PUBLIC DISCLOSURE

April 7, 2003

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Dyer
RSSD# 131753

126 South Main Street
Dyer, Tennessee 38330

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

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, nor should it be construed as, an assessment of the financial condition of the 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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INSTITUTION'S CRA RATING: This institution is rated **SATISFACTORY**.

Bank of Dyer meets the criteria for a satisfactory rating, based upon the performance evaluation of the bank's lending activity. Geographic distribution analysis reflects a reasonable dispersion throughout the bank's assessment area. An analysis of the bank's loan activity reveals a reasonable penetration among individuals of different income levels (including low- and moderate-income [LMI]) and businesses of different sizes. The bank's average loan-to-deposit ratio is more than reasonable, given the bank's size, financial condition and assessment area credit needs. Lastly, a majority of the bank's loans and other lending related activities are in the bank's assessment area.

DESCRIPTION OF INSTITUTION[1]

Bank of Dyer is a wholly owned subsidiary of Civitas Bankgroup, formerly Cumberland Bancorp, Inc., which is located in Franklin, Tennessee. Civitas Bankgroup is a multi-bank holding company with non-banking, as well as banking subsidiaries. As of December 31, 2002, Civitas Bankgroup reported consolidated assets of $719.7 million. The bank has a total of four offices: three full-service branches, and one limited-service facility. Although the bank's charter continues to list Dyer, Tennessee as its home office location and the bank continues to maintain one of its full-service branches in that location, the bank has essentially moved its home office operations to Humboldt, Tennessee. In addition to the Humboldt location, the bank operates a limited-service facility in Humboldt. The remaining full-service branch is located in Three Way, Tennessee and operates under the name of Bank of Three Way for marketing purposes. Three Way is located within the geographical boundaries of Madison County. This region is considered an upper-income geography (census tract 0016.02) of the Jackson, Tennessee metropolitan statistical area (MSA 3580). Although the Three Way location has a Humboldt, Tennessee mailing address, it is a newly incorporated city in northern Madison County, Tennessee. Therefore, because of the bank's presence in Three Way, it is required to collect certain types of monitoring information for government purposes, pursuant to the provisions of the Home Mortgage Disclosure Act (HMDA) and Regulation C. The bank maintains a full-service, 24-hour automated teller machine (ATM) at the Three Way location, as well as the two Humboldt locations.

Bank of Dyer has the ability to meet the credit needs of its assessment area based on the bank's asset size, financial condition, and other resources. As of December 31, 2002, the bank reported total assets of $49.6 million, with net loans and leases outstanding of $31.7 million, (63.9 percent of total assets), and total deposits of $36.6 million. As noted in the table below, 40.4 percent of the bank's loans consist of 1-4 family residential real estate loans. The bank's portfolio real estate loan product is a fixed-rate balloon loan. However, the bank does have the ability to refer those customers desiring fixed-rate, long-term conventional real estate loans to Cumberland Mortgage Company, a wholly owned subsidiary of the bank's parent company, Civitas

[1] Any percentage row or column "TOTAL" figure displayed throughout this evaluation that does not equal exactly 100 percent is strictly due to rounding differences, which are considered immaterial to overall performance conclusions.

Bankgroup. This relationship, along with the bank's ability to access other non-bank holding company resources, allows Bank of Dyer to provide competitive services comparable to those offered by larger institutions that may only maintain one branch in the bank's assessment area. Other significant loan categories in the bank's loan portfolio include loans secured by non-farm, non-residential real estate, commercial and industrial loans, and a variety of consumer loans. The bank's loan portfolio composition, by credit category, is displayed in the following table. [2]

Distribution of Total Loans		
Credit Product Type	**Amount in $000s**	**Percentage of Total Loans**
Construction and Development	$ 2,411	7.4%
Commercial Real Estate	$ 7,953	24.3%
Multifamily Residential	$ 0	0.0%
1-4 Family Residential	$ 13,232	40.4%
Farmland	$ 75	0.2%
Farm Loans	$ 22	0.1%
Commercial and Industrial	$ 3,932	12.0%
Loans to Individuals	$ 4,662	14.2%
Total Other Loans	$ 448	1.4%
TOTAL	**$ 32,735**	**100%**

As part of this evaluation under the CRA, the bank's performance was evaluated in relation to the performance of local competitors. Three financial institutions similar in asset size, with a comparable number of locations, and headquartered in Gibson County were identified as regional competitors. The depository institutions ranged in asset size from $50.6 million to $78.1 million.

The bank received a satisfactory rating at its previous CRA evaluation conducted on April 5, 1999, by the Federal Deposit Insurance Corporation.

[2] For purposes of this table, total loan information is derived from gross loans and leases data reported on the Consolidated Report of Condition and Income as of December 31, 2002.

DESCRIPTION OF ASSESSMENT AREA[3]

The bank's assessment area is comprised of two contiguous Tennessee counties. These counties, Gibson and Madison, contain eight geographies, and are comprised primarily of small bedroom communities located in northwest Tennessee. The six block numbering areas (BNAs) in Gibson county consist of one moderate-income (BNA 9669.00) and five middle-income (BNAs 9662.00, 9663.00, 9666.00, 9667.00, and 9670.00) geographies. The two geographies in Madison County are both upper-income census tracts (0016.01 and 0016.02) in the Jackson MSA. No geographies in the bank's assessment area are designated low income.

Although there are no low-income geographies and only one moderate-income geography in the bank's assessment area, LMI families are present throughout the entire assessment area. The following table illustrates the income characteristics of the assessment area according to 1990 U.S. Census Bureau statistics.[4]

Assessment Area Geographical Information by Income Category					
1990 Census Data	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area Geographies	0 0.0%	1 12.5%	5 62.5%	2 25.0%	**8** **100%**
Family Population	0 0.0%	1,058 9.2%	5,993 52.3%	4,414 38.5%	**11,465** **100%**

The one moderate-income geography, as shown in the table above, represents 9.2 percent of the assessment area family population. By far, the largest portion of the assessment area family population resides in middle-income geographies.

Based on the 1990 U.S. Census Bureau statistics, the median family income for the bank's assessment area was $31,979. In comparison, the Tennessee non-metropolitan median family income was $26,606. According to 2000 U.S. Census Bureau statistics, the median family incomes for the assessment area and non-metropolitan portions of Tennessee were $47,874 and $39,369, respectively. The Department of Housing and Urban Development (HUD) estimates the 2003 median family income for the Jackson MSA to be $47,400 and the non-metropolitan median family income for Tennessee to be $39,800. The following table displays population percentages of assessment area

[3] Statistical/demographic information cited in this evaluation, unless otherwise stated, is taken from 1990 United States Census Bureau data.
[4] Refer to the glossary in Appendix B for the definitions of the low-, moderate-, middle-, and upper-income categories.

families by income level, compared to the non-metropolitan family population of the state of Tennessee.

Assessment Area Family Population by Income Level					
1990 Census Data	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area	1,805 15.7%	1,757 15.3%	2,317 20.2%	5,586 48.7%	**11,465** **100%**
State of Tennessee	287,542 21.2%	232,036 17.1%	295,164 21.8%	541,600 39.9%	**1,356,342** **100%**

Although the assessment area appears to be somewhat more affluent than the Tennessee non-metropolitan area, there are 1,147 families (10.0 percent of the assessment area population) living below the poverty level. The first table in this section (page 5) indicates the majority of the assessment area families (87.5 percent) live in middle- and upper-income geographies. However, the table above reveals that 38.3 percent of assessment area families are considered LMI, regardless of where they live. Between 1990 and 2000, the assessment area experienced a moderate (14.9 percent) increase in population, growing from 40,568 in 1990 to 46,608 by year-end 2000.[5]

Housing in the assessment area is relatively the same as the Tennessee non-metropolitan area, but somewhat more affordable. The affordability ratio[6] for the assessment area was 48.8 percent, while the Tennessee non-metropolitan area affordability ratio was 47.9 percent. During this same reporting period, the affordability ratio for the state of Tennessee was 42.8 percent. As of 1990, the assessment area and Tennessee non-metropolitan area, owner-occupied housing ratios were 68.5 percent and 67.7 percent, respectively. In comparison, the same ratio for the state of Tennessee was 62.2 percent. The 5.6 percent vacancy rate for the assessment area was substantially lower than the 9.6 rate for the Tennessee non-metropolitan area and the 8.5 percent rate for the state of Tennessee. The median housing value for the assessment area in 1990 was $55,004 compared to $43,534 for the Tennessee non-metropolitan area and $58,016 for the state of Tennessee. The 1990 median gross monthly rent for the assessment area was $321 compared to $278 for the Tennessee non-metropolitan area and $357 for the state of Tennessee. In conclusion, because the bank's assessment area and the Tennessee non-metropolitan area are statistically more affluent than the state of Tennessee, housing appears to be more affordable and within the reach of a greater percentage of the population in both areas. According to one community contact interviewed as part of this evaluation, the reason for the more

[5] The source of this data is the United States Census Bureau.
[6] This figure is calculated by dividing the median household income by the median housing value; it represents the amount of single family owner-occupied housing that a dollar of income can purchase for the median household in the geography. Values closer to 100 percent indicate greater affordability.

affordable housing cost in the assessment area is directly related to the existing supply of affordable homes. According to 1990 U.S. Census Bureau statistics, the assessment area and Tennessee non-metropolitan housing stocks had median ages of 20 and 18 years, respectively, while the median age of the housing stock for the state of Tennessee was 29 years.

According to another community contact interviewed, the bank's assessment area can be characterized as three distinct regions: Gibson County, the city of Humboldt (located within the geographical boundaries of Gibson County), and the area of Madison County known as Three Way. The community contact stated that Gibson is the fourth largest county in the State while Madison County is the third largest county. Community contacts described the assessment area economy as recessionary in Gibson County, while Madison County has been experiencing a period of economic expansion. The Gibson County unemployment rate for January 2003 was 9.8 percent,[7] while during the same period the city of Humboldt experienced a rate of 6.0 percent to 6.5 percent,[8] only slightly higher than that of the Jackson MSA. Historically, the assessment area economy has been dependent on light manufacturing as the major component of its economic base. However, the recent loss of several garment-industry-related companies to Mexico has contributed to the recessionary economy in Gibson County. Information obtained from one of the community contacts indicated this did not affect the city of Humboldt. Despite the negative economic impact certain events have had on the area, the contact stated all three regions of the area are growing, more so in Madison County than in the city of Humboldt or the remaining portions of Gibson County. The contact stated that Humboldt is home to some 14 light manufacturing industries, several of which have been in Humboldt since the early 1950s. Many of these industries are operations of companies headquartered in St. Louis, Missouri.

Finally, there are two major legal issues that could possibly deter economic recovery in the assessment area. Both issues are currently being litigated by the city of Humboldt. The first is a lawsuit brought by the city of Humboldt against the Gibson County School System. This litigation stems from the county's alleged refusal to provide local school districts with adequate levels of funding as required by state law. All three-community contacts interviewed agreed that it would be almost impossible to create any meaningful economic growth without a positive resolution that results in good school systems to support the population. The other lawsuit is several years old and involves attempts by the city of Humboldt to annex the Three Way area of Madison County.[9] The residents of Three Way have twice voted to incorporate into their own municipality under two separate Tennessee laws. Both cases are scheduled to be heard in court during May 2003, with immediate resolutions expected in each case. One community contact interviewed stated that these two issues have created animosity among local residents and have not had a positive impact with regard to economic development activities.

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[7] Source: U.S. Bureau of Labor Statistics.
[8] Source: Greater Humboldt Chamber of Commerce.
[9] Source: Jackson Sun – April 14, 2003.

The Gibson County Industrial Park is a 466-acre economic development project located in the northern portion of the city of Humboldt. Industrial park developers have options for an additional 200 to 300 acres, if needed, and are negotiating with several different types of entities to attract them to the area. Recently completed economic development projects include a $2 million addition to the local hospital for a rehabilitation center. In connection with the rehabilitation center, a $1 million teleconferencing center, to be used as a multi-purpose facility, was also added to the hospital complex. According to each of the community contacts interviewed, major industries in the assessment area include light manufacturing, automotive parts assembly plants, plastics, agriculture, and an emerging tourism industry. In fact, according to one contact, one of the current projects under consideration is an entertainment industry complex that would create 1,500 permanent jobs and bring over 100,000 visitors to the area annually.

Finally, one community contact described the city of Humboldt and the remaining portions of Gibson County as the beneficiaries of "economic run-off" created by the growth in Madison County, more specifically in the city of Jackson. For these reasons, the contacts indicated there are ample opportunities for local financial institutions to participate in economic development activities.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Bank of Dyer meets the criteria for a satisfactory rating, based upon its lending performance as measured by the CRA small bank performance standards. This lending performance was based upon loan information from 2002 HMDA data.[10] Statistical samples of consumer automobile loans originated in 2002 were also used in evaluating the bank's lending performance. Finally, statistical samples of small business loans originated by the bank since the previous CRA evaluation were analyzed.

These three loan categories are considered the bank's primary lines of business, based upon lending volume by number and dollar amounts and in light of the bank's stated business strategy. Therefore, loan activity represented by these credit products is deemed indicative of the overall lending performance of the bank. The CRA small bank performance standards evaluate the following five criteria, as applicable:

- The geographic distribution of loans;
- The distribution of loans by borrower income and business/farm revenue;
- The bank's average loan-to-deposit ratio;
- The level of lending within the assessment area; and
- A review of written complaints.

The remaining sections of this evaluation are based upon analyses of the bank's lending performance under these five performance criteria.

[10] The HMDA loan category includes loans for the purpose of home purchase, refinancing, and home improvement.

Geographic Distribution

As noted in the description of the bank's assessment area, the bank's assessment area contains one moderate-income geography, five middle-income geographies, and two upper-income geographies. The analysis in this section illustrates the distribution of the bank's loan activity across these geographies. The following table displays the geographic distribution of Bank of Dyer's 2002 HMDA data, in comparison to owner-occupied housing statistics for the assessment area.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Geography					
Loan Type	**Geography Income Classification**				**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	
HMDA 2002	0 0.0%	5 9.6%	40 76.9%	7 13.5%	**52** **100%**
	$ 0 0.0%	$ 196 6.4%	$ 2,294 75.5%	$ 549 18.1%	**$ 3,039** **100%**
Owner-Occupied Housing	0.0%	8.6%	53.9%	37.5%	**100%**

The analysis of HMDA loans reflects favorably upon the bank's lending performance under the CRA. The bank's penetration of HMDA reportable loans to moderate-income geographies represents 9.6 percent of lending by number. In comparison, 8.6 percent of the owner-occupied housing units are located in moderate-income tracts. The bank's lending performance also compares favorably to 2002 HMDA Aggregate Data[11] for the assessment area, which indicate only 2.6 percent of all HMDA loans originated to applicants inside the bank's assessment area were made to applicants residing in moderate-income geographies. Consequently, the geographic distribution of loans based upon this consumer loan category throughout the assessment area is considered reasonable.

Similarly, the geographic distribution of consumer automobile loan activity reflects favorably upon the bank's CRA performance as displayed in the following table.

[11] HMDA Aggregate Data represent all lending activity collected and reported under the HMDA for this assessment area, based upon all financial institutions required to report such data (less the subject bank if applicable).

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Geography					
Loan Type	**Geography Income Classification**				**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	
Consumer Automobile	0 0.0%	7 11.1%	47 74.6%	9 14.3%	**63** **100%**
	$0 0.0%	$50 8.3%	$463 76.8%	$90 14.9%	**$603** **100%**
Household Population	0.0%	9.7%	53.9%	36.4%	**100%**

Of the 63 consumer automobile loans sampled, 11.1 percent were originated to individuals residing in moderate-income geographies, while the percentage of households located in moderate-income geographies within the assessment area is 9.7 percent. Consequently, the geographic distribution of loans based upon this consumer loan category reflects good penetration throughout the assessment area.

As with the two consumer loan categories, the bank's geographic distribution of small business loans originated since May 1, 1999[12] were also reviewed. The following table displays the results of this review, along with estimated percentages of business institutions located in each geography income classification that was used for comparison.[13]

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Geography					
Loan Type	**Geography Income Classification**				**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	
Business	0 0.0%	11 21.6%	29 56.9%	11 21.6%	**51** **100%**
	$ 0 0.0%	$ 861 28.3%	$ 1,305 43.0%	$ 872 28.7%	**$ 3,038** **100%**
Business Institutions	0.0%	11.0%	40.2%	48.8%	**100%**

Analysis of the business lending activity revealed the bank's lending performance is somewhat higher than the data used for comparative purposes. As displayed in the table, a majority (56.9 percent) of the bank's small business lending activity by number occurred in middle-income geographies, with equal portions occurring in the moderate- and upper-income geographies (each with 21.6 percent). This performance level is

[12] It was necessary to use this date to obtain a statistically significant sample.
[13] These statistics are derived from Business Geodemographic Data for the assessment area, as reported by Dun & Bradstreet (for the year 2001).

substantially similar to business geodemographic data, which estimate that the majority of all business institutions (40.2 percent) in the assessment area are located in middle-income geographies. Further, the bank's lending performance appears reasonable in light of market performance for the assessment area. Year 2001 CRA Aggregate Data[14] indicate that 8.0 percent of all small business loans made within the assessment area were located in LMI geographies. Based on this analysis, the bank's geographic distribution of business lending appears reasonable.

In summary, based on reviews from all three-loan categories, Bank of Dyer had loan activity in all assessment area geographies, including the one moderate-income geography. Consequently, the geographic distribution of loans, based on activity from all three loan categories reviewed, reflects a reasonable dispersion throughout the assessment area and meets the standard for satisfactory performance under this performance criterion.

Lending to Borrowers of Different Income Levels and to Farms of Different Sizes

The small bank performance standards evaluate the bank's lending to borrowers of various income levels. Borrowers are classified into low-, moderate-, middle- and upper-income categories by comparing their reported income to the 2002 HUD estimated median family income of $42,600 for loans located in non-metropolitan geographies and $49,200 for loans located in the Jackson MSA geographies. The following table shows the distribution of HMDA loans by income level of the borrower.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Borrower					
Loan Type	**Borrower Income Classification**				**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	
HMDA 2002	7 15.6%	8 17.8%	9 20.0%	21 46.7%	**45[15]** **100%**
	$ 183 7.3%	$ 465 18.6%	$ 561 22.4%	$ 1,297 51.8%	**$ 2,506** **100%**
Family Population	15.7%	15.3%	20.2%	48.7%	**100%**

Overall, the table indicates that 33.4 percent of the 45 HMDA loans analyzed were originated to LMI borrowers. By comparison, 31.0 percent of the family population within the assessment area is considered LMI. The bank's figures also compare favorably to the 2001 HMDA Aggregate Data, which indicate 17.6 percent of all HMDA loans originated within the assessment area were made to LMI borrowers. Therefore,

[14] CRA Aggregate Data represent all lending activity collected and reported under the CRA for this assessment area, based upon all financial institutions required to report such data (less the subject bank if applicable).

[15] Although the bank made 52 HMDA loans within the assessment area, 7 loans did not contain income information and, therefore, were not included in this analysis.

the bank's distribution of HMDA loans to LMI borrowers can be considered reasonable when compared to demographic and competitor data.

As with the bank's HMDA loan activity, the borrower distribution of consumer automobile loans was also analyzed. The following table shows the distribution of consumer automobile loans by income level of the borrower.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Borrower					
Loan Type	**Borrower Income Classification**				**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	
Consumer Automobile	21 35.6%	25 42.4	6 10.2%	7 11.9%	**59**[16] **100%**
	$ 159 27.5%	$ 282 48.4%	$ 55 9.5%	$ 82 14.2%	**$ 578** **100%**
Household Population	19.8%	13.0%	16.5%	50.7%	**100%**

Of the 59 consumer automobile loans reviewed for this analysis, 78.0 percent by number and 75.9 percent by dollar were granted to LMI borrowers. In comparison, LMI households account for 32.8 percent of the assessment area population. Consequently, the borrower distribution of this loan product is considered strong.

Similar to the borrower distribution analysis conducted for the two consumer loan categories, the bank's distribution of loans to small businesses was reviewed. The following table reflects the bank's distribution of business loans by gross annual revenue and loan amount.

Lending Distribution by Business Revenue Level				
Gross Revenue	**Loan Origination Amount (in $000s)**			**TOTAL**
	≤$100	**>$100≤$250**	**>$250≤$1,000**	
$1 Million or Less	37 72.5%	3 5.9%	1 2.0%	**41** **80.4%**
Greater Than $1 Million	6 11.8%	2 3.9%	2 3.9%	**10** **19.6%**
TOTAL	**43** **84.3%**	**5** **9.8%**	**3** **5.9%**	**51** **100%**

[16] Although the bank made 63 consumer automobile loans within the assessment area, 4 loans did not contain income information and, therefore, were not included in this analysis.

Based on this analysis of business loans, the bank is meeting the credit needs of small businesses.[17] The above table demonstrates that 41 of 51 loans reviewed (80.4 percent) were made to businesses with gross annual revenues of $1 million or less. In comparison, 2002 business Geodemographic data from Dun & Bradstreet, indicate that 76.4 percent of business institutions inside the assessment area are small businesses. Year 2001 CRA Aggregate Data for the assessment area reflect that 49.8 percent of business lending was to small businesses. In addition, the fact that 84.3 percent of business loans reviewed were in amounts of $100 thousand or less further indicates the bank's willingness to meet the credit needs of small businesses.

Therefore, based upon the distribution of HMDA, consumer automobile, and small business lending, the bank meets the standard for satisfactory performance under this performance criterion.

Loan-to-Deposit Ratio

One indication of the bank's overall level of lending activity is its loan-to-deposit (LTD) ratio. The table[18] below displays the bank's average LTD ratio[19] in comparison to that of regional competitors.

Loan-to-Deposit Ratio Analysis			
Name	**Asset Size**	**Headquarters**	**Average LTD Ratio**
Bank of Dyer	$ 49,576	Humboldt, Tennessee	90.8%
Regional Bank Competitors	$ 53,576	Milan, Tennessee	82.5%
	$ 50,618	Dyer, Tennessee	61.5%
	$ 78,111	Trenton, Tennessee	90.7%

Based on data from the previous table, the bank's level of lending indicates strong responsiveness to assessment area credit needs. For the last 16 quarters, the bank's LTD ratio has ranged from a low of 74.0 percent, to a high of 104.5 percent and represents a stable trend. In comparison, the average LTD ratios for the bank's regional competitors ranged from 61.5 percent to 90.7 percent. Therefore, in light of data from local competitors as displayed in the table above, the bank's average LTD ratio exceeds the standards for satisfactory performance for this performance criterion.

[17] Under the CRA, a small business is considered to be one in which gross annual revenues for the preceding two calendar year are $1 million or less.
[18] Asset size figures in this table represents total assets as of December 31, 2002 (in $000s).
[19] The average LTD ratio represents a 16-quarter average, dating back to the bank's last CRA evaluation.

Lending in the Assessment Area

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside the bank's assessment area.

Lending Inside and Outside of Assessment Areas ($000s)			
Loan Type	**Inside Assessment Area**	**Outside Assessment Area**	**TOTAL**
HMDA 2002	52 80.0%	13 20.0%	**65** **100%**
	$ 3,039 83.5%	$ 600 16.5%	**$ 3,639** **100%**
Consumer Automobile	63 66.3%	32 33.7%	**95** **100%**
	$ 603 71.4%	$ 242 28.6%	**$ 845** **100%**
Business	51 72.9%	19 27.1%	**70** **100%**
	$ 3,038 73.6%	$ 1,092 26.4%	**$ 4,130** **100%**
TOTAL	**166** **72.2%**	**64** **27.8%**	**230** **100%**
	$ 6,680 **77.5%**	**$ 1,934** **22.5%**	**$ 8,614** **100%**

The previous table demonstrates that a majority of loans were extended to borrowers residing or businesses located inside the bank's assessment area, for all loan types reviewed. Therefore, the bank's lending practices under this performance criterion meet the standard for satisfactory performance.

Review of Complaints

No CRA-related complaints were received for this institution during the time frame used for this evaluation (April 5, 1999 through April 7, 2003).

Additional Information

During the Consumer Affairs Examination conducted concurrently with this CRA evaluation, a fair lending analysis was performed to assess the bank's compliance under Regulation B (Equal Credit Opportunity) and the Fair Housing Act. The analysis concluded that the bank is in compliance with the substantive provisions of the anti-discrimination laws and regulations for the products and services reviewed.

Appendix A

Bank of Dyer Assessment Area				
County	**Geography Number**	**Geography Income Category**	**MSA**	**Contains Bank Office**
Gibson	9669.00	Moderate	N/A	Yes
Gibson	9662.00	Middle	N/A	Yes
Gibson	9663.00	Middle	N/A	No
Gibson	9666.00	Middle	N/A	No
Gibson	9667.00	Middle	N/A	No
Gibson	9670.00	Middle	N/A	Yes
Madison	0016.01	Upper	3580	No
Madison	0016.02	Upper	3580	Yes

GLOSSARY

Aggregate lending: The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

Block numbering area ("BNA"): Statistical subdivisions of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. BNAs do not cross county lines.

Census tract: Small subdivisions of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They 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 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.

Consumer loan: A loan 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 of loans: motor vehicle, credit card, home equity, other secured loan, and other unsecured loan.

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 household 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, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography: A census tract or a block numbering area delineated by the U.S. 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).

Home mortgage loans: Include home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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.

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

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, branch distribution).

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 lenders in the MSA/assessment area.

Metropolitan area: Any primary metropolitan statistical area ("PMSA"), metropolitan statistical area ("MSA"), or consolidated metropolitan area ("CMSA"), as defined by the Office of Management and Budget, with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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.

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

Optional loans: Includes any unreported category of loans for which the institution collects and maintains data for consideration during a CRA examination. Also includes 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.

Small loans to business: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small loans to farms: 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 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance business production and other loans to farmers.

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.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent in the case of a geography.