CNB has 11 banking offices located in southeast Ohio. Banking offices are located in Athens, Coshocton, Hocking, Morgan, Muskingum and Perry Counties. CNB is a subsidiary of Park National Corporation (PNC). PNC is a multibank holding company based in Newark, Ohio. It owns three other banking financial institutions, The Park National Bank, Newark, Ohio; First-Knox National Bank, Mount Vernon, Ohio; and Richland Trust Company, Mansfield, Ohio. At September 30, 1998, combined total assets for PNC are \$2.4 billion.

CNB is a full service bank with a primary focus on home mortgage and consumer lending. Commercial lending efforts focus on small and medium-size businesses engaged in the professional, retail and service industries. A variety of lending products is offered in or through all banking offices. Prior to April 1997, CNB was a mutual savings financial institution with a focus on home mortgage lending. Now, its business focus includes small and medium-size businesses.

There are no legal impediments that would hamper the bank's ability to help meet the credit needs in its assessment area. The bank has a strong capital base and is currently profitable. Net income for 12 months ending December 31, 1998, is \$6.3 million and the return on average assets is 1.7 percent. The following charter displays key balance sheet numbers:

Century National Bank			
Balance Sheet as of December 31, 1998			
Net Loans	\$ 233,545	Total Deposits	\$ 310,769
Investments	127,561	Other Liabilities	51,239
Other Assets	24,044	Equity Capital	23,142
Total Assets	385,150	Total Liabilities & Capital	385,150

Gross loans of over \$239 million consist of 62 percent home mortgage loans, commercial and commercial real estate loans of 19 percent, consumer loans of 18 percent and agriculture, agriculture real estate loans and other purpose loans of less than one percent. Between year-end 1997 and 1998, gross loans declined 3.4 percent with the biggest decline reflected in commercial loans.

CNB was last reviewed under the CRA on July 10, 1995. The Office of Thrift Supervision assigned an Outstanding rating. For the purposes of this evaluation, the two most recent year's performance was evaluated.

SCOPE OF EXAMINATION

Evaluation Period/Products Evaluated

We examined CNB's performance under the CRA from January 1, 1997 through December 31, 1998. Lending, investment and service activities are presented herein. Under the lending test, we analyzed home mortgage loans, small business loans, small farm loans and small business loans secured by home mortgages. For the investment test, we reviewed qualified investments made by PNC, and community development investments, grants and donations made directly by CNB. For the service test we analyzed the bank's branch and ATM network and other community development services provided by CNB.

Data Integrity

We conducted testing to determine the accuracy of home mortgage application information collected and maintained. Testing was also conducted of small business and farm loan data collected, maintained and submitted to its regulatory agency. We tested 60 home mortgage loan applications and 59 small business and farm loans originated throughout the evaluation period.

Home mortgage application information is fairly accurate, except for home improvement loan applications and loans. CNB elected not to collect home improvement information. It only collects and maintains the information for those loans processed through the mortgage lending department. It should be noted that CNB is not subject to the Home Mortgage Disclosure Act (HMDA) because it does not have an office in a metropolitan statistical area (MSA). Small business and farm loan information is reliable.

Selection of Areas for Full Scope

CNB's one assessment area was reviewed full scope. The assessment area consists of six Counties as follows: Athens, Coshocton, Hocking, Morgan, Muskingum and Perry.

Ratings

The overall CRA rating is based on CNB's one assessment area.

FAIR LENDING REVIEW

We performed a fair lending examination for compliance with the Equal Credit Opportunity Act and the Fair Housing Act in conjunction with this CRA examination. We reviewed the bank's policies and procedures and conducted testing to check for any areas of noncompliance. We specifically reviewed

35 conventional home purchase mortgage loans. We focused on loans originated between January 1, 1997 and September 30, 1998, and compared the bank's underwriting practices between single female applicants and married applicants. Based on the sample of files reviewed, we did not detect discriminatory underwriting practices. The bank's policies, internal controls and training are adequate to ensure ongoing compliance with fair lending laws.

The narratives in the section below refer to Tables located in Appendix B and C in this Performance Evaluation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The lending test is rated low satisfactory because of the following:

- CNB's responsiveness in meeting the communities credit needs is adequate.
- A substantial majority of CNB's loans are within its defined assessment area.
- CNB's home mortgage lending in low-income areas is good and is low in moderate-income areas. Its lending to low-income borrowers is low and its lending to moderate-income borrowers is adequate.
- CNB's overall small business lending in low- and moderate-income areas is low. However, CNB lending to business with annual revenues of less than \$1,000,000 is strong.
- Small farm lending is good considering this loan product is not emphasized by CNB.

Lending Activity

CNB's lending activity reflects adequate responsiveness to the credit needs of its assessment area considering its size, resources, and primary business focus. A wide variety of lending products is available including home mortgage, business and farm loans. Some loan products used by CNB are flexible and are used to help meet the credit needs of low- and moderate-income borrowers. In addition to originating traditional small business loans, CNB makes small business loans secured by home mortgages. Home mortgages are taken as collateral in place of business assets or business real estate. This shows CNB's willingness to assist small businesses using non-traditional methods. CNB elected to collect and maintain the information for this loan type, as the volume is steadily increasing,

Table 1, Lending Volume, found in Appendix C-Tables of Performance Data, presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period. Home mortgage loans make up a very large portion of CNB's loans. Small business loans make up a smaller portion of total loans. This is reflective of CNB's past lending patterns when it operated as a mutual savings bank and focused on home mortgage loans and not small business loans.

Small farm loans make up an even smaller portion of loans, as they are not emphasized by CNB.

From January 1, 1997 through December 31, 1998, CNB originated 1,484 home loans totaling over \$109 million, 392 small business loans totaling over \$30 million, 13 small farm loans totaling over \$400 thousand and 102 small business loans secured by home mortgages totaling over \$8.7 million. Home mortgage loans increased in number of loans by 56 percent. Over the same period, small business loans decreased 32 percent, small farm loans decreased 56 percent and small business loans secured by home mortgages increased by 16%. These totals are based on loan products evaluated during this CRA examination.

The following chart shows CNB makes a substantially high portion of loans within its defined assessment area. Ninety-one percent of both the total number and dollar of loans are in the assessment area. The table shows a similar pattern in each category of loan type with the exception of small farm loans.

Originations by Type of Loan January 1, 1997 through December 31, 1998						
Type of Loan	Total Loans Originated		Loans Originated Within the Assessment Area			
	Number (#)	Dollars (\$) in thousands (000's)	#	\$ (000's)	Percent (%) of #	% of \$
Home Mortgage	1,625	\$121,726	1,484	\$109,259	91%	90%
Small Business	427	\$32,950	392	\$30,743	92%	93%
Small Farm	17	\$548	13	\$411	76%	75%
Other*	108	\$9,433	102	\$8,752	94%	93%
TOTAL	2,177	\$164,657	1,991	\$149,165	91%	91%

* - Represents small business loans secured by home mortgages.

Geographic Distribution

Home Mortgage Loans

CNB's overall geographic distribution of loans reflects an adequate dispersion throughout its assessment area. Home purchase and refinance loans represent 38 and 61 percent of total home mortgage loans, respectively. Refinance loans are CNB's largest reported home loan product. Home improvement and multifamily loans make up less than 1% of home mortgage loans.

There are no unexplained gaps in CNB's lending patterns. In performing a lending gap analysis, we found that CNB originates home loans in almost all geographies. CNB's lending in low-income areas is very good and much better than its lending in moderate-income areas. Market share information is not available, as CNB is not subject to the HMDA.

Table 2, Geographic Distribution of Home Purchase Loan Originations, compares the percentage distribution of the number of home purchase 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. CNB's lending in low-income geographies is very good as the proportion of loans exceeds the proportion of owner-occupied units in low-income geographies. CNB's lending in moderate-income geographies is low when compared to the owner-occupied units in these same geographies. Two of all moderate-income areas in the assessment area are in Muskingum County. One of the areas has undergone significant change since the 1990 census. In order to expand Route 60 North, the state of Ohio has been purchasing and condemning dwellings to complete the project. Most of the demolition has been within the city of Zanesville where the concentration of housing was significant. Six other moderate-income areas are in Athens County. There is one CNB office serving the entire County. Three moderate-income geographies in Athens are very rural areas. These areas are also undergoing a major highway expansion. The state of Ohio is also purchasing and condemning dwellings through the affected route. CNB attributes some of the low home mortgage lending to these changes in area characteristics.

Table 3, Geographic Distribution of Home Improvement Loan Originations, compares the percentage distribution of the number of home improvement 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. CNB collects and maintains home improvement loan information for loans originated in the mortgage loan department. This is the reason why only nine loans are reported in the table. Of the nine loans, 100 percent are in middle-income geographies. Information for other home improvement loans originated in other departments is not readily available.

Table 4, Geographic Distribution of Home Mortgage Refinance Loan Originations, compares the percentage distribution of the number of home refinance 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 level of refinance loans in low-income geographies is good as the proportion of loans mirror the proportion of owner-occupied units in low-income areas. In moderate-income areas, CNB's volume is lower than the proportion of owner-occupied units.

Table 5, Geographic Distribution of Multifamily Loan Originations, 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 owner-occupied housing units throughout those geographies. CNB originated two multifamily loans, both in middle-income geographies. Refer to the Investment Test for additional details of CNB's participation in multifamily housing projects.

Small Business and Small Farm Loans

Table 6, Geographic Distribution of Small Business Loan Originations, presents the percentage distribution of the number of small loans (< \$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 rank and market share information based on the most recent aggregate market data available. CNB's volume of small business loans in low- and in moderate-income geographies is low when compared to the proportion of businesses in low- and in moderate-income areas, respectively. A substantial majority of CNB's small business loans are in middle-income geographies. In reviewing CNB's performance in its assessment area, CNB has a market rank of four of 37 lenders. CNB's market share of small business loans in low- and moderate-income areas is slightly lower than its overall market share of 14 percent. There are only two low-income geographies. Therefore, it is not unusual for CNB not to have loans in those areas. Also, CNB has been a national bank for only two years. They continue to work to increase commercial relationships.

Table 7, Geographic Distribution of Small Farm Loan Originations, presents the percentage distribution of the number of small loans (< \$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 rank and market share information based on the most recent aggregate market data available. A substantial majority of loans are in middle-income geographies. Considering CNB does not emphasize farm lending, it is reasonably serving small farms in low- and moderate-income geographies. CNB did not make any small farm loans in low-income geographies. However, only 1 percent of farms are located in the two low-income geographies in the assessment area. The volume of small farm loans in moderate-income geographies is low when compared to the proportion of farms in the same income level of geography. CNB's market share of small farm loans in low- and moderate-income geographies is 4 percent and lower than its overall market share of 9 percent in the entire assessment area. Farm lending is dominated by three other larger financial institutions operating in CNB's assessment area.

Table 15-A, Geographic Distribution of Small Business Loan Originations Secured by Home Mortgages presents the percentage distribution of the number of small loans (< \$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. A large majority of these loans are made in middle-income geographies. The level of small business loans secured by home mortgages in low-income geographies is reasonable at seven percent when compared to the nine percent of businesses in these same areas. This is also reasonable because there are only two low-income geographies in CNB's assessment area. In moderate-income geographies, the level is low at 19 percent when compared to the proportion of businesses of 27 percent in these same areas. Market data is not available for this same type of loan.

Borrower Distribution

Home Mortgage Loans

CNB's overall home mortgage lending to low- and moderate-income borrowers is adequate. However, lending to low-income borrowers is very low. CNB's lending to moderate-income borrowers is reasonable. Market share information is not available, as CNB is not subject to the HMDA.

Table 8, Borrower Distribution of Home Purchase Loan Originations, compares the percentage distribution of the number of home purchase 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 the assessment area. The volume of CNB's home purchase loans to low-income borrowers is very low when compared to the proportion of low-income borrowers in the assessment area. Some of the low lending can be attributed to the fact that renting a home may be more affordable when compared to home ownership and its future maintenance. Also, there is competition in the area for home purchase loans by other financial institutions. CNB's volume of loans to moderate-income borrowers is good as the volume mirrors the proportion of moderate-income borrowers in the assessment area.

Table 9, Borrower Distribution of Home Improvement Loan Originations, compares the percentage distribution of the number of home improvement 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 the assessment area. CNB collects and maintains home improvement loan information for loans originated in the mortgage loan department. This is why only nine loans are reported in the table. Of the nine loans, 33 percent and 67 percent are to middle- and upper income borrowers, respectively. Information for home improvement loans originated in other departments is not readily available.

Table 10, Borrower Distribution of Home Mortgage Refinance Loan Originations, compares the percentage distribution of the number of home refinance 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 the assessment area. A large portion of CNB's loans is to upper-income borrowers. CNB's lending to low-income borrowers is extremely low when compared to the proportion of low-income families. CNB attributes some of the low lending to the fact that lower income families may be unable to refinance due to the equity position in their home. This point was also brought out during contacts with community leaders. CNB's refinance loan volume to moderate-income borrowers is much better. However, the proportion is somewhat lower than the proportion of moderate-income families.

Small Business and Small Farm Loans

Table 11, Borrower Distribution of Small Business Loan Originations, compares the percentage distribution of the number of small loans (< \$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. The table also 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. CNB is strongly serving businesses with annual revenues of \$1 million or less. This is shown in the Table as CNB's distribution of loans to businesses with revenues of \$1 million or less exceeds the proportion of businesses of the same revenue category in the assessment area. Strong performance is also supported by CNB's distribution of loans when compared to the proportion of the market's loans made to the same category of businesses of 37 percent. CNB's market share of loans to businesses with annual revenues of less than \$1 million of 21 percent exceeds its overall market share of 14 percent further supporting strong performance.

Table 12, Borrower Distribution of Small Farm Loan Originations, compares the percentage distribution of the number of small loans (< \$500 thousand) 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. The table also 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. Although CNB does not emphasize farm lending, it is actively serving small farms in its assessment area. Table 12 shows that a substantial majority of farm loans are to farms with annual revenues of less than \$1 million. CNB's lending to small farms exceeds the overall market of 40 percent and matches that of the proportion of farms in the same revenue category of 92 percent. The table also shows that all loans originated were in amounts less than \$100 thousand. Active farm lending is also supported by the small average loan size of \$31,615. Although not shown in the table, this compares favorably to the overall market's average loan size of \$35,000. In 1997, CNB's market share is small at 9 percent. However, its share of loans to farms with annual revenues of \$1 million or less is higher at 21 percent, further supporting CNB's willingness to support small farms.

Table 15-B - Borrower Distribution of Small Business Loan Originations Secured by Home Mortgages, compares the percentage distribution of the number of small loans (< \$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. The table also 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. The level of small business loans secured by home mortgages to businesses with revenues of \$1 million or less is very good at 91 percent when compared to the level of businesses in the assessment area with the same revenue stream of 73 percent. Table 15-B shows all 102 loans are small loans, that is, all are in amounts less than \$1 million. The table also shows 81 loans, or 79 percent, are in amounts of \$100,000 or less. Since very small businesses usually need smaller dollar loans, this indicates CNB is serving the credit needs of smaller businesses in its assessment area. Market data is not available for this same type of loan.

Community Development Loans

There are no community development loans. However, some loans reported as small business loans per the CRA regulation have community development characteristics.

Flexible Lending Products

CNB uses flexible lending products in originating home and small business loans. Listed below are programs available and used by CNB:

Home Mortgage Loan Products

Freddie Mac's Affordable Gold product allows CNB to offer conventional insured financing up to 97% loan-to-value. This product is designed for all, but particularly to assist low- and moderate-income home loan applicants. With a higher loan-to value ratio, an applicant is allowed a lower down payment. This loan product addresses the high down payment requirement, a problem encountered by lower income applicants in the assessment area. In 1997, 110 loans totaling \$7.2 million were originated. These totals are included in home mortgage loans discussed previously. Information for loans originated in 1998 is not yet available.

Each year, CNB participates in the Ohio Housing Finance Agency Residential Mortgage Revenue Bond Program. The program allows first time homebuyers to purchase affordable homes at below market rates using a smaller down payment. It is designed to serve specific low and moderate-income applicants in underserved areas of the market. CNB originated 138 loans totaling \$8.3 million in 1997, and 126 home loans totaling \$8.4 million in 1998.

Other Lending Products

In November 1998, the Community Action Program Corporation of Washington -Morgan Counties, Ohio, began accepting home loan applications for its Down Payment Assistance Program. The program offers up to \$4,000 for down payment and closing cost assistance, up to \$9,800 for rehabilitation of rental homes purchased within six months of occupancy, and access to home owners and credit counseling. CNB expressed an interest in the program and has agreed to waive its application fee, reduce the market interest rate by 1/4 percent, waived the document preparation fee, offer home ownership counseling and allow qualified applicants to open a “Totally Free Checking Account.” No loans have yet been originated under this program.

In 1998, CNB and Genesis HealthCare System established a program that is designed for hospital patients who do not have health care insurance or whose secondary insurance does not cover the deductible amount. CNB will make a “no fee, zero-interest rate” loan to the patient and pay off the outstanding medical bill. The program will also help those who now have or have had repayment history problems by rebuilding or improving their credit history. To date, 303 loans totaling \$565 thousand have been originated. These loans were not evaluated for the purposes of this CRA evaluation.

INVESTMENT TEST

The investment test is rated outstanding because of the following:

- CNB has a significant level of qualified investments that benefit the assessment area.

CNB’s level of qualified investments is excellent at \$2,035,203 considering the assessment area’s community development needs and opportunities. This total represents almost nine percent of CNB’s equity capital. A significant portion of investments, eighty-nine percent, are in the Ohio Equity Funds, four percent are in monetary contributions to community development organizations and seven percent are in a community development related bond. Table 13, Qualified Investments, presents the aggregate number and dollar amount of qualified investments made by CNB in the assessment area. Affordable housing and home rehabilitation are among the greatest needs within the assessment area. These needs were determined from interviews with community leaders and organizations. With the exception of the Ohio Equity Fund, opportunities for investments are limited throughout the assessment area. As a whole, local governments as well as other organizations need to partner to help create affordable housing for low- and moderate-income individuals or assist with home rehabilitation.

Qualified investments consisting of monetary contributions total \$74,913 or four percent of total investments. This level is reasonable considering the community development opportunities in the assessment area. Funds are provided to community development organizations primarily serving low-

and moderate-income people in Muskingum, Perry or Morgan County. Some of CNB's major contributions were to the following organizations:

- United Way of Muskingum, Perry & Morgan Counties, a non-profit organization which raises funds annually for the benefit of various community organizations. About fifty-seven percent of United Way's fund recipients primarily provide services to low- and moderate-income people.
- Alfred S. Carr Center, a non-profit organization that serves needy disabled children and adults of Muskingum County.

Park National Corporation consistently invests in the Ohio Equity Funds for Housing. Through these investments, CNB is able to help meet the affordable housing need in its assessment area. PNC has invested in every fund starting in 1991. Funds I through VIII provide equity capital for investments in low-income housing developments located throughout Ohio. The Funds are administered by the Ohio Capital Corporation for Housing which constructs, rehabilitates and preserves affordable housing for people of low- and moderate-incomes throughout Ohio. They will primarily house low-and moderate-income people. CNB's pro-rata share of commitments to low-income housing projects total \$1,814,850. The current period's investment (1997 and 1998) is \$975,000 and prior period (1991 through 1996) is \$839,850. These investments are considered complex but not innovative. Ohio Equity Funds I through VIII provide equity capital for investments in low-income housing developments within CNB's assessment area as follows:

- Blue Heron Manor - Forty new housing units will be created in Buckeye Lake, Ohio.
- Cambridge Apartments - Sixty new housing units will be created in Cambridge, Ohio.
- Clubview Apartments (Community Works I) - This project will rehabilitate 56 housing units in Zanesville, Ohio.
- Creekside Apartments - Thirty-two new housing units will be created in Chauncy, Ohio.
- Eagles Nest - In Falls Township, a new apartment complex will create 80 new housing units.
- Westview Apartments - A new apartment complex will create 32 housing units in Athens, Ohio.

In 1994, CNB purchased a Muskingum County Convention Facilities Tax Anticipation Bond. The bond was used for the commercial development in a moderate-income area in downtown Zanesville to encourage economic development and create jobs for local residents. The current outstanding balance is \$145,440. This project encouraged other development and improvement such as the

Board of Education building that is now located nearby. Also, the city library located in the same general area was remodeled.

SERVICE TEST

The service test is rated high satisfactory due to the following:

- CNB's branches are reasonably accessible in the Counties they are located.
- Branch hours are specifically tailored for the convenience of its customers.
- The level of community development services is high.

Retail Banking Services

CNB's branches are reasonably accessible within its assessment area considering the area is primarily rural. Branches are located in the most populous cities in the counties they are located. With the exception of Muskingum County, there is only one CNB branch in each of the counties in the assessment area. CNB's alternative delivery systems are limited to ATMs and telephone banking.

Table 14, Distribution of Branch and ATM Delivery System, compares the percentage distribution of the number of branches and ATMs in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each of these geography. Although seven percent of the population lives in low-income areas, the table shows there are no branches in low-income areas. Only two low-income geographies are in CNB's assessment area. Therefore, the lack of CNB branches in those particular tracts is not unreasonable. There are three or 27 percent of branches in moderate-income areas. This is slightly lower than the proportion of population living in moderate-income areas. Seven or 64 percent of branches are in middle-income areas and compares favorably to the proportion of population of 57 percent living in those same areas. Although most branches are in middle-income geographies, the distribution of low- and moderate-income families living in middle-income geographies is slightly high at 56%. This indicates CNB is reasonably serving low- and moderate-income families. Only one branch is located in an upper-income area.

Branch hours are tailored to the needs of its local customer base. Customer feedback and timing of transactions are used to establish hours. Branch hours Monday through Friday are typically 7:00 a.m. to 7:00 p.m. Exceptions are the offices in downtown Zanesville in a moderate-income area, and New Concord and Malta, both in middle-income areas. These offices open up to two hours later and close one or two hours earlier. On Saturday, hours vary depending on location. Saturday hours are 8:00 a.m. to 12:00 p.m., 2:00 p.m., or 4:00 p.m. The exceptions are in downtown Zanesville where only the drive up is open from 9:00 a.m. to 2:00 p.m. and the New Concord office where Saturday hours are 9:00 a.m. to 12:00 p.m. Due to shorter hours in the downtown Zanesville branch, bank

employees at this branch are also available to assist customers before and after regularly established banking hours. Downtown Zanesville branch loan officers will also visit businesses if owners cannot visit a branch location to sign loan documents. Although the downtown Zanesville office has shorter hours, the proportion of low- and moderate-income individuals in this area is low. Low- and moderate-income individuals in this area make up two percent and two percent of total low- and moderate-income individuals, respectively, in the bank's entire assessment area.

CNB has not opened or closed any branches since January 1, 1997. One branch was converted from a limited service to a full service branch in November 1998, after the completion of a new branch building.

Table 14 also shows the distribution of full service ATMs. They are available free for the bank's customers as well as customers of other financial institution owned by PNC. Seven (88 percent) of eight ATMs are located in middle-income areas. Four of the seven are located at a branch within Muskingum County. Three are stand-alone machines of which one each is located at two health care campuses and one is located in a supermarket. One ATM is located in a moderate-income area at the Coshocton branch location.

CNB offers Telephone Banking to its consumer and business depositors. This service is particularly useful for depositors who cannot readily visit a branch office. A depositor can transfer funds, and inquire about account balances, checks paid, transactions credited, loan balances and interest rates. This service is free, available 24 hours a day and a toll free number is available.

Community Development Services

CNB has a high level of community development services. Although the services are not innovative, they are responsive to needed community development services. Services needed are education about banking products and services, and technical assistance and home ownership counseling.

CNB offers a Totally Free Checking account. Service charges are not assessed and there is no minimum balance requirement. This no-cost checking account is available to all and particularly geared to low - and moderate-income individuals.

CNB acts as a collection agent for Universal Credit Consulting Services, Inc. (UCCS). UCCS is a non-profit organization whose purpose is to help financially distressed individuals and to provide money management and budgeting education. At all offices, CNB will collect payments from UCCS clients.

CNB frequently educates students and other organizations about banking products and services. Large portions of these students are of low- and moderate-income:

- Twice a year, two bank employees participate in a high school program that teaches students about checking and savings accounts and installment loan products.
- CNB participated in the “School to Careers” program where teachers learned about banking. As a result of this program, the bank developed a student-banking program where students learn how to use a checking account. In the past two years, four schools have participated in the program.
- CNB conducted a loan closing with a local school. The students learned about borrowing money and the loan application process.
- CNB participates in the Jobs for Ohio Graduates. A bank employee visits the schools and talks about credit card responsibilities and the importance of a good credit history.
- Each year, CNB sponsors a career table and talks about credit cards and the importance of good credit history at Muskingum Area Technical College spring competition.
- Several employees have assisted United Way in their programs. Several have held positions on the United Way Board of Directors. One employee occasionally speaks to senior citizens about banking services.

One bank employee is a board member of the Eastside Community Ministries (ECM). ECM, a nonprofit organization, provides food, clothing and medical assistance to needy individuals. It also provides other services to help provide a nurturing environment for families with children to live, learn and grow. The programs are funded through the efforts of the United Way, religious denominations and judicatories, civic organizations and other individuals.

CNB and its employees help with home ownership and home rehabilitation issues as follows:

- CNB’s mortgage loan manager is on the Zanesville Housing Advisory Board. The Advisory Board’s focus is to identify target areas within Zanesville in need of housing rehabilitation.
- In 1997, a bank employee was a speaker at a home ownership seminar sponsored by the Muskingum County Commissioners, Muskingum County Fair Housing, Zanesville-Muskingum County Chamber of Commerce and Consumer Credit Counseling Services of Muskingum Valley, Inc. The seminar offered area residents an opportunity to receive information to better prepare themselves to purchase a home.
- CNB provides counseling to home loan applicants wishing to use the Down Payment Assistance

Program administered by Community Action Agency of Muskingum County. A CNB mortgage loan officer has counseled seven applicants. Applicants are encouraged to apply for financing using the Ohio Housing Finance Authority, Mortgage Credit Certificate and other Ohio bond programs.

A bank employee serves on the Zanesville Metropolitan Housing Authority as a Board member. The Board is responsible for handling the official business of the Housing Authority.

CNB and its employees help with small business education and development as follows:

- CNB participates in the Small Business Expo presented by the Zanesville-Muskingum County Chamber of Commerce, Small Business Development Center and Muskingum Industrial Growth. The expo provides small business owners a convenient place to gather information, promotes small business creation, growth and success and allows small business owners to promote their products and services. CNB provided small business owners with loan financing information.
- A bank employee sits on the board of the Zanesville-Muskingum County Chamber of Commerce. The Chamber's mission is to promote economic development, attract new businesses to the area and help established businesses in its community to prosper, grow and create needed jobs for local residents.

APPENDIX A: SCOPE OF EXAMINATION

Time Period Reviewed: January 1, 1997 through December 31, 1998			
Financial Institution: Century National Bank			Products Reviewed: Home Mortgage Loans Small Business Loans Small Farm Loans Small Business Loans secured by home mortgages.
Affiliate(s)	Affiliate Relationship		Products Reviewed
Park National Corporation	Parent Company		Low-income Housing Investment Tax Credits
List of Assessment Areas and Type of Examination			
Assessment Area	Type of Exam	Branches Visited	Other Information
Ohio - One assessment area consisting of: Athens County, Coshocton County Hocking County, Morgan County Muskingum County, and Perry County.	Onsite	Zanesville - main office Athens	Full Service Office Full Service Office

APPENDIX B: MARKET PROFILES

CNB’s assessment area consists of the adjacent Counties of Athens, Coshocton, Hocking, Muskingum, Morgan and Perry. As a whole, this area is burdened with high unemployment, high poverty levels and low wages. Small business expansion is limited. The area is located in southeastern Ohio, is primarily rural and is considered part of the Appalachian territory. The following chart contains demographic information of the entire assessment area.

Demographic Information for CNB’s Assessment Area						
Demographic Characteristics	Number (#)	Low Percent (%) of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies	60	3%	30%	58%	7%	2%
Population by Geography	248,328	7%	30%	57%	6%	0
Owner-Occupied Housing by Geography	64,974	2%	30%	62%	6%	0
Businesses by Geography	6,593	9%	27%	57%	7%	0
Farms By Geography	186	1%	25%	67%	8%	0
Family Distribution by Income Level	65,055	24%	20%	24%	32%	0
Distribution of Low-and Moderate-Income Families throughout the AA	28,624	4%	38%	56%	2%	0
Median Family Income (MFI)	= \$30,562	Median Housing Value		= \$44,599		
HUD adjusted Median Family Income for 1998	= \$40,500	Unemployment Rate as				
Households below the Poverty Level (%)	= 18.2	12/31/98 (average %)		= 7.2		

Source: 1990 U.S. Census and 1998 HUD updated MFI.

*NA: Income information is not available.

At December 31, 1998, CNB’s distribution of deposits is largely in Muskingum County with 67% of total bank deposits. The distribution of CNB’s deposits in other Counties is as follows: Hocking County with 10%, Athens County with 8%, Coshocton and Perry Counties each with 6% and Morgan County with the lowest share of total deposits of 3%. The narratives below summarize demographic, housing and employment characteristics in each County of the assessment area:

Athens County, population of approximately 60,000, is located in southeastern Ohio. According to 1990 census data, the largest city in the County is Athens, population approximately 21,000. All other cities have populations less than 5,000. Athens City also serves as the County seat. The largest industry by employment is government employing about 7,100 followed by retail trade with approximately 4,700 employed. Major employers are Ohio University, State of Ohio, Hocking Technical College and Athens City Board of Education. Other large employers include Rocky Shoes & Boots, Tokyo Seat/TS Trim Industries and Sheltering Arm Hospital. At December 31, 1998, the unemployment rate in Athens County is 4.4 percent, which is higher than the unemployment rate of the

State of Ohio of 3.8 percent. The 1990 average median housing value in the County is \$48,545 and the average monthly rental rate is high at \$355. Home ownership is lower than the national average while the proportion of rental units is high. This is due to the student population attending Ohio State University who is more likely to occupy rental housing. Housing units represent 58 percent owner-occupied, 35 percent rental and 7 percent vacant housing. Eight other banking financial institutions serve the County. At June 30, 1998, CNB ranks sixth with a 6 percent deposit market share.

Coshocton County, population of approximately 36,000, is located in the eastern portion of Ohio. According to 1990 census data, the largest city in the County is Coshocton, population approximately 21,200. All other cities have populations of less than 3,000. Coshocton also serves as the County seat. The largest industry by employment is manufacturing employing about 4,310 followed by the service industry with approximately 3,000 employed. Major employers are Armco Inc., General Electric Company, Pacific Dunlop Limited and Philip Morris/Kraft Food. At December 31, 1998, the unemployment rate in Coshocton County is 4.6 percent, which is higher than the unemployment rate for the State of Ohio of 3.8 percent. The 1990 average median housing value in the County is \$43,798 and the average monthly rental rate for the same time period is reasonable at \$291. Housing units represent 68 percent owner-occupied, 22 percent rental and 10 percent vacant housing. Five other banking financial institutions serve the County. At June 30, 1998, CNB ranks fifth with a 6 percent deposit market share.

Hocking County, population of approximately 28,500, is located in southeastern Ohio. A large portion of the County is a recreational area. According to 1990 census data, the largest city in the County is Logan, population approximately 7,000. The few other villages have populations of under 600. Logan also serves as the County seat. The largest industries by employment are manufacturing, employing about 2,100 and government, employing about 1,600. Larger employers are the Eljer Industries, Amanda Bent Bolt Company, Osborne and Associates, General Electric Company, Goodyear Tire & Rubber Company and Smead Manufacturing Company. At December 31, 1998, the unemployment rate in Hocking County is just under six percent, higher than the State of Ohio's at 3.8 percent. The 1990 average median housing value in the County is \$43,036 and the average monthly rental rate for the same time period is slightly high at \$308. Housing units represent 68 percent owner-occupied, 21 percent rental and 11 percent vacant housing. Four other banking financial institutions serve the County. At June 30, 1998, CNB ranks third with a 14 percent deposit market share.

Morgan County, population of approximately 14,000, is located in southeastern Ohio. According to 1990 census data, the largest city in the County is McConnellsville, population approximately 1,900. All other cities have populations of fewer than 900. McConnellsville also serves as the County seat. The largest industry by employment is manufacturing employing about 1,000. The major employer is Gould Inc. At December 31, 1998, the unemployment rate in Morgan County is 14 percent, more than triple the unemployment rate of the State of Ohio at 3.8 percent. The 1990 average median

housing value in the County is \$37,731, low when compared to other surrounding Counties, and the average monthly rental rate for the same time period is low at \$264. Home ownership is lower than the national average and the proportion of vacant housing units is very high when compared to surrounding Counties. Housing units represent 60 percent owner-occupied, 18 percent rental and a high 22 percent vacant housing. Four other banking financial institutions serve Morgan County of which three are headquartered therein. At June 30, 1998, CNB ranks fifth with a 7.5 percent deposit market share and holds the smallest share of all financial institutions.

Muskingum County, population approximately 82,068, is located in the east central Ohio. Interstate Highway 70, and several U.S. and State Routes run through the County. According to 1990 census data, the three largest cities in the County are Zanesville, population approximately 26,778, New Concord, population about 2,086, and South Zanesville, population about 1,969. Zanesville is the largest city and serves as the County seat. The Muskingum River flows through the County and is the only navigable river within Ohio. In 1995, the manufacturing industry employed the most workers, 9,946, and was the fastest growing industry, increasing 7.6 percent over 1994. Major employers include Armco Steel, United Technologies, and Anchor Glass. Locally owned companies such as The Longaberger Company and 5 B's, Inc. have also become important parts of the community. At December 31, 1998, the unemployment rate in Muskingum County is 7.0 percent, almost double that of the State of Ohio at 3.8 percent. Corporate downsizing and relocation have eliminated high paying jobs over the past decade. Currently, many jobs are at minimum wage without desired employee benefits. The 1990 average median housing value in the County is high at \$46,773 when compared to surrounding Counties, and the average monthly rental rate for the same time period is \$300. Housing units represent 68 percent owner-occupied, 25 percent rental and 7 percent vacant housing. Six other banking financial institutions operate in the County. In addition to CNB, two other financial institutions, First National Bank and First Federal Savings of Eastern Ohio are headquartered in Muskingum County. At June 30, 1998, CNB ranks second with a 22 percent deposit market share.

Perry County, population of approximately 32,000, is located in southeastern Ohio and is a very rural farming area. According to 1990 census data, the largest city in the County is New Lexington, population approximately 5,400. All other cities have populations less than 3,000. New Lexington also serves as the County seat. The largest industry by employment is manufacturing employing about 1,700, followed by government with approximately 1,600 employed. Major employers are ITT Industries, Lempco Industries, and Precision Castparts Corporation. At December 31, 1998, the unemployment rate in Perry County is 7.4 percent, much higher than the unemployment rate of 3.8 percent for the State of Ohio. The 1990 average median housing value in the County is \$37,805 and the average monthly rental rate for the same time period is reasonable at \$290. Home ownership is high in Perry County when compared to both the national average and average rate of surrounding counties. Housing units represent 72 percent owner-occupied, 20 percent rental and 8 percent vacant housing. Seven other banking financial institutions serve the County of which five are headquartered therein. At June 30, 1998, CNB ranks sixth with an 8 percent deposit market share.

Community Credit Needs

We interviewed several community leaders to determine community credit needs and community development opportunities for participation by area financial institutions. Several interviews were conducted during this examination, while others were conducted during CRA examinations of other financial institutions in the area within the past 12 months. The community leaders represent housing and neighborhood organizations, social services, economic development and small business organizations. We also referred to information prepared by city and state governmental agencies such as needs assessment surveys and City of Zanesville Comprehensive Housing Improvement Strategy.

Information gathered reveals the greatest needs are affordable housing for purchase, and home rehabilitation. Due to low paying wages, many low-income families find it difficult to find affordable homes. Newer homes are not readily affordable to low- and moderate-income families. Regarding home mortgage credit, two problems applicants encounter in qualifying for a home purchase loan are high down payments and private mortgage insurance (PMI). Down payment assistance programs would help these applicants. Home rehabilitation is also a great need. Many older homes are in disrepair and occupants are not financially able to make the needed repairs. Also, equity in the property is usually not sufficient to improve or refinance a dwelling. Small dollar business loans are also a need. Conservative lending practices, at times, hinder this type of lending.

Community development services needed include education to the community on the different types of products available to ensure customers qualify for the products that most fit their needs. Also, technical assistance for prospective homebuyers is needed. Other needs for the area are workforce skill development, and improved infrastructure to support economic development projects. Banking financial institutions could assist in addressing these needs by supporting community groups or organizations that provide these services or are working on these projects.

APPENDIX C: TABLES OF PERFORMANCE DATA

Table 1. Lending Volume

LENDING VOLUME												
State: Ohio		Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998										
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full-Scope:												
Assessment Area	100%	1,484	\$109,259	392	\$30,743	13	\$411	0	0	1,891	\$140,494	100%

Table 2. Geographic Distribution of Home Purchase Loan Originations

Geographic Distribution: HOME PURCHASE																
State: Ohio		Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998														
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% 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	#	% of Total
Full-Scope:																
Assessment Area	2%	3%	30%	12%	62%	76%	6%	9%	NA	NA	NA	NA	NA	NA	572	100%

(*) Based on 1997 Aggregate HMDA Data only.

Table 3. Geographic Distribution of Home Improvement Loan Originations +

Geographic Distribution: HOME IMPROVEMENT State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% 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	#	% of Total
Full-Scope:																
Assessment Area	2%	0	30%	0	62%	100%	6%	0	NA	NA	NA	NA	NA	NA	9	100%

(*) Based on 1997 Aggregate HMDA Data only.

(+) Includes only those loans originated in CNB's mortgage loan department.

Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations

Geographic Distribution: HOME MORTGAGE REFINANCE State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% 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	#	% of Total
Full-Scope:																
Assessment Area	2%	2%	30%	14%	62%	74%	6%	10%	NA	NA	NA	NA	NA	NA	901	100%

(*) Based on 1997 Aggregate HMDA Data only.

Table 5. Geographic Distribution of Multifamily Loan Originations

Geographic Distribution: MULTIFAMILY State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Multifamily Loans	
	% 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	#	% of Total
Full-Scope:																
Assessment Area	2%	0	30%	0	62%	100%	6%	0	NA	NA	NA	NA	NA	NA	2	100%

(*) Based on 1997 Aggregate HMDA Data only.

Table 6. Geographic Distribution of Small Business Loan Originations

Geographic Distribution: SMALL BUSINESS State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Assessment Area	9%	3%	27%	14%	57%	75%	6%	8%	4	14%	12%	10%	15%	13%	392	100%

(*) Based on 1997 Aggregate Small Business Data only.

Table 7. Geographic Distribution of Small Farm Loan Originations

Geographic Distribution: SMALL FARM State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Assessment Area	1%	0	25%	8%	67%	92%	8%	0	4	9%	0	4%	11%	0	13	100%

(*) Based on 1997 Aggregate Small Farm Data only.

Table 8. Borrower Distribution of Home Purchase Loan Originations

Borrower Distribution: HMDA HOME PURCHASE State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Purchase Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Assessment Area	24%	7%	20%	20%	24%	26%	32%	47%	NA	NA	NA	NA	NA	NA	572	100%

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

(**) Based on 1997 Aggregate HMDA Data only.

Table 9. Borrower Distribution of Home Improvement Loan Originations +

Borrower Distribution: HOME IMPROVEMENT State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Improvement Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Assessment Area	24%	0	20%	0	24%	33%	32%	67%	NA	NA	NA	NA	NA	NA	9	.6%

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

(**) Based on 1997 Aggregate HMDA Data only.

(+) Includes only those loans originated in CNB's mortgage loan department.

Table 10. Borrower Distribution of Home Mortgage Refinance Loan Originations

Borrower Distribution: HOME MORTGAGE REFINANCE State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Assessment Area	24%	5%	20%	17%	24%	29%	32%	49%	NA	NA	NA	NA	NA	NA	901	61%

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

(**) Based on 1997 Aggregate HMDA Data only.

Table 11. Borrower Distribution of Small Business Loan Originations

Borrower Distribution: SMALL BUSINESS State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998											
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg. Loan Size
Full-Scope:											
Assessment Area	73%	75%	37%	314	48	30	14%	21%	392	100	\$78,426

(*) As a percentage of businesses with known revenues.

(**) As a percentage of loans with revenue information available. No information was available for 19% of loans originated by BANK.

(***) The market consists of all other Small Business reporters in CNB assessment area and is based on 1997 Aggregate Small Business Data only.

(****) Based on 1997 Aggregate Small Business Data only.

Table 12. Borrower Distribution of Small Farm Loan Originations

Borrower Distribution: SMALL FARM State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998											
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of Farms*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total	Avg. Loan Size
Full-Scope:											
Assessment Area	92%	92%	40%	13	0	0	9%	21%	13	100%	\$31,615

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

(**) As a percentage of loans with revenue information available. No information was available for 8% of loans originated by CNB .

(***) The market consists of all other Small Farm reporters in CNB's assessment area and is based on 1997 Aggregate Small Farm Data only.
(****) Based on 1997 Aggregate Small Farm Data only.

Table 13. Qualified Investments

QUALIFIED INVESTMENTS State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998											
MSA/Assessment Areas:	Affordable Housing		Community Service		Economic Development/ Small Business		Revitalize or Stabilize		Total Investments		
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of Total \$s
Full-Scope:											
Assessment Area	2	\$1,815	11	\$85	2	\$155	0	0	15	\$2,055	100%

Table 14. Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																	
MSA/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 the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
Assessment Area	100%	11	100%	0	27%	64%	9%	8	100%	0	12%	88%	0	7%	30%	57%	6%

OPTIONAL INFORMATION:

Table 15-A. Geographic Distribution of Small Business Loan Originations Secured by Home Mortgages

Geographic Distribution: SMALL BUSINESS State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Assessment Area	9%	7%	27%	19%	57%	68%	6%	6%	NA	NA	NA	NA	NA	NA	102	100%

(*) Based on 1997 Aggregate Small Business Data only.

Table 15-B: Borrower Distribution of Small Business Loan Originations Secured by Home Mortgages

Borrower Distribution: SMALL BUSINESS State: Ohio Evaluation Period: JANUARY 1, 1997 TO DECEMBER 31, 1998											
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg. Loan Size
Full-Scope:											
Assessment Area	73%	91%	NA	81	17	4	NA	NA	102	100%	\$85,804

(*) As a percentage of businesses with known revenues.

(**) As a percentage of loans with revenue information available. No information was available for 20% of loans originated by CNB .

(***) The market consists of all other Small Business reporters in CNB -s assessment area and is based on 1997 Aggregate Small Business Data only.

(***) Based on 1997 Aggregate Small Business Data only.

C - A