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Comptroller of the Currency  
Administrator of National Banks

**LARGE BANK**

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## **PUBLIC DISCLOSURE**

**August 23, 1999**

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**The Lorain National Bank  
Charter Number 14290**

**457 Broadway  
Lorain, Ohio 44052**

**Office of the Comptroller of the Currency  
Cleveland Field Office  
Three Summit Park, Suite 530  
Independence, Ohio 44131-6900**

**NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

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## GENERAL INFORMATION

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

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **The Lorain National Bank** (LNB) prepared by **The Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **August 23, 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 C.F.R. Part 25.

LNB received a rating of "Satisfactory" at the last CRA examination dated June 17, 1997.

## INSTITUTION

***INSTITUTION'S CRA RATING:*** This institution is rated "**Satisfactory**".

The following are the primary factors supporting LNB's performance under the Lending, Investment, and Service Tests:

Good responsiveness to community credit needs;

Substantial majority of HMDA and small business loans made within the assessment area;

Excellent geographic distribution of small business loans and good geographic distribution of HMDA loans;

Good borrower distribution of HMDA loans and adequate borrower distribution of small business loans;

Good level of community development loans;

Good level of services; and an

Adequate level of qualified investments.

The following table indicates the performance level of LNB with respect to the lending, investment, and service tests.

Performance Levels	The Lorain National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
<b>Outstanding</b>			
<b>High Satisfactory</b>	X		X
<b>Low Satisfactory</b>		X	
<b>Needs to Improve</b>			
<b>Substantial Non Compliance</b>			

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

## DESCRIPTION OF INSTITUTION

LNB is a full service financial institution headquartered in Lorain, Ohio. It is an Intrastate bank with 21 offices and 26 automated teller machines (ATMs) within the State of Ohio.

As of June 30, 1999, the bank had total assets of \$586 million, net income of \$3.7 million and a return on average assets of 1.3%. The bank's Tier 1 Capital is \$34.7 million. There are no current financial or legal conditions that hamper LNB's lending, investment, or service performance.

LNB's primary lending focus is directed on residential real estate lending. As of June 30, 1999, the loan portfolio's \$411 million in gross loans consist of residential real estate 54%, commercial real estate 24%, consumer 17%, and commercial 5%. The bank's small business financing includes loans through the government Small Business Administration Program.

## DESCRIPTION OF ASSESSMENT AREA

LNB's designated assessment area includes 87 census tracts within the Cleveland-Lorain-Elyria Metropolitan Statistical Area (MSA 1680) and 2 contiguous non-MSA block numbering areas (BNAs) within Erie County. In this review geographies include census tracts and BNA's. Within MSA 1680 the bank's assessment area includes the majority of Lorain County (67 of the 72 tracts) with portions of Cuyahoga County (20 tracts). Of the 89 designated geographies, 3 (3%) are low-income, 16 (18%) are moderate-income, 40 (45%) are middle-income and 30 (34%) are upper-income census tracts. The counties of Ashtabula, Geauga, Lake, and Medina are not included in the bank's assessment area as these areas do not contain LNB branches.

All branches and ATM's are located within MSA 1680. The bank's assessment area is consistent with CRA regulatory requirements. Low- and moderate-income areas are not arbitrarily excluded and no evidence of illegal discrimination was noted in the compilation of the assessment area.

The Department of HUD's updated 1999 median family income for the assessment area is \$40,057. The 1990 Census Bureau lists the population at 346,173 persons comprising 94,825 families. Of these families, 16% are low-income, 17% are moderate-income, 24% are middle-income and 43% are upper-income. At least 33% of the household income in the assessment area is derived from public assistance and social security. Households with incomes below the poverty level are 9%. However, within the main cities of Lorain and Elyria, the poverty level is 18% and 12%, respectively. Most homes in the assessment area are owner-occupied, 71%. The housing stock in the area is primarily single-family with a relatively high level of rental units (26%). The majority of the housing units within the assessment area are old and in need of rehabilitation.

According to Business Demographic Data by Dunn and Bradstreet, during 1999, there were 12,336 businesses, including 473 agricultural-related entities, located within the assessment area. Businesses with annual gross revenues under one million dollars totaled 8,986 (73%). As of June 1999, unemployment rates in Lorain (4.7%) and Cuyahoga (4.8%) Counties were slightly higher than the state of Ohio unemployment rate of 4.5%. Erie County, however, was significantly lower with an unemployment rate of 3.8%.

Northeast Ohio once thrived from the steel and automobile industries. The unemployment rates noted above reflect the impact of the economic turbulence the region experienced during the early and mid 1980's when employment in shipbuilding, steel production and automobile production declined significantly. The region is still transitioning from a manufacturing area to a service-oriented area. During 1997, Ford Motor Company closed its Lorain automobile assembly plant, eliminating over 1,500 jobs. The following year the US Steel Plant was restructured and downsized its workforce by approximately one half. The business population now focuses on service and retail establishments. Large employers in the area include Ford Motors, Inc., KOBE Steel and Community Health Partners.

### Competition

Competition is very high in the assessment area. Within Lorain County, there are at least 14 financial institutions. These institutions have significant assets over \$5 billion and include FirstMerit, N.A., Charter One Bank, N.A, and National City Bank. The bank also competes with community banks of similar asset size such as First Federal Savings and Loan (Lorain) and First Federal Savings and Loan (Lakewood).

## Community Contacts

During this examination, we contacted two community groups (local government and community development) within LNB's assessment area. These contacts resulted in the identification of lending needs including more affordable housing, especially new construction, rehabilitation loans, and down payment assistance. Investment needs include equity investments in small businesses and mini- loan funds. Service needs include job training and credit counseling.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

### **SCOPE**

This evaluation covers Home Mortgage Disclosure Act (HMDA) reportable loans and small business lending performance from April 1997 through June 1999. The data used for community development lending, investments, and services covers April 1997 to August 23, 1999.

Throughout this evaluation HMDA loans, specifically home purchase, home- improvement, and small business loans, were given greater consideration in the overall ratings as they were identified as strong credit needs by community contacts. These three areas were weighed equally. Market comparisons in this review consist of either the 1997 HMDA or 1997 Small Business Reporters serving the same geographic areas as the bank. The 1998 market data is not available. Deposit market data is used in this analysis. This information was used by county and derived from the latest reports issued by the Federal Deposit Insurance Corporation as of June 1998. The bank's deposit market rank for the assessment area is 16<sup>th</sup>. This information is used as a tool for assessing the relative size of LNB. It is not a measure of LNB's CRA performance.

The bank does not originate small farm loans, farm loan activity within the assessment area is minimal or 4% of total business loans. During the evaluation, we placed our greatest emphasis on the number of loans originated.

### **LENDING TEST**

LNB's overall lending activity is good. The bank's HMDA geographic distribution and borrower distribution are good. HMDA activity is complimented with excellent small business geographic distribution and adequate small business borrower distribution.

A substantial majority of HMDA loans are made in LNB's assessment area. LNB originated 89% (785) of the total number and 86% (\$64,606) of the total volume of the bank's total HMDA loans in its

assessment area. The bank made 91% of these HMDA loans in Lorain County. In addition, a substantial majority of small business loans are made in LNB's assessment area. The bank originated 93% (1,300) of the number and 94% (\$124 million) of the total dollars of small business loans in its assessment area.

During the review period, LNB made 2,098 HMDA, small business, and community development loans totaling \$189.5 million. These numbers include 6 multifamily loans totaling \$857 thousand that are not detailed below. See Table 1 on page 17 for detail.

The bank's volume of home purchase originations is adequate. The bank made 295 home purchase loans totaling \$29 million. The bank is 16th in both market rank for home purchase loans and its deposit market rank.

The bank's volume of home-improvement originations is good. The bank made 117 home-improvement loans totaling \$2 million. The bank is 12th in market rank for home-improvement loans that is higher than its deposit market rank of 16th.

The bank's volume of refinance originations is adequate. The bank made 367 refinance loans totaling \$32 million. The bank is 16th in both market rank for refinance loans and deposit market rank.

The bank's volume of small business loans is adequate. The bank's market ranks for small business loans and small business loans to businesses with annual gross revenues of less than \$1 million are 17th and 18th, respectively. This is adequate compared to the bank's deposit market rank of 16th.

## **GEOGRAPHIC DISTRIBUTION**

### HMDA Loans

LNB has a good distribution of HMDA loans, particularly in low- and moderate- income geographies, in its assessment area. There were no conspicuous gaps in the bank's home mortgage lending.

### Home Purchase Loans

LNB's level of home purchase originations is good. The bank's percent of home purchase loans in low- and moderate- income geographies was equal to or exceeded the percentage of owner-occupied units. The bank's home purchase market performance is adequate.

LNB's origination of 3% of its home purchase loans in low- income geographies exceeded the 1% of owner-occupied units in low- income geographies in the assessment area. 1997 market data for LNB for home purchase loans is not available because the bank did not make any home purchase loans in low-

income geographies for that year.

LNB's origination of 15% of its home purchase loans in moderate- income geographies compares favorably to the 12% of owner- occupied units in moderate- income geographies in the assessment area. The bank's market share for home purchase loans in moderate- income geographies at 2% is consistent with its market share for overall home purchases. Three mortgage companies and a local savings and loan dominate this market .

See Table 2 on page 17 for detail.

### Home- Improvement Loans

LNB's level of home- improvement originations is excellent. The bank's home- improvement market performance is adequate.

LNB's origination of 3% of its home- improvement loans in low- income geographies is higher than the 1% of owner- occupied units in low- income geographies in the assessment area. 1997 market data for LNB for home- improvement loans is not available because the bank did not make any home- improvement loans in low- income geographies for that year.

LNB's origination of 32% of its home- improvement loans in moderate- income geographies far exceeds the 12% of owner- occupied units in moderate- income geographies in the assessment area. The bank's market share of 3% matches the bank's overall market share for home- improvement loans. This market is dominated by one bank with assets of \$29 billion and a 26% market share. The next largest lender had market share of 10%.

See Table 3 on page 18 for detail.

### Refinance Loans

LNB's level of refinance originations is good. The bank's refinance market performance is good.

LNB's origination of 1% of its refinance loans in low- income geographies matched the percent of owner- occupied units in low- income geographies in the assessment area. The bank's market share of 4% for refinance loans in low- income geographies is good as it exceeds the bank's overall refinance market share of 2%.



LNB's origination of 15% of loans in moderate- income geographies exceeds the 12% of owner-occupied units in moderate- income geographies in the assessment area. The bank's market share for refinance loans in moderate- income geographies at 2% matches the bank's overall refinance market share. See Table 4 on page 18 for detail.

### Small Business Loans

LNB's geographic distribution of small business loans is excellent. There are no conspicuous gaps in the bank's small business lending. The bank has good small business market performance.

LNB originated 10% of its small business loans in low- income geographies that is excellent compared to the 5% of businesses in low- income geographies. The bank's small business market share in low- income geographies at 3% exceeds the bank's overall small business market share of 1%.

LNB originated 13% of its small business loans in moderate- income geographies that is excellent compared to the 10% of businesses in moderate- income geographies. The bank's small business market share in moderate- income geographies, 1%, is the same as the bank's overall small business market share.

See Table 5 on page 19 for detail.

## **BORROWER DISTRIBUTION**

LNB's borrower distribution is good even though their home purchase lending to low- income borrowers did not meet the percentage of low income families due to "performance context" issues discussed earlier, such as poverty levels.

### HMDA Loans

LNB's origination of home purchase loans is adequate. The bank's market performance is also adequate.

LNB's origination of 8% of its home purchase loans to low- income borrowers is marginal compared to the 16% of low- income families in the assessment area. However, the relatively high poverty levels for the main cities in the assessment area, Lorain (18%) and Elyria (12%), limit borrowers' ability to purchase homes. Also, two large financial institutions dominated the market with an average of 25 loans a piece and an 8% market share. Competition was keen from a significant number of large financial institutions and mortgage companies with assets in excess of a billion dollars. The bank's home purchase market share is 1%. Also, sixteen other banks had market shares of 1%.

LNB's origination of 20% of its home purchase loans to moderate- income borrowers is higher than the 17% of moderate- income families in the assessment area. The bank's 2% market share matches the

bank's overall home purchase market share. See Table 6 on page 19 for detail.

### Home- Improvement Loans

LNB's origination of home- improvement loans to borrowers of varying incomes is excellent. The bank's home- improvement loans to both low- income and moderate- income borrowers exceed the percent of low- income and moderate- income families in the assessment area. Also, the bank has adequate market performance.

LNB's origination of home- improvement loans to 23% of low- income borrowers and 30% of moderate- income borrowers exceed the 16% of low- income families and 17% of moderate- income families in the assessment area. The bank's market share for home- improvement loans to low- and moderate- income borrowers at 4% and 3%, respectively, is in line with the bank's overall home- improvement market share of 3%.

See Table 7 on page 20 for detail.

### Refinance Loans

LNB's origination of refinance loans to borrowers of varying incomes is adequate. The bank's percent of refinance loans to low- income borrowers is less than the demographics in the assessment area. The bank has adequate market performance.

LNB's origination of 7% of its refinance loans to low- income borrowers is less than the 16% of low- income families in the assessment area. The bank's market share for refinance loans to low- income borrowers at 1% is less than the bank's overall refinance market share of 2%.

LNB's origination of 21% of its refinance loans to moderate- income borrowers exceeds the 17% of moderate- income families in the assessment area. The bank's market share for refinance loans to moderate- income borrowers at 2% matches the bank's overall refinance market share.

See Table 8 on page 20 for detail.

### Small Business Loans

LNB's borrower distribution of small business loans is adequate. The bank's small business performance exceeded performance by aggregate lenders, but was less than the percent of small businesses in the assessment area with annual gross revenues of \$1 million or less. The bank made a majority of its small business loans in amounts less than \$250 thousand.

The bank originated 64% of its small business loans to small businesses with annual gross revenues of \$1

million or less. This is good compared to the aggregate lenders in the assessment area that made 52% of their small business loans to small businesses. The bank made 56% of their small business loans in amounts of \$250 thousand or less; 28% were in amounts less than \$100 thousand.

The bank's overall small business market share is the same as its market share for loans to businesses with annual gross revenues of \$1 million or less, 1%.

See Table 9 on page 21 for detail.

### Community Development Lending

LNB's level of community development loans are good given its capacity and size. Identified community development needs include affordable housing and home-improvement (rehabilitation) loans, and providing financing to small businesses. The bank's community development loans provided support to community service organizations that provide housing and financial services to low- and moderate-income families in need. During the review period, the bank made a total of 13 community development loans totaling \$684 thousand. See Table 1 on page 17.

The bank's Community Development Loans include:

- \$453,000 to The Neighborhood House, a center that provides services to low- and moderate-income families, including day care, shelter, meals, and emergency rent.
- \$200,000 to The Lorain County Community Action Agency, an agency that provides services, including emergency housing and financial assistance, to low- and moderate-income families.

Additionally, the bank made other loans with community development characteristics, including rehabilitating commercial buildings to apartments for low- and moderate-income families, which are included in small business loan totals. Also, the bank financed homes for low- and moderate-income families through an affordable housing project initiated by a community organization group. These homes are included in the bank's HMDA loan totals.

### Flexible Lending

LNB makes adequate use of flexible lending programs. Of the bank's total home-improvement originations, the bank made a substantial amount through its Local Lender home-improvement product, 66% of the number and 16% of the dollars. Home-improvement loans were a primary credit need identified by community groups. This is important in support of the 53% of owner-occupied housing units in moderate-income geographies and 29% of owner-occupied housing units in low-income geographies. Of the bank's

total home purchase originations, the bank made 13% of the number and 7% of the dollars through its Local Lender first- mortgage loan program.

LNB offers two Local Lender Programs. These programs are offered in low- income and moderate-income areas targeted by the Cities of Lorain and Elyria.

(1) The Local Lender first-mortgage loan. This product is for home purchases up to \$75,000. Features of the loan includes a down payment as low as 5%, no private mortgage insurance, reduced fees and closing costs, and a fixed rate for five years. The bank made 38 of these loans totaling \$2 million during the review period.

(2) The Local Lender home- improvement loan. The home- improvement loan is available to homeowners and landlords for homes with a maximum appraised value of \$75,000. The allowed size of the loan is \$500 to \$7,500. Features include an annual percentage rate (APR) that is 1.5% below the bank's regular APR, at a fixed rate, and no fees and service charges. The bank made 77 of these loans totaling \$328 thousand during the review period.

## **INVESTMENT TEST**

LNB's qualified investments are considered adequate. In the bank's assessment area, housing needs include affordable housing and rehabilitation loans for low- and moderate- income individuals. Limited opportunities for investments were identified during this review. There is little or no use of low- income housing tax credits in the assessment area. Additionally, no local school bonds or municipal bonds with community development purpose were issued in this review period. The bank's qualified investments consisted of 29 donations to various organizations that provide social services and housing primarily for low- and moderate- income individuals. Donations totaled \$139 thousand. See Table 10 on page 21 for detail.

Donations included monies to:

Various community service organizations targeted to provide assistance to low- income and moderate-income families include the Lorain County Urban League (provides health, back-to-work, and housing counseling services); the Salvation Army (provides food, clothing, and shelter); the Second Harvest Food Bank (provides food service); the Lorain Free Clinic (provides medical care and counseling); and the United Way Foundation (provides a combination of all of the above services);

Various housing organizations targeted to provide insight on housing issues, temporary housing or counseling to low- income and moderate- income families. These organizations include BOLD, the Community Housing Cooperative, Grassroots Leadership, Battered Womens Shelter. Also donations went to several economic development corporations including South Lorain Community Development Corporation

Campaign for South Lorain (improve conditions in South Lorain), Envision Elyria (develop economic development within the City of Elyria), and Main Street Lorain Development Corporation (develop economic development within the City of Lorain).

## **SERVICE TEST**

LNB's level of services is good. The bank's branches are accessible to geographies and individuals of different income levels in its assessment area. Financial services are offered at each branch and business hours do not vary in a way that inconveniences any portion of the assessment areas, particularly to low- and moderate- income geographies and to low- and moderate- income individuals. The bank has an adequate level of community development services. See Table 11 on page 22 for detail.

### Retail Banking Services

The bank has 21 branches located throughout its assessment area. Of these, 4 (19%) are located within low-income census tracts, 0 (0%) within moderate-income census tracts, 13 (62%) within middle-income census tracts, and 4 (19%) within upper-income census tracts. The majority (71%), of all bank branches, offer drive-through lanes in addition to lobby services. The main office is the only low- income branch without drive through services due to its surrounding architecture. Within Lorain County, which encompasses the majority of the bank's branches and deposits, the bank has the second highest number of branches, 16.

The bank's overall distribution of branches and ATMs within low- and moderate-income geographies is adequate. The bank's distribution of branches and ATMs within low-income census tracts is strong. While only 3% of the census tracts located within the bank's assessment area are low-income, branch and ATM distribution within low-income geographies is 19% and 15% respectively. Sixteen (18%) census tracts and 16% of the population within its assessment area are designated as moderate-income. The bank does not, however, have any branches or ATMs located within moderate-income census tracts. However, due to the close proximity of branches and density of census tracts within the assessment area, accessibility to customer services is not compromised and is supported by significant loan activity within moderate-income census tracts and to moderate-income individuals. All moderate-income census tracts are located within 2 miles of at least one full-service bank branch and ATM; several moderate-income tracts are located within 1-2 miles of multiple full-service bank facilities.

Branch hours are coordinated throughout the bank's assessment area. All branch facilities, with the exception of three, are open during normal business hours Monday through Friday and from 9:00AM-12:00PM on Saturday. The three branch offices with limited hours are the Kendal - Oberlin Office, Renaissance Office and the Westlake Village Office. All three branches are located within a nursing home or retirement community. Access to bank services is restricted to residents, their visitors and employees of these facilities. None are located within low- or moderate-income geographies. Services do not vary in a way that inconveniences certain portions of the assessment area.

Three middle-income branches were opened since the previous performance evaluation. One low-income branch was relocated around the corner to facilitate a larger drive-through and parking areas. The bank has also established one additional stand alone ATM (Dad's Sunoco in Amherst) and one

mobile ATM for use at community events. The bank closed one branch during the evaluation period. This branch was acquired from KeyCorp and was located next door to LNB's main office. Deposit and loan accounts were transferred to the Main Office and the acquired building was subsequently sold. To the extent changes have been made, the institution's branch openings and closings have not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.

LNB offers several specialized deposit products for low- or fixed-income individuals and small business owners. These products range from a traditional budget checking account to direct deposit accounts that offer related banking services at reduced costs.

### **Alternative Delivery Systems**

LNB has a reasonable amount of alternative delivery systems. The delivery systems are not specifically targeted to low- income and moderate- income families or geographies. Since data on how these systems affect low- and moderate-income individuals and low- and moderate geographies was unavailable, significant weight could not be placed on this area when drawing conclusions on the bank's CRA performance.

The bank operates 26 ATM's which are distributed throughout the bank's assessment area. Nine (9) are stand-alone machines at medical, educational, and retail locations. All ATM's are accessible 24 hours a day, seven days a week.

LNB also offers several other products and services that are accessible by all LNB customers. These include: TeleBanker and Computer Banker on-line services that provide customers access to regular and business accounts; and TelePay bill payment system that allows customers to make bill payments directly from their deposit accounts.

### **Community Development Services**

LNB provides an adequate level of community development services. The bank serves as a representative on most of the major community groups that are active in meeting housing, service, and economic needs of the low- and moderate- income individuals and low- and moderate- income areas including:

- Women's Development Center Micro Enterprise Development Program -- This program is designed to provide low- and moderate-income entrepreneurs with funding not available from traditional lending sources to facilitate economic revitalization and development in Northeast Ohio. Bank officers serve as Board members and conduct financial planning presentations to prospective business owners.
- Lorain County Community Action Agency -- This program provides home ownership training to low- and moderate-income individuals. Bank officers serve as Board members or Trustees. Bank employees conduct educational presentations as needed and annually at the Lorain County Housing Fair.
- Main Street Lorain Development Corporation -- This organization focuses on the economic revitalization of downtown Lorain's low and moderate income areas that are in need of retaining and bringing in more small businesses. Bank officers serve as Board members or Trustees and assist the organization with the planning and implementation of community projects.

Bank officers provide technical expertise to local non-profit and community development organizations within Lorain County, the majority of which are targeted to low- and moderate-income individuals and geographies. During the review period, LNB employees made presentations to 13 home buyers or small business education classes including:

- Welfare to Work Program -- This program is sponsored by the Lorain YWCA and targets current welfare recipients attempting to re-enter the workforce. Bank employees provide attendees with instruction on financial planning, goal setting, budgeting and credit/debt management; and
- Womens Development Center Micro Enterprise Program and Lorain County Community Action Agency --mentioned above in this section.

## **FAIR LENDING EXAMINATION**

The Fair Lending review for LNB focused on the underwriting standards used to evaluate residential real estate purchase loans. This review compared the loan terms offered to five (5) Black borrowers and to thirty-five (35) White borrowers that applied for loans during the same time frame. A review of sampled files found that underwriting standards were applied consistently. Additionally, no technical or procedural violations of fair lending laws were noted.

## APPENDIX

### Definition of Terms

The following are definitions of terms used throughout this public evaluation. The definitions are not the strict legal definitions contained in 12 C.F.R. 25.12, but rather a more concise synopsis of their meaning.

**Community Development** - A loan, investment, or service for (1) affordable housing for low- or moderate-income individuals; (2) community services targeted to low- or moderate- income individuals; (3) activities that promote economic development by financing small businesses and farms; and (4) activities that revitalize or stabilize low- or moderate- income areas.

**Consumer Loan** - A loan to one or more individuals for household, family, or other personal expenditures.

**HMDA Loan** - A residential real estate loan (home purchase, home refinance, home improvement, or multifamily).

**Geography** - A census tract (CT) or block numbering area (BNA).

**Low-, Moderate-, Middle-, and Upper-Income Area** - A low-income area is one in which the median family income is less than 50% of the area median income, moderate-income is 50% to 79% of the area median family income, middle-income is 80% to 119% of the area median family income, and upper-income is 120% or more of the area median family income.

**Low-, Moderate-, Middle-, and Upper-Income Individuals** - A low-income individual is an individual whose income is less than 50% of the area median income, moderate-income is 50% to 79% of the area median family income, middle-income is 80% to 119% of the area median family income, and upper-income is 120% or more of the area median family income.

**Tier 1 Capital** - It includes a bank's common stockholder's equity; non-cumulative perpetual preferred stock; and minority interest in the equity accounts of any consolidated subsidiaries.

**Qualified Investment** - A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.



## CONTENT OF STANDARDIZED TABLES

The following is a listing and brief description of each table included in the set of standardized 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 MSA/AA.

**Table 2. - Geographic Distribution of Home Purchase Loan Originations** - 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 rank and market share information based on the most recent aggregate market data available.

**Table 3. - Geographic Distribution of Home Improvement Loan Originations** - See Table 2.

**Table 4. - Geographic Distribution of Home Mortgage Refinance Loan Originations** - See Table 2.

**Table 5. - Geographic Distribution of Small Business Loan Originations** - The percentage distribution of the number of small loans (<\$1 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.

**Table 6. - Borrower Distribution of Home Purchase Loan Originations** - 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 MSA/AA. The table also presents market rank and market share information based on the most recent aggregate market data available.

**Table 7. - Borrower Distribution of Home Improvement Loan Originations** - See Table 6.

**Table 8. - Borrower Distribution of Home Mortgage Refinance Loan Originations** - See Table 6.

**Table 9. - 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.

**Table 10. - Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period.

**Table 11. - Distribution of Branch and ATM Delivery System**- Compares the percentage distribution of the number of the bank's retail branches and ATMs in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each geography.

**Table 1. Lending Volume**

LENDING VOLUME		State: OHIO				Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999						
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:												
MSA 1680/CLEVELAND-ELYRIA-LORAIN	100%	785	64,606	1,300	124,233	0	0	13	684	2,098	189,523	100%

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

Geographic Distribution: HOME PURCHASE		State: OHIO				Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999										
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:																
MSA 1680/CLEVELAND-ELYRIA-LORAIN	1%	3%	12%	15%	47%	58%	40%	24%	16	2%	0%	2%	2%	1%	295	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: APRIL 1, 1997 TO JUNE 30, 1999									
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:																
MSA 1680/CLEVELAND-ELYRIA-LORAIN	1%	3%	12%	32%	47%	44%	40%	21%	12	3	0%	3%	2%	3%	117	100%

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			State: OHIO				Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999									
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:																
MSA 1680/CLEVELAND-ELYRIA-LORAIN	1%	1%	12%	15%	47%	59%	40%	25%	16	2%	4%	2%	2%	1%	367	100%

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

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

Geographic Distribution: SMALL BUSINESS																	State: OHIO		Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999				
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		Overa ll	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
MSA 1680/CLEVELAND-ELYRIA-LORAIN	5%	10%	10%	13%	43%	51%	42%	26%	17	1%	3%	1%	1%	1%	1,300	100%							

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

**Table 6. Borrower Distribution of Home Purchase Loan Originations**

Borrower Distribution: HMDA HOME PURCHASE																	State: OHIO		Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999				
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:																							
MSA 1680/CLEVELAND-ELYRIA-LORAIN	16%	8%	17%	20%	24%	22%	43%	50%	16	2	1%	2%	1%	2%	295	100%							

(\*) As a percentage of loans with borrower income information available.

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

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

Borrower Distribution: HOME IMPROVEMENT					State: OHIO		Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999									
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:																
MSA 1680/CLEVELAND-ELYRIA-LORAIN	16%	23%	17%	30%	24%	26%	43%	21%	12	3%	4%	3%	2%	2%	117	100%

(\*) As a percentage of loans with borrower income information available.

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

**Table 8. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Borrower Distribution: HOME MORTGAGE REFINANCE					State: OHIO		Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999									
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*		Overa ll	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
MSA 1680/CLEVELAND-ELYRIA-LORAIN	16%	7%	17%	21%	24%	29%	43%	43%	16	2%	1%	2%	2%	2%	367	100%

(\*) As a percentage of loans with borrower income information available

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

**Table 9. Borrower Distribution of Small Business Loan Originations**

Borrower Distribution: SMALL BUSINESS			State: OHIO			Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999					
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:											
MSA 1680/CLEVELAND-ELYRIA-LORAIN	72%	64%	52%	28%	28%	44%	1%	1%	1,300	100%	99

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

(\*\*) As a percentage of loans with revenue information available.

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

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

**Table 10. Qualified Investments**

QUALIFIED INVESTMENTS			State: OHIO			Evaluation Period: APRIL 1, 1997 TO JUNE 30, 1999					
MSA/Assessment Area:	Prior Period Investments*			Current Period Investments			Total Investments				
	#	\$ (000's)	%**	#	\$ (000's)	%**	#	\$ (000's)	% of Total \$'s		
Full-Scope:											
MSA 1680/CLEVELAND-ELYRIA-LORAIN	0	0	0	29	139	100%	29	139	100%		

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

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

**Table 11. Distribution of Branch and ATM Delivery System**

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				State: OHIO				Evaluation Period: APRIL 1, 1997 to JUNE 30, 1999									
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:																	
MSA 1680/CLEVELAND-ELYRIA-LORAIN	100%	21	100	19%	0%	62%	19%	26	100%	15%	0%	65%	19%	2%	16%	46%	36%