



## **PUBLIC DISCLOSURE**

October 20, 2014

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

First Federal Bank of the Midwest  
Charter Number 704192

601 Clinton St  
Defiance, OH 43512-2636

Office of the Comptroller of the Currency

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Cleveland, OH 44114-2301

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

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## Overall CRA Rating

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

The following table indicates the performance level of First Federal Bank of the Midwest with respect to the Lending, Investment, and Service Tests:

Performance Levels	First Federal Bank of the Midwest Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		
Low Satisfactory		X	X
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The bank’s lending activity is good. First Federal originated or purchased a substantial majority of its home mortgage and small loans to businesses within the assessment areas (AA).
- The bank’s overall geographic distribution of home mortgage and small loans to businesses is adequate.
- The bank’s overall distribution of home mortgage and small loans to businesses to borrowers of different income levels is good.
- The bank’s CD lending had a neutral impact on the overall lending performance. During the evaluation period, the bank only originated one CD loan due to limited opportunities or competition for CD loans within the AA.
- First Federal provided an adequate level of qualified community development investments throughout the institution’s assessment areas that were responsive to AA credit and community needs.
- First Federal’s performance overall under the service test is adequate. The accessibility of branches to geographies and individuals of different income levels is adequate. Community development (CD) services are generally adequate. However, the level of community development service within the Fort Wayne AA needs to improve.

## Definitions and Common Abbreviations

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

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

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

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

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

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and

sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

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

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

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

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

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

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

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

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

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

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

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

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

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

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

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

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

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

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

**Small Loan(s) to Business (es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured by either nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

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

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

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

## Description of Institution

First Federal Bank of the Midwest (First Federal or bank) is an interstate federal savings bank (FSB) headquartered in Defiance, OH. The bank's holding company, First Defiance Financial Corporation, is a single bank holding company also headquartered in Defiance, OH.

The bank operates 33 full-service branch offices, with 26 offices located in Ohio, five in Michigan, and two in Indiana. First Federal operates 40 deposit-taking automated teller machines (ATM) and three cash-only dispensing ATM. Of the 43 ATM, 32 deposit-taking ATM are located at branch offices and the remaining 11 are stand-alone ATM. First Federal closed three branch offices during the evaluation period. The branches in Tecumseh, MI, and Fort Wayne, IN, were closed August 31, 2012 and December 14, 2012, respectively. First Federal also closed a branch in Bryan, Ohio, on September 6, 2013. Conversely, the bank also opened two branches during the evaluation period, which include one branch in Bowling Green, Ohio, on June 21, 2012, as well as one branch in Fort Wayne, IN, on December 14, 2012. In addition, First Federal opened one branch in the Fort Wayne, IN area outside of the evaluation period on August 25, 2014. The changes in branching did not result in a change of the bank's five delineated assessment areas (AA). The bank did not open or close any branches within low- or moderate-income census tracts during the evaluation period.

As of September 30, 2014, First Federal had total assets of \$2.14 billion and tier one capital totaling \$245 million. Net loans and leases represented 74 percent of the total assets and 90 percent of total deposits. First Federal's primary lines of business include commercial, home purchase and home refinance mortgage lending. The bank also offers other loans such as consumer, home improvement, multi-family residential, and farm loans, however, these loans were not a lending focus of the bank. As of December 31, 2013, one-to-four family residential mortgage loans comprised 21 percent of First Federal's loan portfolio, which does not include home mortgage loans sold to secondary market investors. The portfolio is also comprised of 49 percent non-farm non-residential commercial loans, 21 percent commercial and industrial loans, eight percent farm loans, and one percent consumer and other loans.

There were no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of the communities it serves. The previous CRA evaluation was dated March 15, 2010, in which the bank received a rating of "Satisfactory."

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for the Lending Test is January 1, 2010 through December 31, 2013. We evaluated the bank's community development (CD) loans, investments, and services for the period of January 1, 2010 through December 31, 2014. Given the change in US Census data during the review period, we utilized 2000 census data in the evaluation of the bank's performance in 2010 and 2011. However, we utilized 2010 census data to evaluate the bank's performance in 2012 and 2013. Unless otherwise noted in this evaluation, we treated each evaluation period equally.

We evaluated First Federal's lending performance based on its primary loan products of home purchase, home refinance, and small loans to businesses as well as the bank's community development lending. First Federal originates or purchases very few farm, multi-family, home improvement, or consumer loans. These loan products are not a lending focus of the institution. Therefore, farm, multi-family, home improvement, and consumer loans are not part of this evaluation, as an analysis of this information would not be meaningful. However, we did consider multifamily loans that qualify as CD as part of our CD lending assessment.

### **Data Integrity**

We performed data integrity examinations to verify the accuracy of the bank's publicly filed information on home mortgage and small loans to businesses prior to the evaluation. We concluded that the data for home mortgage and small loans to businesses was reliable. We reviewed CD loans, investments and services during the on-site evaluation to ensure they qualified as CD. During the CD review, we identified some non-qualifying investments and services. As a result, we adjusted the reported CD activities to ensure only qualified CD loans, investments and services were included as part of this evaluation.

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

We selected the two primary AAs within the state of Ohio as well as the AAs within the states of Michigan and Indiana for full-scope reviews. One of First Federal's primary AA in Ohio and its one AA in Michigan are comprised of contiguous counties that are not part of an MSA. Therefore, the AAs are referred to in this report as the Ohio non-MSA and Michigan non-MSA. Refer to the "Scope" section under each state rating for details regarding how each area was selected.

### **Ratings**

The bank's overall rating is a blend of the state ratings, which is comprised of three state rating areas. The state of Ohio carries the greatest weighting with Michigan carrying the second highest weighting. These two markets represent the bank's most significant markets in terms of deposit concentrations, branch distribution, and CRA reportable loans. First Federal only had one branch located in the state of Indiana during 2010 and 2011 and two branches during 2012 through October 2014.

As of June 30, 2013, the bank's deposits within the states of Ohio, Michigan and Indiana represented 86, 13, and one percent of total deposits, respectively. At December 31, 2013, AAs within the state of Ohio represented 79 percent of the branch network and 81 percent of the HMDA and CRA reportable loans. The Michigan AA represented 15 percent of the branch network and 14 percent of the HMDA and CRA reportable loans during the evaluation period. The Indiana AA represented only three percent of the branch network and less than three percent of the HMDA and CRA reportable loans during the evaluation period.

Areas receiving full-scope reviews receive the primary weight when establishing the ratings in each state. Refer to the "Scope" section under each State for details regarding the weights used to arrive at the respective ratings.

We utilized home mortgage and small loans to business activity to evaluate the bank's performance under the lending test. Within home mortgage activity, we weighted individual products based on loan volume. Therefore, we weighted the bank's performance under home refinance activity more as compared to home purchase activity. When conducting the geographic distribution analysis, we gave a higher weighting of performance in the moderate-income tracts. The defined weighting is taking into consideration limited lending opportunities due to a limited number of owner-occupied housing units, lack of low-income tracts and loans generated by the aggregate lending market. To ensure a meaningful analysis, we did not conduct an analysis of any loan product unless the bank originated or purchased at least 20 loans within the AA during the evaluation period, or the loan products were not a primary lending focus of the bank.

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

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## State Rating

### State of Ohio

<b>CRA Rating for (Ohio)<sup>1</sup>:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>Low Satisfactory</b>
<b>The service test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- A good level of lending in home mortgage loans and small loans to businesses;
- An overall adequate distribution of loans throughout geographies with different income levels, as demonstrated by an overall adequate geographic distribution of home mortgage loans and loans to small businesses;
- A good borrower distribution of home mortgage loans and small loans to businesses;
- The bank's CD lending had a neutral impact on the overall lending performance within the state of Ohio. The bank did not originate any CD loans within any of the AA during evaluation period;
- An overall adequate level of qualifying investments and donations that were responsive to the CD needs of the state;
- An overall branch distribution that was reasonably accessible to individuals and individuals living in low- or moderate-income geographies; and
- An adequate level of CD services that was responsive to community needs.

### Description of Institution's Operations in Ohio

Ohio is First Federal's most significant rating area, representing approximately 86 percent of the bank's deposits and 81 percent of loans the bank reported during the evaluation period. First Federal and its holding company are headquartered in Defiance, Ohio. The bank has three delineated AAs within the state, comprised of an Ohio non-MSA area made up of eight counties, as well as the Toledo, OH and Lima, OH MSAs.

The bank's Ohio non-MSA AA is its primary market, with the Toledo, OH MSA AA representing its second primary market. As of December 31, 2013, First Federal operated 26 full-service branches and 33 ATM within Ohio. Of the 26 branch offices, 15 are located in the Ohio non-

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<sup>1</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

MSA AA, which includes the main office. Seven of the branches are located in the Toledo, OH MSA and four are located in the Lima, OH MSA. During the evaluation period, First Federal closed two branches in middle-income tracts and opened one branch in an upper-income tract.

First Federal provides a full range of loan and deposit products to the AAs. The bank's primary lending products include home purchase and refinance mortgage loans, as well as commercial loans. First Federal has a good market penetration within its three AAs in Ohio. Overall, based on FDIC Deposit Market Share data as of June 30, 2013, First Federal ranked seventeenth out of 258 FDIC-insured financial institutions with less than one percent market share and \$1.5 billion in statewide deposits. However, First Federal ranked first out of 35 FDIC-insured financial institutions in their Ohio non-MSA AA, ninth out of 20 FDIC-insured institutions within the Toledo, OH MSA, and fourth out of 11 FDIC-insured institutions within the Lima, OH MSA AA. Despite First Federal's deposit market share, competition within the state of Ohio and three markets is high. Specifically, the seven largest institutions within the state of Ohio have a combined market share of 58 percent and 71 percent of state deposits. Additionally, the Ohio non-MSA had 34 other financial institutions operating 129 offices in the AA. The Toledo, OH MSA and Lima, OH MSA had other financial institutions operating 178 and 30 branch offices within each AA, respectively.

Refer to the market profiles for the state of Ohio in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Ohio**

We performed full-scope reviews of the Ohio non-MSA AA and Toledo AA. These two AAs represent the bank's primary markets within the state of Ohio and as compared to all of its AAs. Averaged over the four-year evaluation period, the Ohio non-MSA AA represents 66 percent of First Federal's deposits and 60 percent of the total number of reported loans from the Ohio AAs. In comparison to the bank's five AAs, the bank's total deposits and loans within the Ohio non-MSA AA over the evaluation period averaged 57 and 50 percent, respectively. First Federal's Toledo AA included on average over the four-year evaluation period 18 percent of the bank's Ohio deposits and 29 percent of the total number of reported loans. As compared to the overall five AAs, the Toledo AA on average over the evaluation period represented 15 percent of the bank's deposits and 25 percent of its reported loans. The Lima AA was evaluated using limited scope procedures, as it represents the smallest portion of the bank's operations in Ohio. The bank's presence within the Lima AA is also limited. Several financial institutions service the three Ohio AAs, including non-bank financial institutions and credit unions. According to the June 30, 2013 FDIC deposit market share, First Federal was ranked first of 35 institutions in terms of deposits with 16.81 percent share of the market. In the Toledo AA, First Federal ranked ninth out of 20 institutions in terms of deposits with 2.83 percent share of the market. The top three institutions within the Toledo MSA had a 59 percent deposit market share. Refer to the table in Appendix A for more information on these AA.

The Ohio ratings are based primarily on conclusions reached for performance in the Ohio non-MSA and Toledo AAs where we used full-scope procedures. In drawing conclusions relative to the bank's performance, we took into consideration aggregate lending, demographic and market share information obtained by the OCC and the bank. We also met with members or

organizations of the local communities in the full-scope AAs that focus on social services, affordable housing, and economic development. Refer to the market profiles in Appendix C for information related to the demographic, market share, community, and identified credit needs of the AAs.

## **LENDING TEST**

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

The bank's performance under the lending test in Ohio is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Ohio non-MSA and Toledo AAs is adequate.

### **Lending Activity**

Refer to Tables 1 Lending Volume under 2000 and 2010 Census in the state of Ohio section of appendix D for the facts and data used to evaluate the bank's lending activity.

First Federal's lending activity is good in the Ohio non-MSA and Toledo AAs. In drawing our conclusions, we considered the bank's overall lending volume of home mortgage loans and small loans to businesses. The bank's overall lending volume throughout the evaluation period in the AAs is commensurate with the bank's local deposit presence, especially considering the large number of lenders originating or purchasing home mortgages and small loans to businesses in each of the AAs. There are significantly more lenders originating or purchasing loans in each AA than there are depository institutions with branch offices. The lenders include local and non-local depository institutions, as well as non-bank financial institutions.

#### Ohio non-MSA AA

As of the June 30, 2011 and June 30, 2013 FDIC Deposit Market Share reports, First Federal ranked first in deposits among 35 depository institutions with 16.51 and 16.81 percent of the deposit market share, respectively. According to 2011 and 2013 peer mortgage data, First Federal ranked first among the over 100 lenders originating or purchasing home purchase and home refinance loans within the AA. The bank's market share for home purchase loans in 2011 and 2013 totaled 14.30 and 16.05 percent respectively. First Federal's market share for home refinance loans equated to 19.74 percent as of 2011 and 18.32 percent as of 2013. First Federal's market share for home purchase and home refinance loans in aggregate for 2011 and 2013 totaled 18.08 and 17.44 percent, respectively. The bank's small loans to businesses market share for 2011 was 25.31 percent, ranking first among the 60 lenders in the market. As of 2013, First Federal's small loans to businesses market share was 12.08 percent, ranking third among the 48 lenders in the market.

#### Toledo AA

The June 30, 2011 FDIC deposit market share data for the Toledo AA indicated that First Federal ranked ninth in deposits among 20 depository institutions with a 2.54 percent market share. Based on June 30, 2013 deposit market share data, First Federal also ranked ninth out of 20 depository institutions with a 2.83 percent deposit market share. According to 2011 peer mortgage data, First Federal ranked thirteenth with 2.27 market share among 177 lenders for

home purchase loans and seventh with 3.60 market share among 225 lenders for home refinance loans within the AA. Based on 2011 peer small business data, the bank's small loans to businesses market share was 8.76 percent, ranking fifth among the 51 lenders in the market. According to 2013 peer mortgage data, the bank ranked ninth with 3.11 percent market share amongst 206 lenders for home purchase loans and tenth with 3.50 percent market share among 242 lenders for home refinance loans. Based on 2013 peer small business data, First Federal's small loans to businesses market share was 2.67 percent, ranking eleventh among the 60 lenders in the market.

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

The geographic distribution of loans is adequate and is consistent with aggregate distribution.

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

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

The overall geographic distribution of home mortgage lending is adequate. In determining the overall geographic conclusions, we weighted home purchase and home refinance loans based on loan volume. Therefore, we gave greater consideration to home refinance loans as compared to home purchase loans. We also considered the level of competition and economic conditions within the AA. In addition, the low-level of owner-occupied housing within low- and moderate-income tracts in both the Ohio non-MSA and Toledo AAs was a primary factor in the conclusions. See the respective AA below for a description of the number of low- and moderate-income census tracts and percentage of owner-occupied housing units in each AA.

First Federal does not focus on multifamily lending. Specifically, First Federal only originated or purchased 26 multifamily loans in 2010 and 2011 and 48 multifamily loans in 2012 and 2013 within the AA. Therefore, we did not evaluate First Federal's performance for multifamily lending, as an analysis would not have been meaningful.

### **Ohio non-MSA AA**

The overall geographic distribution of home mortgage loans within the Ohio non-MSA AA is adequate. The AA has no low-income census tracts. Additionally, the bank had limited opportunities to lend in moderate-income tracts throughout the evaluation period, more specifically in 2010 and 2011. Based on the 2000 US Census, the AA only had three moderate-income census tracts, which included only 2.64 percent of the owner-occupied housing units within the AA. As of the 2010 US Census, the number of moderate-income census tracts increased to nine and the percentage of owner-occupied housing units increased to 10.40 percent. Given the increase in moderate-income census tracts and the percentage of owner-occupied housing units, we gave greater weight to home purchase and refinance lending in 2012 and 2013.

### *Home Purchase Loans*

The overall geographic distribution of home purchase loans is adequate. Both First Federal and peer aggregate home purchase lending was significantly below the percentage of owner-occupied housing throughout the evaluation period. The bank's home purchase lending as of 2010 and 2011 was significantly below peer aggregate home purchase lending. As of 2012 and 2013, the bank's percentage of home purchase loans originated or purchased within the moderate-income tracts improved, nearing the percentage of lending performed by peer mortgage aggregate lending. In addition, First Federal market share in moderate-income tracts improved and was near its overall market share for home purchase loans in 2012 and 2013.

### *Home Refinance Loans*

The geographic distribution of home refinance loans is adequate. Both First Federal and peer aggregate home refinance lending was significantly below the percentage of owner-occupied housing throughout the evaluation period. The bank's home refinance lending as of 2010 and 2011 was significantly below the peer aggregate percentage for home refinance lending. As of 2012 and 2013, the bank's percentage of home refinance loans originated or purchased within the moderate-income tracts was near the percentage of lending performed by peer mortgage aggregate lending. In addition, First Federal market share in moderate-income tracts improved and was near its overall market share for home refinance loans in 2012 and 2013.

### Toledo AA

The overall geographic distribution of home mortgage loans within the Toledo AA is adequate. The bank had limited opportunities to lend in low- and moderate-income tracts throughout the evaluation period, especially in 2010 and 2011. The Toledo AA had 17 low-income and 36 moderate-income census tracts based on 2000 US Census data, which we used to evaluate lending distribution during 2010 and 2011. The low- and moderate-income tracts only contained 2.74 and 13.99 percent of the owner-occupied housing units, respectively. Additionally, the total percentage of owner-occupied housing units within the low- and moderate-income tracts equated to 31.73 and 47.51 percent, respectively, reflecting that a majority of housing units are either rentals or vacant. Most housing units were located in middle-income tracts, with 56.25 percent of them being owner-occupied housing units. As of 2012 and 2013, the bank's opportunities to lend in low-income tracts increased; but remained stable in moderate-income tracts. Based on the 2010 US Census data, the number of low-income tracts increased to 27 and moderate-income tracts decreased to 32. The percentage of owner-occupied housing units in low-income tracts increased to 5.30 percent, while the percentage in moderate-income tracts decreased slightly to 12.43 percent. Similar to the 2000 US Census data, the majority of housing units within low- and moderate-income tracts were renter occupied or vacant. There is also a high level of competition within the Toledo AA. As of 2011 and 2013, First Federal ranked eighth out of 270 lenders and seventh out of 298, respectively with 3.11 and 3.36 percent of the lending market share.

*Home Purchase Loans*

The overall geographic distribution of the bank's home purchase loans is inadequate. Both First Federal and peer aggregate home purchase lending was significantly below the percentage of owner-occupied housing units in both low- and moderate-income tracts throughout the evaluation period. As of 2010 and 2011, First Federal did not originate or purchase any home purchase loans in low-income tracts, whereas peer aggregate originated or purchased 0.23 percent of home purchase loans in low-income tracts. For lending in moderate-income tracts, the percentages of home purchase loans for the bank and peer aggregate increased. However, the percentage of home purchase loans originated or purchased by the bank was significantly below the peer home purchase mortgage aggregate percentage. As of 2012 and 2013, First Federal and peer aggregates' percentages of home purchase loans originated or purchased in low-income tracts only equated to 0.27 and 0.88 percent, respectively. In addition, First Federal's percentage of home purchase loans within moderate-income tracts was significantly below the peer aggregate percentage for home purchase loans.

*Home Refinance Loans*

The geographic distribution of home refinance loans is adequate. Both First Federal and peer aggregate home purchase lending was significantly below the percentage of owner-occupied housing units in both low- and moderate-income tracts throughout the evaluation period. As of 2010 and 2011, First Federal did not originate or purchase any home refinance loans in low-income tracts, whereas peer aggregate originated or purchased 0.22 percent of home refinance loans in low-income tracts. However, the bank's home refinance lending in moderate-income tracts was near the percentage of peer aggregate home refinance lending. As of 2012 and 2013, the bank's percentage of home refinance loans originated or purchased within low-income tracts was significantly below the peer aggregate percentage. However, First Federal's home refinance lending in moderate-income tracts was near the percentage of home refinance lending performed by peer aggregate. In addition, First Federal market share in moderate-income tracts improved and was near its overall market share for home refinance loans in 2012 and 2013.

***Small Loans to Businesses***

Refer to Table 6 in the state of Ohio section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination or purchase of small loans to businesses.

Overall, the geographic distribution of small loans to businesses is adequate. In determining our geographic conclusions, we considered the limited opportunities to lend in each AA, given the level of competition as well as the low percentage of non-farm businesses located in low- and moderate-income census tracts within each AA.

Ohio non-MSA AA

The bank's overall geographic distribution of small loans to businesses is adequate. First Federal's geographic distribution of small loans to businesses in 2010 through 2011, as well as

2012 and 2013 was adequate. Throughout the period of evaluation, the percentage of bank small loans to businesses originated or purchased in moderate-income geographies was near both the percentage of businesses in moderate-income geographies and peer aggregate lending.

### Toledo AA

The bank's overall geographic distribution of small loans to businesses is inadequate. First Federal's geographic distribution of small loans to businesses in 2010 through 2011 was adequate. Both First Federal and peer aggregate lending percentages were below the percentage of businesses located in low- and moderate-income tracts throughout the evaluation period. However, First Federal's percentage of loans made in low-income geographies was significantly below peer aggregate lending. Conversely, the percentage of the bank's small loans to businesses made in moderate-income geographies was near peer aggregate lending. First Federal's geographic distribution of small loans to businesses in 2012 through 2013 was inadequate. The percentage of loans made in low-income geographies was significantly below peer aggregate lending. Additionally, the percentage of loans made in moderate-income geographies was also significantly below peer aggregate lending.

### ***Lending Gap Analysis***

We analyzed First Federal's home mortgage and small loans to businesses lending activity during the evaluation period to identify any gaps in the geographic distribution of loans. Our analysis considered the opportunity to originate or purchase home mortgage loans, as reflected by the number of owner-occupied housing units as well as home mortgage lending by the aggregate market. Our analysis also considered the opportunity to originate or purchase small loans to businesses as reflected by the number of small businesses, as well as small loans to businesses lending by the aggregate market.

We did not identify any unexplained conspicuous gaps in the Ohio non-MSA AA. However, we did find gaps in home mortgage lending and areas of low penetration for small loans to businesses within the low- and moderate-income census tracts making up the city of Toledo, which represents a portion of the Toledo AA. The gaps in home mortgage lending were comprised of areas with limited opportunities to lend over the evaluation period, as reflected by the number of owner-occupied housing units and the volume of lending activity by the overall market. Additionally, the low penetration of small loans to businesses is a result of high competition, as well as the low percentage of small businesses located in low- and moderate-income areas and competition from other larger financial institutions.

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

This ratio is an institution wide calculation and not calculated by an individual rating area or AA. The analysis is limited to the institution's originations and purchases and does not include any affiliate data. For the aggregate four-year evaluation period, a substantial majority of the number and dollar amount of First Federal's loans originated or purchased during the evaluation period were within the bank's AAs. During the evaluation period, First Federal originated or purchased 92.18 percent by number and 89.89 percent by dollar amount of its total loans within its combined AAs. The bank originated or purchased 91.27 percent by

number and 89.27 percent by dollar amount of its total home purchase, home refinance, multifamily and home improvement loans within the AAs. Additionally, First Federal originated or purchased 94.20 percent by number and 90.96 percent by dollar amount of its small loans to businesses and farm loans within the combined AAs.

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

The overall distribution of loans by income of borrower is good and meets with equivalent to aggregate distribution.

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

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

The overall borrower distribution of home mortgage loans is good. In determining our overall conclusion, we weighted home purchase and home refinance loans based on loan volume. Therefore, we gave greater consideration to home refinance loans as compared to home purchase loans. We also considered the level of competition within each AA.

### **Ohio non-MSA AA**

#### ***Home Purchase Loans***

The borrower distribution of home purchase loans is good. First Federal's borrower distribution of home purchase loans from 2010 through 2011 was good. The percentage of loans to low-income borrowers was near the peer aggregate percentage of lending to low-income borrowers. Additionally, the bank's lending to low-income borrowers was near the percentage of low-income families. The percentage of loans to moderate-income borrowers was near the percentage of peer aggregate lending and exceeded the percentage of moderate-income families in the AA. For 2010 through 2011, First Federal's lending to low- and moderate-income borrowers was also near its overall lending market share within the AA.

First Federal's borrower distribution of home purchase loans during 2012 through 2013 was good. The percentage of loans to low- and moderate-income borrowers was near the percentage of peer aggregate lending. Though the bank's percentage of lending to low-income borrowers in the AA was generally below the percentage of low-income families, the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. For 2012 through 2013, First Federal's lending to low- and moderate-income borrowers was also near its overall lending market share within the AA.

#### ***Home Refinance Loans***

The borrower distribution of home refinance loans is good. First Federal's borrower distribution of home refinance loans from 2010 through 2011 was good. The bank's lending to low-income borrowers was below the percentage of low-income families within the AA. However, the percentage of bank loans to low-income borrowers exceeded the peer aggregate

percentage of lending to low-income borrowers. In addition, the percentage of bank loans to moderate-income borrowers was near the percentage of peer aggregate lending and near the percentage of moderate-income families in the AA. For 2010 through 2011, First Federal's lending to low-income borrowers exceeded its overall market share in the AA. The bank's lending to moderate-income borrowers was near its overall lending market share in the AA.

First Federal's borrower distribution of home refinance loans during 2012 through 2013 was good. The percentage of loans to low- and moderate-income borrowers was near the percentage of peer aggregate lending. Though the bank's percentage of lending to low-income families in the AA was generally below the percentage of low-income families, the percentage of loans to moderate-income borrowers was near the percentage of moderate-income families in the AA. For 2012 through 2013, First Federal's lending to low- and moderate-income borrowers was also near its overall lending market share within the AA.

## Toledo AA

### *Home Purchase Loans*

The borrower distribution of home purchase loans is good. First Federal's borrower distribution of home purchase loans from 2010 through 2011 was good. The percentage of loans to low-income borrowers was generally near the peer aggregate percentage of lending to low-income borrowers. Additionally, the percentage of bank loans to moderate-income borrowers was near the percentage of peer aggregate lending and the percentage of moderate-income families in the AA. For 2010 through 2011, First Federal's lending to low- and moderate-income borrowers was also generally near its overall lending market share within the AA.

First Federal's borrower distribution of home purchase loans during 2012 through 2013 was good. The percentage of home refinance loans to low- and moderate-income borrowers was near the percentage of peer aggregate lending. Though the bank's percentage of lending to low-income borrowers in the AA was generally below the percentage of low-income families, the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. For 2012 through 2013, First Federal's lending to low- and moderate-income borrowers was also near its overall lending market share within the AA.

### *Home Refinance Loans*

The borrower distribution of home refinance loans is good. First Federal's borrower distribution of home refinance loans during 2010 through 2011 was good. The percentage of loans to low-income borrowers was near the percentage of peer aggregate lending. Additionally, First Federal's lending to moderate-income borrowers exceeded the peer aggregate lending percentage. Though the bank's percentage of lending to low-income borrowers in the AA was significantly below the percentage of low-income families, the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. For 2010 through 2011, First Federal's lending to low- and moderate-income borrowers exceeded its overall lending market share within the AA.

First Federal's borrower distribution of home refinance loans from 2012 through 2013 was good. The bank's lending to both low- and moderate-income borrowers was near peer aggregate lending percentages. In addition, though the bank's percentage of lending to low-income borrowers was significantly below the percentage of low-income families, the bank's lending to moderate-income borrowers was near the percentage of moderate-income families. The bank's lending to low- and moderate-income borrowers was also near its overall market share within the AA.

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

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

The overall borrower distribution of small loans to businesses is good.

#### Ohio non-MSA AA

The institution's borrower distribution of small loans to businesses in 2010 through 2011 was good. The percentage of the bank's small loans to businesses was near the percentage of small businesses (businesses with gross revenues of \$1 million or less) in the AA. In addition, the aggregate percentage of First Federal's small loans to businesses originated or purchased in 2010 and 2011 exceeded the peer percentage of small loans to businesses originated or purchased in 2011.

First Federal's borrower distribution of small loans to businesses from 2012 through 2013 was good. The percentage of small loans to businesses was near the percentage of small businesses in the AA. In addition, the aggregate percentage of First Federal's small loans to businesses originated or purchased in 2012 and 2013 exceeded the peer percentage of small loans to businesses originated or purchased in 2013.

#### Toledo AA

The institution's borrower distribution of small loans to businesses in 2010 through 2011 was good. The percentage of the bank's small loans to businesses was near the percentage of small businesses in the AA. In addition, the aggregate percentage of First Federal's small loans to businesses originated or purchased in 2010 and 2011 exceeded the peer percentage of small loans to businesses originated or purchased in 2011.

First Federal's borrower distribution of small loans to businesses from 2012 through 2013 was good. The percentage of small loans to businesses was near the percentage of small businesses in the AA. In addition, the aggregate percentage of First Federal's small loans to businesses originated or purchased in 2012 and 2013 was also near the peer percentage of small loans to businesses originated or purchased in 2013.

## **Community Development Lending**

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

First Federal's CD lending had a neutral impact on the overall lending performance within the state of Ohio.

### Ohio non-MSA

CD lending had a neutral impact on the lending performance within the AA. During the evaluation period, First Federal did not originate any CD loans in the Ohio non-MSA AA, which was a result of the limited opportunities to originate CD loans within the AA.

### Toledo AA

CD lending had a neutral impact on the lending performance within the AA. During the evaluation period, First Federal did not originate any CD loans in the Toledo AA, which was a result of the limited opportunities to originate CD loans and level of competition from larger institution for CD loans within the AA.

## **Product Innovation and Flexibility**

First Federal offers several flexible loan programs that are focused on making home ownership affordable and promoting small businesses. However, we did not consider any of the products innovative. Performance had a neutral impact on the institution's lending performance within the AA.

First Federal overall offers a standard product mix of loans that promote affordable home ownership. The product mix includes low down-payment programs through Fannie Mae, Freddie Mac, Federal Housing Administration, and USDA Rural Housing. The bank also offered loan products specific to homeowners experiencing difficulty due to a decline in their property values. Such products included the Home Affordable Refinance Program and other refinance products through Fannie Mae and Freddie Mac. First Federal also offered a product through the Federal Home Loan Bank Welcome Home Program, which assisted low- and moderate-income homebuyers with down payment and closing cost assistance. First Federal also offers small business loans through the Small Business Association, state of Ohio's Deposit Link Program, and USDA Business Guaranteed Loan Program, which offer low cost loans for small businesses.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Lima AA is not inconsistent with the bank's overall "High Satisfactory" performance under the lending

test in Ohio. Refer to the Tables 1 through 13 in the state of Ohio section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Ohio is rated "Low Satisfactory." Based on the full-scope review, the bank's performance in the Ohio non-MSA and Toledo AA is adequate.

Refer to Table 14 in the state of Ohio section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

#### Ohio non-MSA AA

First Federal's investment test performance within the AA is adequate. During the evaluation period, the bank made 46 investments and donations totaling over \$1.9 million. A significant majority of the bank's qualified CD investments by dollar amount were bonds related to the establishment or improvement of county, city or school infrastructures in the AA. Additionally, the bank had four prior period investments still outstanding as of the evaluation that totaled \$880,000.

First Federal's responsiveness to the CD needs of the AA is adequate. The following are examples of some of these investments and donations:

- First Federal invested in two municipal bonds totaling \$595,000 in 2011. The funds were used to construct, furnish, and equip a public safety building for police and fire in the city of Bryon, Ohio, which was designated as a distressed area in 2011.
- The bank invested in one municipal bond of \$320,000 in 2010. The funds were used to improve the sanitary sewer within Defiance County. The county, as of 2010 and 2011, was designated as a distressed area.
- First Federal invested in two municipal bonds totaling \$455,000 in 2011. The purpose of the bonds were to fund the construction, furnishing and equipping of a municipal court building in Defiance, Ohio. Defiance County, as of 2010 and 2011, was listed as a distressed area.
- In 2011, the bank invested in a municipal bond totaling \$350,000. The purpose of the bond was the construction and improvement of a school, for which a majority of the students are located in low- or moderate-income tracts.
- First Federal made several small donations to organizations and services that focus on low- and moderate-income persons or areas within the AA. The bank donated a total of \$12,862 to organizations that provide affordable housing, housing for the homeless, and social services.

#### Toledo AA

First Federal's investment test performance within the AA is adequate. During the evaluation period, the bank made six investments and donations approximating \$1.9 million. A significant

majority of the bank's qualified CD investments by dollar amount were investments related to affordable housing and for the establishment or improvement of a county jobs and family service building in Wood County.

First Federal's responsiveness to the CD needs of the AA is adequate. The following are examples of some of these investments and donations:

- First Federal invested \$1.6 million in a low-income housing tax credit (LIHTC) fund in 2014. The purpose was to provide funding for multifamily housing to low- and moderate-income people or households.
- The bank invested \$255,000 in a municipal bond in 2014. The purpose of the bond was for the establishment or improvement of a jobs and family service building, which houses a county organization that provides social services, such as public assistance, employment services, and medical services for low- and moderate-income people.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Lima AA is not inconsistent with the bank's overall "adequate" performance under the investment test in Ohio. The bank's performance under the investment test for the limited scope included a LIHTC of \$400,000 as well as one donation of \$250. Refer to the Table 14 in the state of Ohio section of appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

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

The bank's overall performance under the service test in Ohio is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in both AA is adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Ohio section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

#### Ohio non-MSA AA

First Federal's branch distribution and access to retail banking services in the AA is good. The AA had no low-income tracts during the review period. The Bank's branch distribution in 2010 through 2011 was good as branches were accessible to geographies and individuals of different income levels in the AA. As of December 31, 2011, the bank operated two branches located in moderate-income geographies. As of 2012 and 2013, First Federal's branch distribution and access to retail banking services remained good. The bank closed one branch located in a middle-income tract. However, branches remained readily accessible to geographies and individuals of different income levels in the AA. In addition, the percentage of branches throughout the AA was consistent to the distribution percentage of the population.

Branch services and hours did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

### Toledo AA

First Federal's branch distribution in the AA throughout the evaluation period is inadequate. Other than one near-to branch that is located in a middle-income tract contiguous with other low- or moderate-income tracts, most branches were located within a sufficient distance from the area's low- and moderate-income tracts. The bank supplements its traditional delivery service methods with certain alternative delivery processes such as ATM, online banking, bill payment and mobile banking. First Federal did not close any branches within the AA. In, 2012 and 2013, the bank did open a branch in an upper-income tract.

First Federal's hours and services offered in the Toledo AA are good. Branch hours and services did not vary in a way that would inconvenience portions of the AA. Services offered and hours of operation are comparable among locations regardless of the income level of the geography.

## **Community Development Services**

First Federal's overall performance in providing qualified CD services was adequate. The services focused on community services targeted to low- and moderate-income people. The bank's employees participated in a variety of organizational services, mostly in leadership roles, that benefited low- and moderate-income individuals. They also participated in leadership roles at organizations that focused on affordable housing, as well as promoting economic development.

### Ohio non-MSA AA

First Federal's responsiveness to the needs of the AA is inadequate. The Ohio non-MSA is the bank's primary AA, which includes 15 of the 26 branch offices located in Ohio as well as its main office. Additionally, the AA represents 66 percent of the bank's Ohio deposit base and 60 percent of the total number of loans reported in Ohio. However, only six employees provided their expertise in six different CD organizations that focus on fighting poverty, affordable housing, employment, and social services. In addition, five of the employees served in leadership roles as Board members.

### Toledo AA

First Federal's responsiveness to the needs of the AA is adequate. In the Toledo AA, four employees provided their expertise in four different CD organizations that focus on affordable housing, social services, and economic development. In addition, two of the employees served in leadership roles as Board members.

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

Based on the limited-scope area for review, the institution's performance under the service test in the limited scope area is weaker than the institution's overall "Low Satisfactory" performance

under the service test in Ohio. Performance differences in this area were based on branch distribution, as the bank had no branches located in low- or moderate-income tracts. Additionally, First Federal had only one near-to branch that is located within a sufficient distance to a moderate-income tract. Branch services and hours did not vary in a way that inconveniences portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of income level of geography. There was a limited level of CD services in the limited scope area. Refer to Table 15 in the Ohio section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Michigan

<b>CRA Rating for Michigan<sup>2</sup>:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>High Satisfactory</b>
<b>The service test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- A good level of home mortgage loans lending and small loans to businesses;
- An overall adequate penetration into geographies with different income levels, as demonstrated by an adequate geographic distribution of home mortgage loans and an adequate geographic distribution of loans to small businesses;
- A good borrower distribution of home mortgage loans and small loans to businesses;
- The bank's CD lending had a neutral impact on overall lending performance within the state of Michigan. During the evaluation period, the bank only originated one CD loan;
- An overall good level of qualifying investments and donations that were responsive to the CD needs of the state; and
- An adequate level of CD services that was responsive to community needs.

### Description of Institution's Operations in Michigan

Michigan is First Federal's third largest rating area, representing approximately 12.86 percent of the bank's deposits and 15.67 percent of loans the bank reported during the evaluation period. The bank has one delineated AA within the state, comprised of Hillsdale and Lenawee Counties. The two counties are primarily rural and are not part of an MSA. The AA is located in southeastern part of Michigan and contiguous with the bank's Ohio non-MSA and Toledo AAs.

As of December 31, 2013, First Federal operated five full-service branches and eight ATM within Michigan, with three of the eight ATM being stand-alone. During the evaluation period, First Federal closed two branches, one in a middle-income tract and one other in an upper-income census tract. First Federal did not open any branches in the Michigan AA during the evaluation period.

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<sup>2</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

First Federal provides a full range of loan and deposit products to the AAs. The bank's primary lending products include home purchase and refinance mortgage loans, as well as commercial loans. First Federal has a good market penetration within the AA. Based on FDIC Deposit Market Share data as of June 30, 2013, First Federal ranked sixty-third out of 156 FDIC-insured financial institutions with 0.12 percent market share and \$208 million in statewide AA deposits. However, First Federal ranked third out of 15 FDIC-insured financial institutions in their Michigan non-MSA AA. Despite First Federal's deposit market share, competition within the AA market is high. Specifically, the five largest institutions within the state of Michigan have a combined market share of 58.24 percent of state deposits. Additionally, the Michigan non-MSA had 15 other financial institutions operating 41 offices throughout the two county AA.

Refer to the market profiles for the state of Michigan in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Michigan**

First Federal's one delineated AA includes two counties located in southeastern Michigan and is not part of an MSA. As a result, we performed a full-scope review of the AA. Refer to the table in Appendix A for more information on the AA.

The Michigan non-MSA AA is the bank's third largest market, representing 12.86 percent of First Federal's deposits and 15.67 percent of the total number of reported loans originated or purchased. In drawing conclusions relative to the bank's performance, we took into consideration aggregate lending, demographic and market share information obtained by the OCC and the bank. We also met with members or organizations of the local communities that focus on affordable housing and social services.

## **LENDING TEST**

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

The bank's performance under the lending test in Michigan is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Michigan AA is good.

### **Lending Activity**

Refer to Table 1 Lending Volume in the state of Michigan section of appendix D for the facts and data used to evaluate the bank's lending activity.

First Federal's lending activity is good in the Michigan non-MSA AA. In drawing our conclusions, we considered the bank's overall lending volume of home mortgage loans and small loans to businesses. The bank's overall lending volume throughout the evaluation period in the AA is commensurate with the bank's local deposit presence, especially considering the large number of lenders originating or purchasing home mortgage and small loans to businesses in the AA. There are significantly more lenders originating or purchasing loans in each AA than there are depository institutions with branch offices. The lenders include local and non-local depository institutions as well as non-bank financial institutions.

As of June 30, 2011 and June 30, 2013, FDIC deposit market share reports show First Federal ranked second and third in deposits among 14 and 15 depository institutions with 15.75 and 14.61 percent of the deposit market share, respectively. According to 2011 and 2013 peer mortgage data, First Federal ranked second each year among the 160 and 198 lenders originating or purchasing home purchase and home refinance loans within the AA respectively. As of 2011, the bank ranked sixth with a market share of 4.61 percent and fourth with a market share of 5.50 percent in 2013 for home purchase loans. For home refinance loans, the bank ranked first in 2011 with a market share of 13.32 percent and first in 2013 with a market share of 10.39 percent. For small loans to businesses, the bank ranked fourth out of 52 lenders with a market share of 10.19 percent in 2011. As of 2013, First Federal's small loans to businesses market share was 6.34 percent, ranking sixth among the 45 lenders in the market.

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

The geographic distribution of loans is good and is consistent with aggregate distribution.

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

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

The overall geographic distribution of home mortgage lending is adequate. In determining the overall geographic conclusions, we weighted home purchase and home refinance loans based on loan volume. Therefore, we gave greater consideration to home refinance loans as compared to home purchase loans. Based on 2000 US Census data, there were no census tracts designated as low- or moderate-income within the Michigan AA. Therefore, we did not perform a geographic analysis of the bank's lending in 2010 and 2011, as an analysis during this time would not be meaningful.

As of 2010 US Census data, there were three census tracts designated as moderate-income and no low-income tracts. Additionally, the percentage of owner-occupied housing units within the three moderate-income tracts was limited at 6.59 percent, with most owner-occupied housing units located in middle-income tracts. As a result, we considered the low-level of moderate-income tracts and low level of owner-occupied housing within the moderate-income tracts as primary factors in our conclusions.

First Federal does not focus on multifamily lending. First Federal only originated or purchased one multifamily loan in 2010 and 2011 and 10 multifamily loans in 2012 and 2013 within the AA. Therefore, we did not evaluate First Federal's performance for multifamily lending, as an analysis would not have been meaningful.

#### ***Home Purchase Loans***

The overall geographic distribution of home purchase loans is inadequate. Both First Federal and peer aggregate home purchase lending was significantly below the percentage of owner-occupied housing throughout 2012 and 2013. The bank's home purchase lending as of 2012 and 2013 was also significantly below peer aggregate home purchase lending. In addition,

First Federal market share in moderate-income tracts was significantly below its overall market share for home purchase loans in 2012 and 2013.

### *Home Refinance Loans*

The geographic distribution of home refinance loans is good. Both First Federal and peer aggregate home refinance lending was significantly below the percentage of owner-occupied housing throughout the evaluation period. However, the bank's home refinance lending as of 2012 and 2013 was near the peer aggregate percentage for home refinance lending. First Federal's market share in moderate-income tracts was also near its overall market share for home refinance loans in 2012 and 2013. Additionally, based on the number of home refinance loans originated or purchased solely within the three moderate-income tracts, First Federal ranked first in both 2012 and 2013.

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

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

The geographic distribution of small loans to businesses is excellent. In determining our geographic conclusion, we considered the limited opportunities to lend in moderate-income tracts. Specifically, as of 2010 and 2011, there were no low- or moderate-income tracts within the AA. As of 2012 and 2013, the AA had no low-income tracts and only three moderate-income tracts. In addition, the percentage of non-farm businesses located in moderate-income census tracts within the AA equated to 6.99 percent. Most non-farm businesses are located in middle- or upper-income tracts within the AA.

The bank's overall geographic distribution of small loans to businesses is excellent. First Federal's geographic distribution of small loans to businesses originated or purchased in 2012 through 2013 in moderate-income geographies exceeded both the percentage of businesses in moderate-income geographies and peer aggregate lending.

### ***Lending Gap Analysis***

We reviewed summary reports and maps, analyzing First Federal's home mortgage and small loans to businesses lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

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

The ratio is an institution wide calculation and not calculated by an individual rating area or AA. The analysis is limited to the institution's originations and purchases and does not include any affiliate data. For the aggregate four-year evaluation period, a substantial majority of the number and dollar amount of First Federal's loans originated or purchased during the evaluation period were within the bank's AAs. During the evaluation period, First Federal originated or purchased 92.18 percent by number and 89.89 percent by dollar amount of its total loans within its combined AAs. The bank originated or purchased 91.27 percent by

number and 89.27 percent by dollar amount of its total home purchase, home refinance, multifamily and home improvement loans within the AAs. In addition, First Federal originated or purchased 94.20 percent by number and 90.96 percent by dollar amount of its small loans to businesses and farm loans within the combined AAs.

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

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

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

The overall borrower distribution of home mortgage loans is good. In determining our overall conclusion, we weighted home purchase and home refinance loans based on loan volume. Therefore, we gave greater consideration to home refinance loans as compared to home purchase loans. We also considered the level of competition within each AA.

### ***Home Purchase Loans***

The overall borrower distribution of home purchase loans is adequate. First Federal's borrower distribution of home purchase loans in 2010 through 2011 was good. The percentage of home purchase loans to low-income borrowers was near the peer aggregate percentage of lending to low-income borrowers. Additionally, the bank's home purchase lending to low-income borrowers was near the percentage of low-income families. The percentage of loans to moderate-income borrowers was near the percentage of peer aggregate lending and exceeded the percentage of moderate-income families in the AA. For 2010 through 2011, First Federal's lending to low- and moderate-income borrowers was also near its overall lending market share within the AA.

First Federal's overall borrower distribution of home purchase loans during 2012 through 2013 was inadequate. The percentage of home purchase loans to low- and moderate-income borrowers was significantly below the percentage of peer aggregate lending. Though the bank's percentage of lending to low-income borrowers in the AA was significantly below the percentage of low-income families, the percentage of loans to moderate-income borrowers was near the percentage of moderate-income families in the AA. For 2012 through 2013, First Federal's lending to low- and moderate-income borrowers was also significantly below its overall lending market share within the AA.

### ***Home Refinance Loans***

The borrower distribution of home refinance loans is good. First Federal's borrower distribution of home refinance loans in 2010 through 2011 was good. The bank's lending to low-income borrowers exceeded the aggregate peer percentage of lending to low-income borrowers. However, the percentage of the bank's lending to low-income borrowers was significantly below the percentage of low-income families within the AA. The percentage of bank loans to moderate-income borrowers was near the percentage of peer aggregate lending and near the percentage of moderate-income families in the AA. For 2010 through 2011, First

Federal's lending to low-income borrowers exceeded its overall market share in the AA. The bank's lending to moderate-income borrowers was near its overall lending market share in the AA.

First Federal's borrower distribution of home refinance loans during 2012 through 2013 was good. The percentage of home refinance loans to low-income borrowers was near the percentage of peer aggregate lending. First Federal's percentage of home refinance loans to moderate-income borrowers exceeded the percentage of peer aggregate lending. Though the bank's percentage of home refinance lending to low-income families in the AA was significantly below the percentage of low-income families, the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. Additionally, for 2012 through 2013, First Federal's lending to low-income borrowers was also near its overall lending market share and exceeded its overall market share in lending to moderate-income borrowers within the AA.

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

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

The overall borrower distribution of small loans to businesses is good.

The institution's borrower distribution of small loans to businesses in 2010 through 2011 was good. The percentage of the bank's small loans to small businesses (businesses with gross revenues of \$1 million or less) was below the percentage of small businesses in the AA. However, the aggregate percentage of First Federal's small loans to small businesses originated or purchased in 2010 and 2011 exceeded the peer percentage of small loans to small businesses originated or purchased in 2011.

First Federal's borrower distribution of small loans to small businesses from 2012 through 2013 was good. The percentage of small loans to small businesses was below the percentage of small businesses in the AA. However, the aggregate percentage of First Federal's small loans to small businesses originated or purchased in 2012 and 2013 exceeded the peer percentage of small loans to small businesses originated or purchased in 2013.

### **Community Development Lending**

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

First Federal's CD lending had a neutral impact on overall lending performance within the state of Michigan.

CD lending had a neutral impact on the lending performance within the AA, which is a result of the limited opportunities to originate CD loans within the AA. During the evaluation period, First Federal originated one CD loan totaling \$1.5 million in the Michigan non-MSA AA. The CD loan was responsive to the AA needs and supported affordable housing for low- and moderate-income individuals.

## **Product Innovation and Flexibility**

First Federal offers several flexible loan programs that focused on making home ownership affordable and promoting small businesses. However, we did not consider any of the products innovative. Performance had a neutral impact on the institution's lending performance within the AA.

First Federal overall offers a standard product mix of loans that promote affordable home ownership. The product mix includes low down-payment programs through Fannie Mae, Freddie Mac, Federal Housing Administration, and USDA Rural Housing. The bank also offered loan products specific to homeowners having difficulty due to a decline in their property values. Such products included the Home Affordable Refinance Program and other refinance products through Fannie Mae and Freddie Mac. First Federal also offered a product through the Federal Home Loan Bank Welcome Home Program, which assisted low- and moderate-income homebuyers with down payment and closing cost assistance. First Federal also offered small business loans through the SBA, USDA and low cost loans for small businesses.

## **INVESTMENT TEST**

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

The bank's performance under the investment test in Michigan is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Michigan non-MSA is good.

Refer to Table 14 in the state of Michigan section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

First Federal's investment test performance within the AA is good. During the evaluation period, the bank made 27 investments and donations totaling approximately \$2.4 million. A significant majority of the bank's qualified CD investments by dollar amount were an investment in a LIHTC fund and a school bond. Though the investments and donations are not considered innovative or complex, they were responsive to the CD needs of the AA, especially for affordable housing.

First Federal's responsiveness to the CD needs of the AA is adequate. The following are examples of some of these investments and donations:

- First Federal invested one LIHTC fund in late 2014. The purpose was to provide funding for multifamily housing to low- and moderate-income people or households.
- The bank invested in one municipal bond of \$430,000 in 2011. The funds were used to improve a public school, where a majority of the students are located in low- or moderate income tracts.

- First Federal made several small donations to organizations and services that focus on low- and moderate-income persons or areas within the AA. The bank donated to organizations that primarily provide social services.

## **SERVICE TEST**

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

The bank's overall performance under the service test in Michigan is rated "Low Satisfactory." Based on the full-scope review, the bank's performance in the Michigan non-MSA is adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Michigan section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

First Federal's branch distribution in the Michigan non-MSA AA throughout the evaluation period is adequate. As of the 2000 US Census, the AA had no low- or moderate-income tracts. Additionally, the bank did not open any new branches within the AA during the evaluation period and closed one branch within an upper-income tract in August 2012. As of the 2010 US Census, the AA had no low-income tracts and only three moderate-income tracts. The changes to the income level of tracts did not result in any of the banks existing branches being located in the three moderate-income tracts. However, First Federal did have one near-to branch that is within a reasonable distance of a moderate-income tract, providing access to financial services in that area. In addition, the bank supplements its traditional delivery service methods with certain alternative delivery processes, such as ATM, online banking, bill payment and mobile banking.

First Federal's hours and services offered in the Michigan non-MSA AA are good. Branch hours and services did not vary in a way that would inconvenience portions of the AA. Services offered and hours of operation are comparable among locations regardless of the income level of the geography.

### **Community Development Services**

First Federal's responsiveness to the needs of the AA is adequate. First Federal's performance in providing qualified CD services was adequate. The bank's employees participated or provided their expertise to organizations focused on providing services to low- and moderate-income individuals. In the Michigan non-MSA AA, six employees provided their expertise in six different CD organizations that focus on affordable housing, counseling and social services, and goodwill. In addition, all six employees served in leadership roles as Board members.

## State of Indiana

<b>CRA Rating for Indiana<sup>3</sup>:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>Low Satisfactory</b>
<b>The investment test is rated:</b>	<b>High Satisfactory</b>
<b>The service test is rated:</b>	<b>Needs to Improve</b>

The major factors that support this rating include:

- An adequate level of home mortgage loans lending and lending to small loans to businesses;
- An overall adequate penetration into geographies with different income levels as demonstrated by an adequate geographic distribution of home mortgage loans and an adequate geographic distribution of small loans to businesses;
- An adequate borrower distribution of home mortgage loans and small loans to businesses;
- The bank's CD lending had a neutral impact on the overall lending performance within the state of Indiana. During the evaluation period, First Federal did not originate any CD loans in the Fort Wayne AA
- A good level of qualifying investments and donations that were responsive to the CD needs of the AA;
- The overall level of CD services within the AA is weak.

## Description of Institution's Operations in Indiana

First Federal has one delineated AA in the state of Indiana. The bank's Fort Wayne AA is comprised of Allen County, which is a part of the Fort Wayne, IN MSA and located in the northeast corner of Indiana. The Fort Wayne AA is First Federal's smallest market rating area, representing approximately less than one percent of the bank's deposits and less than three percent of loans the bank reported during the evaluation period.

The AA represents the bank's smallest market in terms of its branch network. During the evaluation period, First Federal had only one branch office located in the AA. In 2012, First Federal closed and relocated its first branch and opened its second branch in August of 2014. The bank's branches are both located in upper-income tracts. However, one branch office is considered a near-to branch, which is located within a reasonable distance to a moderate-

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<sup>3</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

income tract. Each branch has an ATM and there no stand-alone ATM within the AA. During the evaluation period, First Federal did not close any branch offices.

First Federal provides a full range of loan and deposit products to the AAs. The bank's primary lending products include home purchase and refinance mortgage loans, as well as commercial loans. First Federal's penetration into the Fort Wayne AA has been adequate given its limited presence, which affected its ability to compete during the evaluation period. Based on FDIC Deposit Market Share data as of June 30, 2013, First Federal ranked nineteenth out of 25 FDIC-insured financial institutions with 0.23 percent market share and \$15 million in AA deposits. In addition to First Federal's limited presence, competition within the AA market is high. Specifically, the five largest institutions within the AA have a combined market share of 70.16 percent of deposits.

Refer to the market profiles for the state of Indiana in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Indiana**

First Federal's one delineated AA in the Fort Wayne, IN MSA includes Allen County. As a result, we performed a full-scope review of the AA. Refer to the table in Appendix A for more information on the AA.

The Fort Wayne AA is the bank's smallest market in terms of deposits, loans and branching. In drawing conclusions relative to the bank's performance, we took into consideration the bank's limited presence, competition, demographic and market share information obtained by the OCC and the bank. We also met with members or organizations of the local communities that focus on affordable housing and social services.

## **LENDING TEST**

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

The bank's performance under the lending test in Indiana is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Fort Wayne AA is adequate.

### **Lending Activity**

Refer to Tables 1 Lending Volume and 1 Other in the state of Indiana section of appendix D for the facts and data used to evaluate the bank's lending activity.

First Federal's lending activity is adequate in the Fort Wayne AA. Considering the bank's limited presence, market share and strong competition, the bank's overall lending volume throughout the evaluation period in the AA is commensurate with the bank's local deposit presence.

As of June 30, 2011 and June 30, 2013, the FDIC deposit market share reports indicate First Federal ranked nineteenth each year in deposits among 25 depository institutions with 0.22

and 0.23 percent of the deposit market share, respectively. According to 2011 and 2013 peer mortgage data, First Federal ranked sixty-first and forty-seventh among 224 and 259 lenders originating or purchasing home purchase and home refinance loans within the AA, respectively. The bank's market share for home purchase loans in 2011 and 2013 totaled 0.24 and 0.42 percent, respectively. First Federal's market share for home refinance loans equated to 0.19 percent as of 2011 and 0.30 percent as of 2013. The bank's small loans to businesses market share for 2011 was 1.21 percent, ranking sixteenth among the 60 lenders in the market. As of 2013, First Federal's small loans to businesses market share was 1.15 percent, ranking twenty-first among the 56 lenders in the market.

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

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

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

The overall geographic distribution of home mortgage lending is adequate. In determining the overall geographic conclusions, we did not weight home purchase and home refinance lending differently. However, we considered the bank's limited presence and competition in lending throughout the AA as primary factors affecting its ability to lend. We also considered the low level of housing units located within the low-income tracts of the AA as a factor in the bank's lending in low-income census tracts. Based on the 2000 US Census, there were less than one percent of owner-occupied housing units in low-income census tracts. As of the 2010 US Census, the percentage of owner-occupied housing units located in low-income tracts increased to 5.52 percent.

First Federal does not focus on multifamily lending. First Federal only originated or purchased one multifamily loan in 2010 and 2011 and 10 multifamily loans in 2012 and 2013 within the AA. Therefore, we did not evaluate First Federal's performance for multifamily lending, as an analysis would not have been meaningful.

### ***Home Purchase Loans***

The overall geographic distribution of home purchase loans is adequate. Both First Federal and peer aggregate home purchase lending was significantly below the percentage of owner-occupied housing in low- and moderate-income census tracts throughout the evaluation period. The bank did not originate or purchase any home purchase loans within the low-income tracts during the review period. As a result, the bank is significantly below the peer aggregate lending percentage of home purchase loans in low-income tracts. Despite the results of home purchase lending in low-income tracts, First Federal is near peer aggregate percentages in home purchase lending within the moderate-income tracts throughout the evaluation period. In addition, First Federal market share in moderate-income tracts was near its overall market share for home purchase loans throughout the period of review.

### *Home Refinance Loans*

The geographic distribution of home refinance loans is adequate. Both First Federal and peer aggregate home refinance lending was significantly below the percentage of owner-occupied housing throughout the evaluation period. First Federal did not originate any home refinance loans in the low-income tracts of the AA during the evaluation period. As a result, the bank is significantly below the peer aggregate lending percentage of home refinance loans in low-income tracts. As of 2010 and 2011, the bank's home refinance lending in moderate-income tracts exceeded the peer aggregate percentage for home refinance lending. However, as of 2012 and 2013, the bank's home refinance lending moderate-income tracts was below the peer aggregate percentage. As a result, the bank's lending market share in moderate-income tracts in 2010 and 2011 exceeded its overall market share in the AA. As of 2012 and 2013, the bank's market share of lending in moderate-income tracts was below its overall market share.

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

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

The geographic distribution of small loans to businesses is adequate. In determining our geographic conclusion, we considered the bank's limited presence and competition in lending throughout the AA as primary factors affecting its ability to lend.

The bank's overall geographic distribution of small loans to businesses is adequate. First Federal's geographic distribution of small loans to businesses in 2010 through 2011 was adequate. First Federal's percentage of loans made in low-income geographies exceeded both the percentage of businesses and the percentage of peer aggregate lending within low-income tracts. Conversely, the percentage of the bank's small loans to businesses made in moderate-income geographies was significantly below the peer aggregate percentage. First Federal's geographic distribution of small loans to businesses in 2012 through 2013 was adequate. The percentage of bank loans made in low-income geographies exceeded both the percentage of businesses and peer aggregate lending. Additionally, the percentage of bank small loans to businesses made in moderate-income geographies was near the peer aggregate lending percentage.

### ***Lending Gap Analysis***

We reviewed summary reports and maps, analyzing First Federal's home mortgage and small loans to businesses lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

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

The ratio is an institution wide calculation and not calculated by an individual rating area or AA. The analysis is limited to the institution's originations and purchases and does not include any affiliate data. For the aggregate four-year evaluation period, a substantial majority of the

number and dollar amount of First Federal's loans originated or purchased during the evaluation period were within the bank's AAs. During the evaluation period, First Federal originated or purchased 92.18 percent by number and 89.89 percent by dollar amount of its total loans within its combined AAs. The bank originated or purchased 91.27 percent by number and 89.27 percent by dollar amount of its total home purchase, home refinance, multifamily and home improvement loans within the AAs. In addition, First Federal originated or purchased 94.20 percent by number and 90.96 percent by dollar amount of its small loans to businesses and farm loans within the combined AAs.

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

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

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

The overall borrower distribution of home mortgage loans is adequate. In determining our overall conclusions, we consider the bank's limited presence and level of competition as primary factors affecting the bank's ability to lend to borrowers of different incomes throughout the AA. We weighted home purchase and home refinance equally as there were no difference in loan volume.

### ***Home Purchase Loans***

The overall borrower distribution of home purchase loans is adequate. First Federal's borrower distribution of home purchase loans in 2010 through 2011 was adequate. The percentage of home purchase loans to low-income borrowers was near the peer aggregate percentage of lending to low-income borrowers. Additionally, the bank's home purchase lending to low-income borrowers was also near the percentage of low-income families. However, the bank's percentage of home purchase loans to moderate-income borrowers was significantly below the percentage of peer aggregate lending. For 2010 through 2011, First Federal's lending to low-income borrowers was near its lending market share and below its lending market share for lending to moderate-income borrowers.

First Federal's overall borrower distribution of home purchase loans during 2012 through 2013 was inadequate. The percentage of home purchase loans to low- and moderate-income borrowers was significantly below both the percentage of peer aggregate lending and percentages of low- and moderate-income families in the AA. For 2012 through 2013, First Federal's lending to low-income borrowers was below its overall lending market share and near its overall lending market share for loans to moderate-income borrowers within the AA.

### ***Home Refinance Loans***

The borrower distribution of home refinance loans is adequate. First Federal's borrower distribution of home refinance loans in 2010 through 2011 was adequate. The bank's lending to low-income borrowers exceeded the aggregate peer percentage of lending to low-income borrowers. However, the percentage of bank loans to moderate-income borrowers was below

the percentage of peer aggregate lending. For 2010 through 2011, First Federal's lending to low-income borrowers exceeded its overall market share in the AA. The bank's lending to moderate-income borrowers was below its overall lending market share in the AA.

First Federal's borrower distribution of home refinance loans during 2012 through 2013 was inadequate. The percentage of home refinance loans to both low- and moderate-income borrowers was below the percentage of peer aggregate lending. Additionally, for 2012 through 2013, First Federal's lending to low- and moderate-income borrowers was also below its overall lending market share within the AA.

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

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

The overall borrower distribution of small loans to businesses is inadequate. In determining our overall conclusion, we consider the bank's limited presence and level of competition as primary factors affecting the bank's ability to lend small loans to small businesses. The institution's borrower distribution of small loans to businesses throughout the evaluation period was below both the percentage of aggregate lending and the percentage of small businesses in the AA.

### **Community Development Lending**

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

First Federal's CD lending had a neutral impact on the overall lending performance within the state of Indiana.

CD lending had a neutral impact on the lending performance within the AA. During the evaluation period, First Federal did not originate any CD loans in the Fort Wayne AA, which is a result of the limited opportunities to originate CD loans and level of competition from larger institution for CD loans within the AA.

### **Product Innovation and Flexibility**

First Federal offers several flexible loan programs that focused on making home ownership affordable and promoting small businesses. However, we did not consider any of the products innovative. Performance had a neutral impact on the institution's lending performance within the AA.

First Federal overall offers a standard product mix of loans that promote affordable home ownership. The product mix includes low down-payment programs through Fannie Mae,

Freddie Mac, Federal Housing Administration, and USDA Rural Housing. The bank also offered loan products specific to homeowners having difficulty due to a decline in their property values. Such products included the Home Affordable Refinance Program and other refinance products through Fannie Mae and Freddie Mac. First Federal also offered a product through the Federal Home Loan Bank Welcome Home Program, which assisted low- and moderate-income homebuyers with down payment and closing cost assistance. First Federal also offered small business loans through the SBA, USDA and low cost loans for small businesses.

## **INVESTMENT TEST**

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

The bank's performance under the investment test in Indiana is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Fort Wayne AA is good.

Refer to Table 14 in the state of Indiana section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

First Federal's investment test performance within the AA is good. During the evaluation period, the bank made six investments and donations totaling slightly over \$1 million. A significant majority of the bank's qualified CD investments by dollar amount was an investment in an LIHTC fund, which supports affordable housing. When considering the investment and donations, the total represents 44 percent of allocated tier-one capital for the AA. Though the level of investment and donations in comparison to tier-one capital is high, the total number of investments and donations in the AA are limited. Additionally, the investment and donations are not considered innovative or complex. However, the investment in the LIHTC fund indicates responsiveness to CD needs of the AA for affordable housing.

First Federal's responsiveness to the CD needs of the AA is good. The following represent the investment and donations:

- First Federal invested in one LIHTC fund in late 2014; and
- The bank donated approximately \$1,425 in five donations to organizations that offer or support social services and affordable housing for low- and moderate-income individuals or families.

## **SERVICE TEST**

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

The bank's overall performance under the service test in Indiana is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Fort Wayne AA is inadequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Indiana section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

First Federal's branch distribution in the Fort Wayne AA is adequate. The bank did not have a branch office located in a low- or moderate-income tract. However, First Federal did have one near-to branch that is within a reasonable distance of a moderate-income tract, providing access to financial services in that area. In addition, the bank supplements its traditional delivery service methods with certain alternative delivery processes such as ATM, online banking, bill payment and mobile banking. First Federal's hours and services offered in the Michigan non-MSA AA are good. Branch hours and services did not vary in a way that would inconvenience portions of the AA. Services offered and hours of operation are comparable among locations regardless of the income level of the geography.

### **Community Development Services**

First Federal's performance in providing qualified CD services within the AA was weak. The bank did not provide or participate in any CD services within the Fort Wayne AA during the evaluation period.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): (1/01/2010 to 12/31/2013) Investment and Service Tests and CD Loans: (1/01/2010 to 12/31/2014)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
First Federal Bank of the Midwest (First Federal) Defiance, Ohio	Home mortgage loans, small loans to businesses, and community development loans, investments and services.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
First Defiance Financial Corporation	Holding Company	None
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information – Counties in each Assessment Area</b>
Ohio Ohio non-MSA Toledo, OH MSA #45780 Lima, OH MSA #30620	Full-scope Full-scope Limited Scope	<u>Ohio non-MSA:</u> Defiance, Hancock, Henry, Paulding, Putnam, Van Wert, Williams and a portion of Seneca. <u>Toledo, OH MSA:</u> Lucas, Fulton, Wood, and Ottawa. <u>Lima, OH MSA:</u> Allen.
Michigan Michigan non-MSA	Full-scope	<u>Michigan non-MSA:</u> Hillsdale and Lenawee.
Indiana Fort Wayne, IN MSA #23060	Full-scope	<u>Fort Wayne, IN MSA:</u> Allen.

## Appendix B: Summary of State Ratings

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RATINGS: First Federal Bank of the Midwest				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
First Federal Bank of the Midwest	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Ohio	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Michigan	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Indiana	Low Satisfactory	High Satisfactory	Needs to Improve	Satisfactory

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

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

### State of Ohio

#### Ohio non-MSA assessment area

Demographic Information for Full Scope Area: FFBM Ohio non-MSA AA - 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	66	0.00	4.55	69.70	25.76	0.00
Population by Geography	292,642	0.00	3.33	66.54	30.12	0.00
Owner-Occupied Housing by Geography	87,374	0.00	2.64	66.47	30.89	0.00
Business by Geography	21,964	0.00	2.80	66.97	30.24	0.00
Farms by Geography	2,694	0.00	0.37	66.48	33.15	0.00
Family Distribution by Income Level	80,329	12.77	17.26	24.89	45.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	24,122	0.00	5.43	70.98	23.59	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		43,801 52,900 7%	Median Housing Value Unemployment Rate (2000 US Census)		86,085 1.88%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2011 HUD updated MFI.

Demographic Information for Full Scope Area: FFMB Ohio non-MSA AA - 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	66	0.00	13.64	53.03	33.33	0.00
Population by Geography	289,760	0.00	12.65	48.61	38.73	0.00
Owner-Occupied Housing by Geography	88,679	0.00	10.40	49.91	39.69	0.00
Business by Geography	19,365	0.00	14.96	46.54	38.50	0.00
Farms by Geography	2,937	0.00	2.42	48.45	49.13	0.00
Family Distribution by Income Level	80,104	15.49	17.12	23.02	44.37	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	26,120	0.00	20.03	51.32	28.64	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		52,111 53,000 11%	Median Housing Value Unemployment Rate (2010 US Census)		112,407 4.33%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2013 FFIEC updated MFI.

First Federal designated eight contiguous counties that are not part of an MSA as one of its AA. The eight counties include Defiance, Hancock, Henry, Paulding, Putnam, Seneca, Van Wert, and Williams. The counties are located in the north central region of Ohio and are contiguous to the other two AAs in Ohio, as well as the Michigan non-MSA AA. The Ohio non-

MSA AA meets the requirements of the CRA and does not arbitrarily exclude low- or moderate-income geographies. As of October 20, 2014, First Federal closed one limited service branch in a middle-income tract and operated 15 full-service branch offices throughout the Ohio non-MSA AA. Two of the branch offices are located in moderate-income tracts, six in middle-income tracts and seven in upper-income tracts. The bank also supplements its branch network with 21 ATM, which includes ATM located at branch office locations and stand-alone ATM.

First Federal's ability to lend within the moderate-income census tracts during the evaluation was limited. As reported by the 2000 and 2010 US Census, the AA included 66 census tracts with no tracts designated as low-income throughout the evaluation period. However, as of the 2000 US Census, the AA contained only three moderate-income tracts. Of the remaining 66 tracts, 46 were designated as middle-income and 17 upper-income. As of 2010 and 2011, Defiance, Van Wert, and Williams counties contained middle-income tracts that were identified as being distressed or underserved. In addition, only 2.64 percent of owner-occupied housing units were located within the moderate-income tracts with over 97 percent of the owner occupied housing units located in the middle- and upper-income tracts. In addition, only 3.09 percent of the total families were located in moderate-income tracts with over 70 percent located in middle-income tracts and 23 percent in upper-income tracts.

According to the 2010 US Census, the number of moderate-income tracts increased to nine while middle-income tracts decreased to 35 and upper-income tracts increased to 22. As of 2012 and 2013, the AA had no areas designated as distressed or underserved. As a result of the change in census tracts, the percentage of owner occupied units in moderate-income tracts increased from 2.64 percent to 10.40 percent, as well as an increase in owner occupied units in upper-income tracts and a decrease in middle-income tracts. The percentage of rental occupied and vacant units also increased significantly as compared to the 2000 US Census.

As of the 2010 US Census, the population of the AA decreased approximately 2,882 persons from 2000 to 2010. The updated median family income increased slightly over the evaluation period from \$52,900 in 2011 to \$53,000 in 2013. Based on 2010 US Census data, 15.49 percent of families were low-income and 17.12 were moderate-income as compared to 12.77 percent low-income and 17.26 percent moderate-income as of the 2000 US Census. The percentage of households living below poverty also increased from seven percent in 2000 to 11 percent as of 2010. The median house value of the AA increased 30.58 percent from \$86,085 to \$112,407.

The number of non-farm businesses within the AA as of the 2000 US Census totaled 21,964, decreasing to 19,365 as of the 2010 US Census. Throughout the evaluation period, the majority of non-farm businesses were located in middle- and upper-income tracts, with only 2.8 and 14.96 percent located in moderate-income tracts as of 2011 and 2013, respectively. In addition, the number of non-farm businesses over the evaluation period reporting revenues below \$1 million decreased by 1,232 or 8.37 percent. As of the 2000 US Census, 29.31 percent of the non-farm businesses did not report revenues. This decreased to 25.20 percent as of the 2010 US Census. For both census years, most non-farm businesses operating in the AA had less than five employees.

There is a high level of competition for financial services within the AA. Based on the FDIC's June 30, 2013 Deposit Market Share Report, First Federal ranked first with a 17.44 percent market share. The FDIC's report also displayed that the AA has 34 other large, regional and small financial institutions operating 129 branch offices within the area. In addition, based on 2011 and 2013 peer mortgage data, there were in excess of 160 and 190 other home purchase and home refinance lenders respectively within the AA. Based on 2013 peer small business data, there were also 45 other lenders originating small business loans within the area. In addition, credit unions, as well as non-banking financial institutions competing for financial services within the AA, also service the area. Despite the level of competition, First Federal's market share and ranking was consistent throughout the review period.

Economic conditions within the AA have been improving as evidenced by the declining unemployment rates. Based on data obtained from the Bureau of Labor Statistics, the average unemployment rate throughout the eight county AA as of year-end 2013 was 7 percent, down from the average unemployment rate of 11.1 percent at year-end 2010. The current average unemployment rate is slightly better than the statewide rate of 7.5 percent reported at year-end 2013. In addition, according to the 2000 and 2010 US Census, the majority of households derive income wages or salaries. The primary employment sectors within the eight counties include manufacturing, farming, healthcare and education. Top manufacturers include General Motors, Cooper Tire & Rubber Company, Whirlpool, Marathon Petroleum Company, and Eaton-Aeroquip Corporation.

We considered context information from two community contact organizations that provide assistance with social services and affordable housing within the non-Ohio MSA AA. The contacts identified opportunities for First Federal to work with the community development organizations. Specifically, the community contacts identified donations, funding for general operating support, acquisition of new equipment or maintenance of existing equipment. They also indicated there is a need for a low-cost loan or funding to finance the acquisition and rehab of a former school, which could provide low-cost office space for community development organizations. The organizations also noted there are opportunities for bank personnel to be members of the Board of Directors. One of the contacts noted that First Federal has had a long-term relationship with the organization and has provided grants to the agency.

## Toledo, OH MSA assessment area

Demographic Information for Full Scope Area: FFBM Toledo MSA - 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	174	9.77	20.69	50.00	19.54	0.00
Population by Geography	659,188	6.14	17.69	52.10	24.07	0.00
Owner-Occupied Housing by Geography	177,066	2.74	13.99	56.25	27.01	0.00
Business by Geography	52,652	3.58	10.54	52.72	33.16	0.00
Farms by Geography	1,992	0.55	4.52	71.64	23.29	0.00
Family Distribution by Income Level	170,448	20.18	18.07	22.67	39.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	65,203	9.37	26.16	50.57	13.90	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		50,408 61,700 12%	Median Housing Value Unemployment Rate (2000 US Census)		99,238 3.03%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2011 HUD updated MFI.

Demographic Information for Full Scope Area: FFMB Toledo MSA AA - 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	177	15.25	18.08	42.94	23.16	0.56
Population by Geography	651,429	8.83	16.17	45.82	28.38	0.80
Owner-Occupied Housing by Geography	178,021	5.30	12.43	49.50	32.78	0.00
Business by Geography	46,759	6.14	13.45	46.36	33.84	0.21
Farms by Geography	2,093	1.29	4.92	63.31	30.48	0.00
Family Distribution by Income Level	166,319	21.78	17.19	20.78	40.25	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	64,813	16.85	22.26	45.54	15.33	0.01
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		59,003 57,100 16%	Median Housing Value Unemployment Rate (2010 US Census)		131,090 5.84%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2013 FFIEC updated MFI.

The Toledo AA is comprised of the entire Toledo, OH MSA (45780), which includes the counties of Lucas, Fulton, Wood and Ottawa. The Toledo AA is located in the north central region of Ohio and borders the state of Michigan. The AA is also contiguous to the other two AAs in Ohio, as well as the Michigan non-MSA AA. The Toledo AA meets the requirements of the CRA and does not arbitrarily exclude low- or moderate-income geographies. During the evaluation period, First Federal opened one branch office and did not close any branches within the AA. As of October 20, 2014, the bank operated seven full-service branch offices, which are located in cities around the Toledo metropolitan area. The bank has two branches located in middle-income tracts and five in upper-income tracts. The bank also operates seven ATM, of which six are located at branch offices and one is a stand-alone ATM located at Bowling Green State University.

As reported by the 2000 US Census, the AA included 174 census tracts. Of the 174 tracts, 17 were designated low-income, 36 moderate-income, 87 middle-income, and 34 upper-income tracts. There were no census tracts designated as NA. As of the 2010 US Census, the number of census tracts increased to 177. The number of tracts designated as low- and upper-income increased by 10 and seven, respectively. However, the number of moderate-income tracts decreased by four and the number of middle-income tracts decreased by 11. There was also one census tract designated as NA.

There were fewer opportunities for lenders to originate or purchase home mortgage loans within low- or moderate-income census tracts throughout the evaluation period. Based on the 2000 US Census, owner-occupied housing units within the low- and moderate-income tracts only totaled 2.74 and 13.99 percent, respectively. However, over 83 percent of the owner occupied housing units were located in the middle- and upper-income tracts. In addition, only 4.64 and 16.22 percent of the total families were located in low- and moderate-income tracts with over 79 percent located in middle-income and upper-income tracts. In addition, the level of households within the low- and moderate-income tracts identified as living below poverty equated to 39.22 and 23.56 percent, respectively. The level of households living below poverty within the middle- and upper-income tracts totaled 13.48 percent.

According to the 2010 US Census, the percentage of owner occupied units in low-income tracts increased to 5.30 percent. Conversely, the number of owner occupied units in moderate-income tracts decreased slightly to 12.43 percent. The adjustment in the percentage of owner occupied housing units within the middle- and upper-income tracts was similar with the percentage decreasing in middle-income tracts by 6.75 percent and increasing by 5.77 percent in upper-income tracts. The percentages of rental occupied and vacant units also increased as compared to the 2000 US Census. In addition, the level of households identified as living below poverty increased to 45.21 percent in low-income tracts and 26.87 percent in moderate-income tracts. The level of households below poverty in middle- and upper-income tracts increased to 17.69 percent. The updated median family income decreased over the evaluation period from \$61,700 to \$57,100.

Based on 2010 US Census data, 21.78 percent of families were low-income and 17.19 percent were moderate-income as compared to 20.18 percent low-income and 18.07 percent moderate-income as of the 2000 US Census. The median house value of the AA increased 32.10 percent from \$99,238 to \$131,090. In addition, the median house value in low- and moderate-income tracts within the AA increased by 46.28 percent from \$51,989 to \$76,049.

The number of non-farm businesses within the AA as of the 2000 US Census totaled 52,652, decreasing to 46,759 as of the 2010 US Census. Throughout the evaluation period, the majority of non-farm businesses were located in middle- and upper-income tracts, with only 14.12 and 19.59 percent located in low- or moderate-income tracts as of 2011 and 2013, respectively. The majority of non-farm businesses reported as having revenues below \$1 million over the four-year evaluation period. In addition, the number of non-farm businesses over the evaluation period reporting revenues below \$1 million decreased by 1,508 or 4.43 percent. As of the 2000 US Census, 31.58 percent of the non-farm businesses did not report revenues, decreasing to 25.18 percent as of the 2010 US Census. For both census years, most non-farm businesses operating in the AA had less than five employees.

There is a high level of competition for financial services within the AA. Based on the FDIC's June 30, 2013 Deposit Market Share Report, First Federal ranked ninth with 2.83 percent of the market share, which is generally consistent with prior years 2010 through 2012. The FDIC's report also displayed that the AA has 19 other large, regional and small financial institutions operating 178 branch offices within the area. The top three institutions based on deposit market share within the AA are Fifth Third Bank, Huntington National Bank, and Key Bank, which have a combined deposit market share of 58.56 percent. In addition, based on 2011 and 2013 peer mortgage data, First Federal ranked eighth and seventh, respectively, amongst 270 and 298 other lenders originating or purchasing home purchase and home refinance loans within the AA. Based on 2013 peer small business data, there were also 59 other lenders originating or purchasing small business loans within the area. The area also has credit unions, as well as non-banking financial institutions, competing for loans and financial services within the AA.

Economic conditions within the AA have been improving as evidenced by the declining unemployment rates and increased households with incomes derived from wages. Based on data obtained from the Bureau of Labor Statistics, the annual unemployment rate within the Toledo AA as of year-end 2013 was 8.3 percent, down from an unemployment rate of 11.2 percent at year-end 2010. The current unemployment rate is higher than the statewide rate of 7.5 percent reported at year-end 2013. According to the 2000 and 2010 US census, the majority of households throughout the AA derive their income from wages or salaries. The primary employment sectors within the AA include manufacturing, healthcare and education, government and professional and business services. The top five employers include ProMedica Health Systems, University of Toledo, Mercy Health Partners, Bowling Green State University and Chrysler Corp.

We considered context information from two community contact organizations that provide assistance with affordable housing within the Toledo, OH MSA. The contacts identified opportunities for First Federal to work with the community organizations. Specifically, the community contacts identified access to affordable home loans for low- and moderate-income borrowers, mortgage products related to improving homes for energy efficiency, and funding for foreclosure prevention programs. In addition, the contacts also stated a need for additional capital, and grants for emergency repairs or programs. They are also in need of funding for homeownership counselors.

## State of Michigan

### Michigan non-MSA assessment area

Demographic Information for Full Scope Area: FFMB MI non-MSA AA - 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	0.00	0.00	72.73	27.27	0.00
Population by Geography	145,417	0.00	0.00	68.03	31.97	0.00
Owner-Occupied Housing by Geography	41,950	0.00	0.00	65.11	34.89	0.00
Business by Geography	12,068	0.00	0.00	66.83	33.17	0.00
Farms by Geography	1,053	0.00	0.00	65.62	34.38	0.00
Family Distribution by Income Level	38,865	12.63	16.25	23.50	47.61	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,227	0.00	0.00	76.90	23.10	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		44,067 51,400 7%	Median Housing Value Unemployment Rate (2000 US Census)	104,126 2.45%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2011 HUD updated MFI.

Demographic Information for Full Scope Area: FFMB MI non-MSA AA - 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	35	0.00	8.57	65.71	25.71	0.00
Population by Geography	146,580	0.00	8.13	57.71	34.16	0.00
Owner-Occupied Housing by Geography	44,541	0.00	6.59	57.54	35.87	0.00
Business by Geography	9,783	0.00	6.99	61.70	31.31	0.00
Farms by Geography	1,122	0.00	4.19	64.97	30.84	0.00
Family Distribution by Income Level	39,084	16.37	17.30	21.67	44.66	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	13,162	0.00	12.55	62.98	24.47	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		51,613 51,700 13%	Median Housing Value Unemployment Rate (2010 US Census)	129,486 5.58%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2013 FFIEC updated MFI.

First Federal’s Michigan AA is a non-metropolitan area and it comprised of Hillsdale and Lenawee Counties. We refer to the AA within this evaluation as the Michigan non-MSA AA. The counties are located in Southeastern Michigan, bordering Ohio and contiguous to each other as well as the bank’s Toledo AA. As of the 2000 census, the AA had only 33 census tracts with no tracts listed as low- or moderate-income. However, as of the 2010 US Census, the number of census tracts increased to 35, with three tracts designated as moderate-income. There were no low-income tracts. We determined the AA meets the requirements of the CRA regulation and does not arbitrarily exclude LMI geographies.

The bank's opportunity to lend within the moderate-income tracts was limited during the 2012 and 2013 evaluation period. The population of the AA slightly increased by 1,163 persons to 146,580 as of the 2010 US Census. The number of owner occupied housing units also slightly increased by 2,591 units to 44,541. However, despite the increases, the percentage of owner-occupied housing units within the three moderate-income tracts as of the 2010 US Census was low at 6.59 percent or 2,935 units. The 2000 and 2010, US Census indicated that 65.11 and 57.54, respectively, of the housing units were owner-occupied and located in middle-income tracts.

The updated median family income barely increased over the evaluation period, from \$51,400 in 2011 to \$51,700 in 2013, which represents an increase of less than one percent. However, the median average housing price increased from \$104,126 to \$129,486, representing an increase of approximately 24 percent. Based on 2010 census data, 16.37 percent of families were low income compared to 12.63 percent as of 2000. Additionally, the percentage of moderate-income families was 17.30 percent as of 2010 census data, compared to 16.25 percent in 2000. Families living below the poverty level also increased significantly from 7.36 percent according to 2000 census data to 12.88 percent as of 2010 US Census data.

The number of non-farm businesses over the evaluation period reporting revenues below \$1 million remained relatively unchanged. As of the 2000 US Census, 26.72 percent of the non-farm businesses did not report revenues, decreasing to 22.29 percent as of the 2010 US Census. For both census years, most non-farm businesses operating in the AA had less than five employees and operated from a single location.

There is a high level of competition for financial services within the AA. Based on the FDIC's June 30, 2013 Deposit Market Share Report, First Federal ranked second and third with 15.75 and 15.43 percent of the market share in 2012 and 2013, respectively. As of June 30, 2013, the bank also ranked third in the market; however, its percentage of market share decreased to 14.61 percent. The FDIC's reports on deposit market share also displayed that the AA has 15 other large, regional and small financial institutions operating 41 branch offices throughout the two rural counties. In addition, based on 2011 and 2013 peer mortgage data, First Federal ranked second amongst 160 and 198 other lenders originating or purchasing home purchase and home refinance loans within the AA. Based on 2013 peer small business data, there were also 45 other lenders originating or purchasing small business loans within the area. The area also has credit unions as well as non-banking financial institutions, competing for loans and financial services within the AA.

The economic recession in Michigan negatively affected the AA. Though the economic conditions within the AA have been improving as evidenced by the reducing unemployment rate, the economic recovery has been slow. The slow recovery is supported by the slight increase of households with incomes derived from wages, relatively stable median family income and significant increase in households below poverty level. Based on data obtained from the Bureau of Labor Statistics, the unemployment rates in the AA typically averaged higher than the statewide unemployment rate throughout the evaluation period. The annual unemployment rates within Hillsdale and Lenawee Counties as of year-end 2013 were 9.8 and 8.8 percent, down from the unemployment rates of 14 and 14.5 percent at year-end 2010, respectively. The unemployment rate of Hillsdale County was one percent higher than the statewide rate of 8.8 percent reported at year-end 2013. However, the 2013 unemployment

rate of Lenawee County matched the statewide rate. The primary employment sectors within the AA include manufacturing, healthcare, retail trade, and education. Some of the top employers include county government, Hillsdale College, public school districts and Adrian Steel Company.

We considered context information from one community contact organization that provides assistance with affordable housing and social services within the AA. The contacts identified opportunities for First Federal to work with the organization. Specifically, the community contacts identified access to affordable housing, affordable home loans, and deposit services for low- and moderate-income people as a need. In addition, the contact noted the need for funding or partners for its youth programs such as Head Start and its home counseling program. The contact would also like to create a LIHTC for banks to invest to help promote affordable housing.

## State of Indiana

### Fort Wayne, IN MSA assessment area

Demographic Information for Full Scope Area: FFBM Fort Wayne AA - 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	90	3.33	32.22	47.78	15.56	1.11
Population by Geography	331,849	1.69	26.55	48.24	23.42	0.11
Owner-Occupied Housing by Geography	91,394	0.90	20.65	51.34	27.10	0.00
Business by Geography	31,916	1.20	23.69	45.24	29.71	0.15
Farms by Geography	944	0.00	9.11	64.83	26.06	0.00
Family Distribution by Income Level	86,617	18.38	18.88	24.17	38.57	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	32,274	3.06	39.64	45.71	11.59	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		52,560 63,000 9%	Median Housing Value Unemployment Rate (2000 US Census)		87,861 2.48%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2011 HUD updated MFI.

Demographic Information for Full Scope Area: FFMB Fort Wayne MSA AA- 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	96	13.54	29.17	32.29	23.96	1.04
Population by Geography	355,329	9.04	26.61	33.35	30.82	0.19
Owner-Occupied Housing by Geography	95,908	5.52	21.92	37.27	35.29	0.00
Business by Geography	27,613	10.13	25.41	32.85	31.26	0.34
Farms by Geography	979	2.15	11.44	44.33	42.08	0.00
Family Distribution by Income Level	89,926	19.54	18.49	22.62	39.35	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	34,200	16.59	37.67	31.35	14.39	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		60,235 61,900 11%	Median Housing Value Unemployment Rate (2010 US Census)		112,027 4.28%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2013 FFIEC updated MFI.

The bank's Fort Wayne AA is comprised of Allen County, which is a part of the Fort Wayne, IN MSA (23060) and located in the northeast corner of Indiana. The AA includes the metropolitan area of Fort Wayne, IN, the second largest city in the state of Indiana. The AA is contiguous with the bank's Ohio non-MSA AA. We found the AA meets the requirements of the CRA and does not arbitrarily exclude any low- or moderate-income geographies. This AA represents the bank's smallest market in terms of its branch network, percentage of deposits, and percentage of lending. First Federal began operating in the Fort Wayne AA in late 2007. During the evaluation period, First Federal had only one branch office located in the AA, opening its second branch in August of 2014. The bank's branches are both located in upper-income

tracts. However, one branch office is considered a near-to branch, which is located within a reasonable distance to a moderate-income tract.

Based on 2010 US Census data, the population for the assessment area is 355,329 persons, which is an increase of 7.08 percent as compared to 2000 US Census data. In comparison to 2000 US Census data, the adjusted median family income decreased 1.75 percent to \$61,900. Conversely, the median housing value increased from \$87,861 to \$112,027. The number of non-farm businesses over the evaluation period reporting revenues below \$1 million decreased from 97.13 percent to 96.58 percent. As of the 2000 US Census, 30.29 percent of the non-farm businesses did not report revenues, decreasing to 24.20 percent as of the 2010 US Census. For both census years, most non-farm businesses operating in the AA had less than five employees and operated from a single location.

Economic conditions within the AA have been improving as evidenced by the declining unemployment rates. Based on data obtained from the Bureau of Labor Statistics, the unemployment rate within the MSA decreased during the evaluation period. As of December 31, 2010, the annual unadjusted average unemployment rate was 10.4 percent, decreasing to 7.3 percent in 2013. In comparison, the annual unadjusted average unemployment rate for the state of Indiana decreased from 10 percent in 2010 to 7.5 percent in 2013. According to Moody's Analytics, the AA has a diverse economy with businesses related to manufacturing, retail trade, healthcare, education, and professional business services. Another major business area is government. Major employers include Parkview Health Systems, Lutheran Health Network, General Motors Truck Group, Lincoln Financial Group, BF Goodrich, Indiana and Purdue Universities.

There is a high level of competition in the Fort Wayne AA. According to the June 30, 2013 FDIC reports on deposit market share, there were 25 financial institutions operating 131 offices within the AA. First Federal ranked nineteenth out of the 25 institutions with only a .23 percent market share. The top five depository institutions within the AA included Wells Fargo Bank, JPMorgan Chase, PNC Bank, Lake City Bank, and IAB Financial Bank with a combined deposit market share of 70.16 percent. According to aggregate HMDA data as of 2011 and 2013, there were 224 and 259 lenders originating or purchasing home mortgage loans in the AA, respectively. First Federal ranked sixty-first and forty-seventh in 2011 and 2013 respectively. Based on 2013 peer small business data, there were also 56 other lenders originating or purchasing small business loans within the area. First Federal ranked twenty-first out of the 56 institutions with only 1.15 percent of the market share. The area also has credit unions, as well as non-banking financial institutions, competing for loans and financial services within the AA.

We considered information provided by one community contact representing a local organization that provides services related to affordable housing and foreclosure prevention as well as homeownership education. The contact identified that banks are finding it difficult to originate eligible CRA mortgages and qualifying CD loans within the AA. However, the contact stated that capital donations to CD organizations is a need as non-profits are engaged in infrastructure developments. There is also a limited opportunity for banks to invest in LIHTC to support affordable housing. There is also a need for flexible loan products to increase affordable housing for people in the AA.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As 12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the

percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

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

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

**Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

**Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

**Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

**Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

**Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.

**Table 10. Borrower Distribution of Refinance Loans** - See Table 8.

**Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

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

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As 12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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

**2000 Census****Table 1. Lending Volume**

LENDING VOLUME												Geography: OHIO		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011	
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)				
<b>Full Review:</b>															
FFBM Ohio non-MSA AA - 2000 Census	61.77	2,945	333,632	1,147	174,772	329	38,533	0	0	4,421	546,937	67.31			
FFBM Toledo MSA - 2000 Census	27.54	1,101	157,679	655	101,968	215	25,230	0	0	1,971	284,877	17.38			
<b>Limited Review:</b>															
FFBM Lima MSA AA - 2000 Census	10.69	572	66,017	170	39,840	23	2,038	0	0	765	107,895	15.31			

\* Loan Data as of December 31, 2010 and December 31, 2011 combined. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2010 to December 31, 2011.

\*\*\* Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE														Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011			
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>										
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
FFBM Ohio non-MSA AA - 2000 Census	665	58.90	0.00	0.00	2.64	.45	66.47	56.09	30.89	43.46	0.00	1.81	58.64	39.55							
FFBM Toledo MSA - 2000 Census	271	24.00	2.74	0.00	13.99	2.58	56.25	51.29	27.01	46.13	0.23	6.11	52.88	40.78							
<b>Limited Review:</b>																					
FFBM Lima MSA AA - 2000 Census	193	17.09	1.24	0.00	19.97	5.18	56.56	47.67	22.23	47.15	0.37	11.67	54.81	33.15							

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: HOME IMPROVEMENT														Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011			
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>*</sup>										
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
FFBM Ohio non-MSA AA - 2000 Census	30	65.22	0.00	0.00	2.64	0.00	66.47	60.00	30.89	40.00	0.00	2.38	70.95	26.67							
FFBM Toledo MSA - 2000 Census	13	28.26	2.74	0.00	13.99	30.77	56.25	69.23	27.01	0.00	1.23	18.07	53.59	27.10							
<b>Limited Review:</b>																					
FFBM Lima MSA AA - 2000 Census	3	6.52	1.24	0.00	19.97	0.00	56.56	66.67	22.23	33.33	2.56	5.13	71.79	20.51							

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Ohio non-MSA AA - 2000 Census	2,246	65.73	0.00	0.00	2.64	0.71	66.47	57.84	30.89	41.45	0.00	1.24	55.23	43.53
FFBM Toledo MSA - 2000 Census	795	23.27	2.74	0.00	13.99	2.14	56.25	62.01	27.01	35.85	.22	3.58	46.69	49.51
<b>Limited Review:</b>														
FFBM Lima MSA AA - 2000 Census	376	11.00	1.24	0.00	19.97	3.46	56.56	54.79	22.23	41.76	.17	6.99	57.26	35.58

\* Based on 2010 and 2011 Peer Mortgage Aggregate Data (USPR)

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

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

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

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

Geographic Distribution: MULTIFAMILY														Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011			
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*										
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
FFBM Ohio non-MSA AA - 2000 Census	4	15.38	0.00	0.00	6.19	0.00	64.95	100.00	28.86	0.00	0.00	0.00	71.43	28.57							
FFBM Toledo MSA - 2000 Census	22	84.62	7.15	0.00	21.51	9.09	54.06	59.09	17.28	31.82	2.17	19.57	54.35	23.91							
<b>Limited Review:</b>																					
FFBM Lima MSA AA - 2000 Census	0	0.00	10.31	0.00	43.37	0.00	37.90	0.00	8.43	0.00	0.00	80.00	20.00	0.00							

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: OHIO		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011										
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*															
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp												
<b>Full Review:</b>																										
FFBM Ohio non-MSA AA - 2000 Census	1,147	58.16	0.00	0.00	2.80	2.00	66.97	59.20	30.24	38.80	0.00	2.51	65.82	31.67												
FFBM Toledo MSA - 2000 Census	655	33.22	3.58	.31	10.54	7.94	52.72	54.05	33.16	37.70	1.95	9.72	49.32	39.01												
<b>Limited Review:</b>																										
FFBM Lima MSA AA - 2000 Census	170	8.62	7.23	4.12	18.45	20.00	52.23	48.23	22.09	27.65	7.53	17.24	49.91	25.32												

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2011).

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

Geographic Distribution: SMALL LOANS TO FARMS		Geography: OHIO					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income <sup>*</sup>			
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Ohio non-MSA AA - 2000 Census	329	58.02	0.00	0.00	0.37	0.00	66.48	66.87	33.15	33.13	0.00	0.00	71.41	28.59
FFBM Toledo MSA - 2000 Census	215	37.92	0.55	0.00	4.52	0.00	71.64	87.91	23.29	12.09	0.00	0.50	91.02	8.48
<b>Limited Review:</b>														
FFBM Lima MSA AA - 2000 Census	23	4.06	0.17	0.00	2.51	0.00	77.22	82.61	20.10	17.39	0.00	1.41	88.03	10.56

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2011).

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

Borrower Distribution: HOME PURCHASE		Geography: OHIO					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>4</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Ohio non-MSA AA - 2000 Census	665	58.90	12.77	11.18	17.26	24.76	24.89	25.24	45.08	38.82	12.50	29.07	25.02	33.41
FFBM Toledo MSA - 2000 Census	271	24.00	20.18	8.73	18.07	21.03	22.67	23.41	39.08	46.83	13.65	27.35	23.76	35.23
<b>Limited Review:</b>														
FFBM Lima MSA AA - 2000 Census	193	17.09	19.16	11.64	18.83	28.04	22.82	24.34	39.19	35.98	16.63	27.77	26.99	28.61

\* Based on 2010 and 2011 Peer Mortgage Aggregate Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 5.5% of loans originated and purchased by BANK.

<sup>4</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: OHIO					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>5</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Ohio non-MSA AA - 2000 Census	30	65.22	12.77	10.71	17.26	17.86	24.89	39.29	45.08	32.14	11.33	21.67	22.17	44.83
FFBM Toledo MSA - 2000 Census	13	28.26	20.18	8.33	18.07	8.33	22.67	33.33	39.08	50.00	16.49	29.81	20.93	32.77
<b>Limited Review:</b>														
FFBM Lima MSA AA - 2000 Census	3	6.52	19.16	33.33	18.83	0.00	22.82	33.33	39.19	33.33	8.33	27.78	30.56	33.33

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 6.5% of loans originated and purchased by BANK.

<sup>5</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE														Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>7</sup>										
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>6</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
FFBM Ohio non-MSA AA - 2000 Census	2,246	65.73	12.77	7.65	17.26	16.41	24.89	26.94	45.08	49.00	5.82	18.28	27.03	48.87							
FFBM Toledo MSA - 2000 Census	795	23.27	20.18	6.41	18.07	19.11	22.67	29.06	39.08	45.42	6.87	18.18	20.67	54.28							
<b>Limited Review:</b>																					
FFBM Lima MSA AA - 2000 Census	376	11.00	19.16	9.49	18.83	18.43	22.82	27.10	39.19	44.99	7.42	20.20	29.53	42.84							

\* Based on 2010 and 2011 Peer Mortgage Aggregate Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 4.1% of loans originated and purchased by BANK.

<sup>6</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: SMALL LOANS TO BUSINESSES									
Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFBM Ohio non-MSA AA - 2000 Census	1,147	58.16	67.01	52.49	61.99	21.80	16.21	3,694	1,750
FFBM Toledo MSA - 2000 Census	655	33.22	64.70	49.92	56.03	25.65	18.32	7,660	3,516
<b>Limited Review:</b>									
FFBM Lima MSA AA - 2000 Census	170	8.62	65.08	35.29	50.00	21.18	28.82	1,146	378

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12a. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: OHIO			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFBM Ohio non-MSA AA - 2000 Census	329	58.02	99.18	80.85	60.49	13.98	6.38	853	742
FFBM Toledo MSA - 2000 Census	215	37.92	97.44	79.53	53.95	18.14	7.44	402	358
<b>Limited Review:</b>									
FFBM Lima MSA AA - 2000 Census	23	4.06	98.49	91.30	86.96	0.00	13.04	142	127

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\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: OHIO				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography				
			Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<b>Full Review:</b>																	
FFBM Ohio non-MSA AA - 2000 Census	67.31	16	61.54	0.00	2.00	7.00	7.00	0	0	0	0	0	0	0.00	3.33	66.54	30.12
FFBM Toledo MSA - 2000 Census	17.38	6	23.08	0.00	0.00	2.00	4.00	0	0	0	0	0	0	6.14	17.69	52.10	24.07
<b>Limited Review:</b>																	
FFBM Lima MSA AA - 2000 Census	15.31	4	15.34	0.00	0.00	3.00	1.00	0	1	0	0	-1	0	2.94	24.02	53.54	19.50

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011						
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
FFMB MI non-MSA AA - 2000 Census	100.00	739	87,821	226	36,743	146	17,841	0	0	1,111	142,405	100.00

\* Loan Data as of December 31, 2010 and December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2010 to December 31, 2011.

\*\*\* Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE		Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011								
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2000 Census	123	100.00	0.00	0.00	0.00	0.00	65.11	51.22	34.89	48.78	0.00	0.00	55.60	44.40

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011								
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>*</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2000 Census	5	100.00	0.00	0.00	0.00	0.00	65.11	80.00	34.89	20.00	0.00	0.00	72.07	27.93

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low	Mod	Mid	Upp
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans				
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2000 Census	610	100.00	0.00	0.00	0.00	0.00	65.11	41.97	34.89	58.03	0.00	0.00	57.28	42.72

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: MULTIFAMILY														Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
<b>Full Review:</b>																											
FFMB MI non-MSA AA - 2000 Census	1	100.00	0.00	0.00	0.00	0.00	80.73	100.00	19.27	0.00	0.00	0.00	40.00	60.00													

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: MICHIGAN		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011								
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp										
<b>Full Review:</b>																								
FFMB MI non-MSA AA - 2000 Census	226	100.00	0.00	0.00	0.00	0.00	66.83	54.87	33.17	45.13	0.00	0.00	60.95	39.05										

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2011).

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

Geographic Distribution: SMALL LOANS TO FARMS														Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income <sup>1</sup>																
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp													
<b>Full Review:</b>																											
FFMB MI non-MSA AA - 2000 Census	146	100.00	0.00	0.00	0.00	0.00	65.62	81.51	34.38	18.49	0.00	0.00	69.42	30.58													

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2011).

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

Borrower Distribution: HOME PURCHASE														Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011			
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>										
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>7</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp					
<b>Full Review:</b>																					
FFMB MI non-MSA AA - 2000 Census	123	100.00	12.63	10.74	16.25	20.66	23.50	23.14	47.61	45.45	11.93	28.87	24.03	35.18							

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by BANK.

<sup>7</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: MICHIGAN					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>8</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2000 Census	5	100.00	12.63	40.00	16.25	60.00	23.50	0.00	47.61	0.00	7.41	26.85	27.78	37.96

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

<sup>8</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MICHIGAN					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>9</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2000 Census	610	100.00	12.63	6.87	16.25	16.25	23.50	26.47	47.61	50.42	5.85	16.61	24.55	52.99

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 2.1% of loans originated and purchased by BANK.

<sup>9</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MICHIGAN		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB MI non-MSA AA - 2000 Census	226	100.00	70.92	55.31	64.16	16.81	19.03	1,236	587

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12a. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MICHIGAN			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB MI non-MSA AA - 2000 Census	146	100.00	98.86	84.93	53.42	24.66	6.85	122	104

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
								Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FFMB MI non-MSA AA - 2000 Census	100.00	6	100.00	0.00	0.00	3.00	3.00	0	1	0	0	-1	0	0.00	0.00	68.03	31.97

**Table 1. Lending Volume**

LENDING VOLUME		Geography: INDIANA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011						
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
FFBM Fort Wayne AA - 2000 Census	100.00	69	10,518	108	22,474	0	0	0	0	177	32,992	100.00

\* Loan Data as of December 31, 2010 and December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2010 to December 31, 2011.

\*\*\* Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE														
Geography: INDIANA														
Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	30	100.00	0.90	0.00	20.65	6.67	51.34	40.00	27.10	53.33	0.09	9.25	46.88	43.77

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: INDIANA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011								
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>*</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	0	0.00	0.90	0.00	20.65	0.00	51.34	0.00	27.10	0.00	1.62	12.43	54.59	31.35

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: INDIANA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	39	100.00	0.90	0.00	20.65	7.69	51.34	28.21	27.10	64.10	0.06	4.70	40.18	55.05

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: MULTIFAMILY														Geography: INDIANA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
<b>Full Review:</b>																											
FFBM Fort Wayne AA - 2000 Census	0	0.00	2.69	0.00	39.52	0.00	51.25	0.00	6.53	0.00	13.33	13.33	66.67	6.67													

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: INDIANA		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*														
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp											
<b>Full Review:</b>																									
FFBM Fort Wayne AA - 2000 Census	108	100.00	1.20	1.85	23.69	15.74	45.24	52.78	29.71	29.63	1.14	22.54	44.05	32.27											

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2011).

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

Geographic Distribution: SMALL LOANS TO FARMS		Geography: INDIANA					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income <sup>*</sup>			
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	0	0.00	0.00	0.00	9.11	0.00	64.83	0.00	26.06	0.00	0.00	0.00	93.33	6.67

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2011).

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

Borrower Distribution: HOME PURCHASE		Geography: INDIANA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011								
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>10</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	30	100.00	18.38	17.39	18.88	13.04	24.17	34.78	38.57	34.78	23.88	28.84	22.82	24.47

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 23.3% of loans originated and purchased by BANK.

<sup>10</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: INDIANA					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>11</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	0	0.00	18.38	0.00	18.88	0.00	24.17	0.00	38.57	0.00	17.54	26.90	30.99	24.56

\* Based on 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

<sup>11</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE														
Geography: INDIANA														
Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>12</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFBM Fort Wayne AA - 2000 Census	39	100.00	18.38	16.22	18.88	13.51	24.17	21.62	38.57	48.65	9.55	20.81	26.64	43.00

\* Based on 2010 and 2011 Peer Mortgage Data (USPR)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 5.1% of loans originated and purchased by BANK.

<sup>12</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: INDIANA		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFBM Fort Wayne AA - 2000 Census	108	100.00	65.89	23.15	52.78	19.44	27.78	5,354	2,297

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12a. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: INDIANA			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFBM Fort Wayne AA - 2000 Census	0	0.00	97.67	0.00	0.00	0.00	0.00	135	103

\* Based on 2011 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																Geography: INDIANA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011			
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population									
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography									
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp						
<b>Full Review:</b>																							
FFBM Fort Wayne AA - 2000 Census	100.00	1	100.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	1.69	26.55	48.24	23.42						

**2010 Census**

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: OHIO												
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013												
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
FFMB Ohio non-MSA AA - 2010 Census	59.16	3,395	403,292	871	147,528	215	25,508	0	0	4,481	576,328	65.58
FFMB Toledo MSA AA - 2010 Census	30.91	1,516	245,679	625	116,707	200	27,689	0	0	2,341	390,075	18.50
<b>Limited Review:</b>												
FFMB Lima MSA AA - 2010 Census	9.93	587	69,968	140	35,683	25	4,396	0	0	752	110,047	15.93

\* Loan Data as of December 31, 2012 and December 31, 2013. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2012 to December 31, 2013.

\*\*\* Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE														Geography: OHIO		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>														
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp											
<b>Full Review:</b>																									
FFMB Ohio non-MSA AA - 2010 Census	815	58.84	0.00	0.00	10.40	7.12	49.91	41.35	39.69	51.53	0.00	9.22	43.90	46.88											
FFMB Toledo MSA AA - 2010 Census	372	26.86	5.30	0.27	12.43	3.49	49.50	40.32	32.78	55.91	0.88	6.95	47.34	44.82											
<b>Limited Review:</b>																									
FFMB Lima MSA AA - 2010 Census	198	14.30	5.60	1.01	10.43	3.03	51.30	45.45	32.67	50.51	1.84	4.73	51.65	41.77											

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: OHIO				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>†</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Ohio non-MSA AA - 2010 Census	41	63.08	0.00	0.00	10.40	7.32	49.91	51.22	39.69	41.46	0.00	6.25	50.33	43.42
FFMB Toledo MSA AA - 2010 Census	16	24.62	5.30	0.00	12.43	0.00	49.50	62.50	32.78	37.50	3.58	12.79	49.10	34.53
<b>Limited Review:</b>														
FFMB Lima MSA AA - 2010 Census	8	12.31	5.60	0.00	10.43	0.00	51.30	62.50	32.67	37.50	5.00	2.50	61.25	31.25

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE														Geography: OHIO		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>*</sup>								
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp					
<b>Full Review:</b>																			
FFMB Ohio non-MSA AA - 2010 Census	2,528	63.20	0.00	0.00	10.40	4.75	49.91	47.03	39.69	48.22	0.00	7.68	43.81	48.50					
FFMB Toledo MSA AA - 2010 Census	1,092	27.30	5.30	0.37	12.43	4.67	49.50	44.60	32.78	50.37	1.09	6.93	46.81	45.17					
<b>Limited Review:</b>																			
FFMB Lima MSA AA - 2010 Census	380	9.50	5.60	0.53	10.43	2.63	51.30	46.58	32.67	50.26	2.26	6.28	53.03	38.42					

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: MULTIFAMILY														Geography: OHIO				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013			
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*										
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
FFMB Ohio non-MSA AA - 2010 Census	11	22.92	0.00	0.00	27.37	18.18	38.25	45.45	34.38	36.36	0.00	37.50	12.50	50.00							
FFMB Toledo MSA AA - 2010 Census	36	75.00	11.96	0.00	26.18	22.22	45.09	50.00	16.77	27.78	6.10	30.49	45.12	18.29							
<b>Limited Review:</b>																					
FFMB Lima MSA AA - 2010 Census	1	2.08	13.42	0.00	21.23	0.00	54.92	100.00	10.43	0.00	0.00	36.36	63.64	0.00							

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Multi-Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: OHIO		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013										
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*															
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp												
<b>Full Review:</b>																										
FFMB Ohio non-MSA AA - 2010 Census	871	53.24	0.00	0.00	14.96	13.32	46.54	39.61	38.50	47.07	0.00	13.43	46.70	39.87												
FFMB Toledo MSA AA - 2010 Census	625	38.20	6.14	1.76	13.45	6.88	46.36	56.48	33.84	34.88	4.93	11.84	44.66	38.57												
<b>Limited Review:</b>																										
FFMB Lima MSA AA - 2010 Census	140	8.56	14.51	17.14	11.03	5.72	48.36	48.57	26.10	28.57	12.38	11.39	46.66	29.57												

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2013).

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

Geographic Distribution: SMALL LOANS TO FARMS														Geography: OHIO		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income <sup>1</sup>														
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	Low	Mod	Mid	Upp											
<b>Full Review:</b>																									
FFBM Ohio Non-MSA - 2010 US Census	215	48.86	0.00	0.00	2.27	1.40	52.49	48.37	45.24	50.23	0.00	0.84	56.82	42.34											
FFBM Toledo MSA - 2010 Census	200	45.46	1.29	0.00	4.92	0.00	63.31	66.00	30.48	34.00	0.00	0.26	75.91	23.83											
<b>Limited Review:</b>																									
FFMB Lima MSA AA - 2010 Census	25	5.68	1.86	0.00	1.39	0.00	76.61	60.00	20.17	40.00	0.00	0.00	86.76	13.24											

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (20).

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

Borrower Distribution: HOME PURCHASE														
Geography: OHIO														
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>13</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Ohio non-MSA AA - 2010 Census	815	58.84	15.49	8.11	17.12	22.94	23.02	23.95	44.37	44.99	10.05	27.64	25.22	37.09
FFMB Toledo MSA AA - 2010 Census	372	26.86	21.78	7.67	17.19	20.65	20.78	25.07	40.25	46.61	10.38	24.42	24.78	40.42
<b>Limited Review:</b>														
FFMB Lima MSA AA - 2010 Census	198	14.30	21.47	6.06	17.45	16.67	22.40	26.26	38.69	51.01	14.05	27.54	26.24	32.18

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 4.3% of loans originated and purchased by BANK.

<sup>13</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT														Geography: OHIO				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013			
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>										
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>14</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
FFMB Ohio non-MSA AA - 2010 Census	41	63.08	15.49	10.53	17.12	18.42	23.02	23.68	44.37	47.37	9.46	22.30	25.00	43.24							
FFMB Toledo MSA AA - 2010 Census	16	24.62	21.78	16.67	17.19	25.00	20.78	25.00	40.25	33.33	11.08	23.86	24.51	40.55							
<b>Limited Review:</b>																					
FFMB Lima MSA AA - 2010 Census	8	12.31	21.47	12.50	17.45	0.00	22.40	25.00	38.69	62.50	11.84	18.42	31.58	38.16							

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 10.8% of loans originated and purchased by BANK.

<sup>14</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: OHIO					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>15</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Ohio non-MSA AA - 2010 Census	2,528	63.20	15.49	5.63	17.12	17.05	23.02	25.12	44.37	52.20	5.85	18.39	25.78	49.98
FFMB Toledo MSA AA - 2010 Census	1,092	27.30	21.78	6.14	17.19	16.59	20.78	25.79	40.25	51.49	6.37	18.17	25.66	49.80
<b>Limited Review:</b>														
FFMB Lima MSA AA - 2010 Census	380	9.50	21.47	7.98	17.45	21.81	22.40	24.47	38.69	45.74	8.43	20.52	29.45	41.60

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 3.2% of loans originated and purchased by BANK.

<sup>15</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: OHIO			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB Ohio non-MSA AA - 2010 Census	871	53.24	69.65	45.01	60.28	20.09	19.63	3,244	1,324
FFMB Toledo MSA AA - 2010 Census	625	38.20	69.63	38.08	53.44	23.04	23.52	6,904	3,035
<b>Limited Review:</b>									
FFMB Lima MSA AA - 2010 Census	140	8.56	69.64	19.29	38.57	30.00	31.43	1,039	317

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12a. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: OHIO		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFBM Ohio Non-MSA - 2010 US Census	215	48.86	99.32	78.61	55.35	14.42	8.84	723	551
FFBM Toledo MSA - 2010 Census	200	45.46	97.37	68.00	39.50	20.00	8.50	386	309
<b>Limited Review:</b>									
FFMB Lima MSA AA - 2010 Census	25	568	98.64	64.00	60.00	0.00	4.00	137	106

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\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 20).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: OHIO		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2014				
Assessment Area:	Prior Period Investments <sup>*</sup>		Current Period Investments		Total Investments			Unfunded Commitments <sup>**</sup>	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
FFMB Ohio non-MSA AA - 2010 Census	4	440	46	1,933	50	2,373	51.12	0	0
FFMB Toledo MSA AA - 2010 Census	0	0	6	1,855	6	1,855	39.96	0	0
<b>Limited Review:</b>									
FFMB Lima MSA AA - 2010 Census	0	0	11	414	11	414	8.92	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: OHIO																	
Evaluation Period: JANUARY 1, 2012 TO OCTOBER 20, 2014																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FFMB Ohio non-MSA AA - 2010 Census	65.58	15	57.69	0.00	13.33	40.00	46.67	0	1	0	0	-1	0	0.00	12.65	48.61	38.73
FFMB Toledo MSA AA - 2010 Census	30.91	7	26.92	0.00	0.00	28.57	71.43	1	0	0	0	0	+1	8.83	16.17	45.82	28.38
<b>Limited Review:</b>																	
FFMB Lima MSA AA - 2010 Census	9.93	4	15.39	0.00	0.00	75.00	25.00	0	0	0	0	0	0	9.04	15.51	48.05	27.40

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
FFMB MI non-MSA AA - 2010 Census	100.00	1,088	133,932	205	29,219	162	20,921	1	1,540	1,456	185,612	100.00

\* Loan Data as of December 31, 2012 and December 31, 2013. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2012 to December 31, 2013.

\*\*\* Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE		Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	175	100.00	0.00	0.00	6.59	0.57	57.54	46.29	35.87	53.14	0.00	2.61	48.09	49.30

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>†</sup>			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	7	100.00	0.00	0.00	6.59	0.00	57.54	42.86	35.87	57.14	0.00	2.09	64.44	33.47

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	896	100.00	0.00	0.00	6.59	2.46	57.54	47.88	35.87	49.67	0.00	2.94	50.70	46.36

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: MULTIFAMILY														Geography: MICHIGAN				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
<b>Full Review:</b>																											
FFMB MI non-MSA AA - 2010 Census	10	100.00	0.00	0.00	14.70	40.00	67.61	40.00	17.68	20.00	0.00	12.50	75.00	12.50													

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Multi-Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: MICHIGAN		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013										
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*															
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp												
<b>Full Review:</b>																										
FFMB MI non-MSA AA - 2010 Census	205	100.00	0.00	0.00	6.99	9.76	61.70	49.76	31.31	40.48	0.00	5.77	58.28	35.95												

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2013).

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

Geographic Distribution: SMALL LOANS TO FARMS		Geography: MICHIGAN					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income <sup>*</sup>			
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	162	100.00	0.00	0.00	4.19	.62	64.97	70.37	30.84	29.01	0.00	4.21	63.68	32.11

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2013).

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

Borrower Distribution: HOME PURCHASE														
Geography: MICHIGAN														
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>16</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	175	100.00	16.37	3.47	17.30	14.45	21.67	27.75	44.66	54.34	8.99	25.02	26.90	39.09

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.1% of loans originated and purchased by BANK.

<sup>16</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: MICHIGAN					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>17</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	7	100.00	16.37	14.29	17.30	28.57	21.67	42.86	44.66	14.29	10.59	16.95	26.69	45.76

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

<sup>17</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MICHIGAN					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>18</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB MI non-MSA AA - 2010 Census	896	100.00	16.37	5.97	17.30	15.77	21.67	23.65	44.66	54.62	6.19	15.46	25.52	52.83

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.9% of loans originated and purchased by BANK.

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

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MICHIGAN		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB MI non-MSA AA - 2010 Census	205	100.00	76.76	59.02	68.29	16.59	15.12	1,325	549

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12a. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MICHIGAN		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB MI non-MSA AA - 2010 Census	162	100.00	99.11	82.72	46.91	30.86	4.94	190	113

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2013).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: MICHIGAN		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2014				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
FFMB MI non-MSA AA - 2010 Census	0	0	27	2,435	27	2,435	100.00	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: MICHIGAN										Evaluation Period: JANUARY 1, 2012 TO OCTOBER 20, 2014							
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FFMB MI non-MSA AA - 2010 Census	100.00	5	100.00	0.00	0.00	60.00	40.00	0	1	0	0	0	- 1	0.00	8.13	57.71	34.16

**Table 1. Lending Volume**

LENDING VOLUME		Geography: INDIANA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
FFMB Fort Wayne MSA AA-2010 Census	100.00	118	22,741	146	35,648	0	0	0	0	264	58,389	100.00

\* Loan Data as of December 31, 2012 and December 31, 2013. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2012 to December 31, 2013.

\*\*\* Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE														Geography: INDIANA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013										
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*															
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp												
<b>Full Review:</b>																										
FFMB Fort Wayne MSA AA-2010 Census	57	100.00	5.52	0.00	21.92	14.04	37.27	42.11	35.29	43.86	1.39	14.52	35.55	48.54												

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: INDIANA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>*</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Fort Wayne MSA AA-2010 Census	0	0.00	5.52	0.00	21.92	0.00	37.27	0.00	35.29	0.00	5.91	20.25	39.24	34.60

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: INDIANA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Fort Wayne MSA AA-2010 Census	59	100.00	5.52	0.00	21.92	5.08	37.27	32.20	35.29	62.71	1.11	12.13	34.86	51.91

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: MULTIFAMILY														Geography: INDIANA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
<b>Full Review:</b>																											
FFMB Fort Wayne MSA AA- 2010 Census	2	100.00	10.63	0.00	54.92	50.00	23.10	50.00	11.34	0.00	19.05	33.33	33.33	14.29													

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Multi-Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: INDIANA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp										
<b>Full Review:</b>																								
FFMB Fort Wayne MSA AA-2010 Census	146	100.00	10.13	15.07	25.41	18.49	32.85	29.45	31.26	36.99	12.03	23.11	34.10	30.77										

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2013).

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

Geographic Distribution: SMALL LOANS TO FARMS														
Geography: INDIANA							Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income <sup>1</sup>			
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	% of Farms <sup>**</sup>	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Fort Wayne MSA AA- 2010 Census	0	0.00	2.15	0.00	11.44	0.00	44.33	0.00	42.08	0.00	0.00	1.27	67.52	31.21

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2013).

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

Borrower Distribution: HOME PURCHASE														
Geography: INDIANA														
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013														
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>19</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Fort Wayne MSA AA- 2010 Census	57	100.00	19.54	2.33	18.49	18.60	22.62	20.93	39.35	58.14	18.57	29.11	23.92	28.39

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 24.6% of loans originated and purchased by BANK.

<sup>19</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: INDIANA					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>20</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Fort Wayne MSA AA- 2010 Census	0	0.00	19.54	0.00	18.49	0.00	22.62	0.00	39.35	0.00	13.10	25.76	22.05	39.08

\* Based on 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

<sup>20</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: INDIANA					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data <sup>1</sup>			
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>21</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Low	Mod	Mid	Upp
<b>Full Review:</b>														
FFMB Fort Wayne MSA AA- 2010 Census	59	100.00	19.54	5.77	18.49	15.38	22.62	19.23	39.35	59.62	10.53	22.49	26.70	40.28

\* Based on 2012 and 2013 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 11.9% of loans originated and purchased by BANK.

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

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: INDIANA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB Fort Wayne MSA AA-2010 Census	146	100.00	70.48	15.75	39.04	28.77	32.19	5,307	2,220

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12a. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: INDIANA			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FFMB Fort Wayne MSA AA- 2010 Census	0	0.00	97.96	0.00	0.00	0.00	0.00	157	91

\* Based on 2013 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2013).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: INDIANA		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2014				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
FFMB Fort Wayne MSA AA-2010 Census	0	0	6	1,001	6	1,001	100.00	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: INDIANA										Evaluation Period: JANUARY 1, 2012 TO OCTOBER 20, 2014							
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FFMB Fort Wayne MSA AA-2010 Census	100.00	2	100.00	0.00	0.00	0.00	100.00	2	1	0	0	-	+ 2	9.04	26.61	33.35	30.82

