

PUBLIC DISCLOSURE

March 15, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Sand Ridge Bank
RSSD# 244345

2611 Highway Avenue
Highland, Indiana, 46322

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, IL 60604-1413

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 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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INSTITUTION'S RATING

INSTITUTION'S CRA RATING: Sand Ridge Bank is rated **SATISFACTORY**.

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

PERFORMANCE LEVELS	<u>Sand Ridge Bank</u>		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory	✓	✓	✓
Needs to Improve			
Substantial Noncompliance			

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

SUMMARY OF MAJOR FACTORS SUPPORTING RATING

Lending Test

- Sand Ridge Bank demonstrated adequate responsiveness to the credit needs while maintaining a majority of its loans in its assessment areas.
- Geographic distribution of loans is adequate considering the bank's ability to service the low- and moderate-income geographies in its assessment areas.
- The bank demonstrated a good distribution of loans among low- and moderate-income individuals and small farms and small businesses.
- The bank made no community development loans.

Investment Test

- The bank made an adequate level of qualified investments in its assessment areas.
- The bank, on occasion, used innovative qualified investments.
- The bank demonstrated an adequate responsiveness to the community development needs in its assessment areas.

Service Test

- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the assessment areas.
- Retail services do not vary in a way that inconveniences portions of the assessment areas, particularly low- and moderate-income geographies and individuals.
- The bank provides an adequate level of community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

Sand Ridge Bank, headquartered in Highland, Indiana, is a wholly-owned subsidiary of First Financial Bancorp of Hamilton, Ohio. First Financial Bancorp is a multi-bank holding company with total assets of \$3,916,671,000 as of December 31, 2004. Sand Ridge Bank is a multi-state bank operating in Indiana and Michigan. According to the December 31, 2004 Uniform Bank Performance Report (UBPR), Sand Ridge Bank had \$882,579,000 in total assets. Sand Ridge Bank offers a comprehensive selection of retail and commercial deposit and lending products in order to serve the needs of its customers.

Sand Ridge Bank is primarily a retail community bank and operates 15 branches and 27 automated teller machines (ATMs) throughout its assessment areas. Operations in the State of Indiana include 13 branches and 24 ATMs, while the Michigan branch and ATM network includes two branches and three ATMs. In addition, Sand Ridge Bank offers online banking at www.sandridgebank.com, a fully transactional website that includes deposit and loan transactions, opening deposit accounts, loan and deposit rate information, and the ability to apply for loans.

Sand Ridge Bank's combined assessment area includes five separate assessment areas. The Indiana assessment areas include portions of the Gary Metropolitan Statistical Area (MSA) #2960 and Lafayette MSA #3920, along with the non-metropolitan area of Carroll County, Indiana. The Michigan assessment areas include a portion of the Grand Rapids, Muskegon, Holland MSA #3000 and a non-metropolitan area consisting of Barry County, Michigan. Since the previous evaluation, the assessment areas were expanded to include the Lafayette MSA and non-metropolitan Indiana along with the Michigan assessment areas due to the merger of two banks into Sand Ridge Bank. The combined assessment area described above and used in this analysis was only in effect for the year 2003.

The 2003 combined assessment area encompasses 93 geographies including census tracts and block numbering areas (BNAs). Low- and moderate-income geographies account for 14.0% of all geographies across the combined assessment area, according to 2000 census data. To that end, four, or 4.3%, of the geographies are low-income; nine, or 9.7%, are moderate-income; 46, or 49.5%, are middle-income; 33, or 35.5%, are upper-income; and there is one geography whose income level is not available. The total population of the combined assessment area totals 432,870 individuals. Based on 2000 census data, 11.4% of the population resides in the low- and moderate-income geographies. Exhibit #1 provides additional detail on the geographic distribution of census tracts and the population across the combined assessment area according to 2000 census data.

Exhibit #1			
Geographic Distribution of Census Tracts in Combined Assessment Areas			
2000 Census Data			
Census Tract/BNA Category	# of Census Tracts/ BNA's	Population	% of Population
Low-Income	4	17,374	4.0
Moderate-Income	9	31,847	7.4
Middle-Income	46	202,958	46.9
Upper-Income	33	173,866	40.2
Unknown	1	6,825	1.5
TOTAL	93	432,870	100.0

Sand Ridge Bank's primary competition varies by assessment area due to local institutions; however, competitors that cross the majority of the assessment areas include Bank One, N.A., and Fifth Third Bank. Sand Ridge Bank is primarily a real estate lender, and real estate loans account for 81.0% of the bank's loan portfolio, according to the December 31, 2004 UBPR. The majority of the real estate loans are in 1-4 family residential real estate, which makes up 55.3% of the bank's total loan mix. Exhibit #2 provides additional detail regarding the bank's loan portfolio.

Exhibit #2		
Sand Ridge Bank Loan Portfolio Mix		
as of December 31, 2004		
Loan Type	Bank Loan Mix (%)	Peer Loan Mix (%)
<u>Construction & Development</u>	2.61	9.96
<u>1-4 Family Residential</u>	55.25	24.89
Home Equity Loans	5.62	3.68
<u>Other Real Estate Loans</u>	23.15	34.68
Farmland	1.85	1.54
Multifamily	1.18	1.96
Non-Farm Non-Residential	20.12	29.50
<u>TOTAL REAL ESTATE</u>	81.01	73.23
<u>Agricultural Loans</u>	1.05	1.12
<u>Commercial & Industrial Loans</u>	8.73	15.08
<u>Loans to Individuals</u>	7.98	6.04
<u>Credit Card Loans</u>	0.37	0.12
<u>Municipal Loans</u>	0.88	0.45

There are no factors relative the bank's financial condition, size, local economic conditions or legal impediments that prevent the bank from meeting the various credit needs in its designated assessment areas.

SCOPE OF EXAMINATION

The CRA performance evaluation assesses the bank's responsiveness and effectiveness of meeting the credit needs of its assessment areas within the context of information about the institution, including asset size, financial condition, and competitive factors, as well as taking into consideration the economic and demographic characteristics of its assessment areas. This performance evaluation is based on the bank's lending performance during the calendar year 2003; however, investments and services are evaluated for the time period between the date of the previous examination, May 6, 2002 and March 14, 2005. The following assessment areas were evaluated using full scope examination procedures: Gary MSA, Lafayette MSA, non-metro Indiana, and non-metro Michigan. The Grand Rapids MSA assessment area was evaluated using limited review procedures. Unless otherwise noted, all demographic data referenced in this report are based on the 2000 Census.

The following performance standards were used during the evaluation:

- **Lending in the Assessment Area** – HMDA-reportable loans, small business loans and small farm loans originated and purchased from January 1, 2003 to December 31, 2003 were reviewed to evaluate the percentage of loans originated in the combined assessment area.
- **Geographic Distribution of Lending in the Assessment Area** – HMDA-reportable loans, small business loans and small farm loans originated and purchased from January 1, 2003 to December 31, 2003 were analyzed to evaluate the extent to which the bank is making loans in geographies of different income levels, particularly those designated as low- or moderate-income.
- **Lending to Borrowers of Different Incomes and to Businesses and Farms of Different Sizes** – HMDA-reportable loans, small business loans and small farm loans originated and purchased from January 1, 2003 to December 31, 2003 were analyzed to evaluate the loan distribution among borrowers of different income and businesses and farms with different revenue levels.
- **Community Development Lending** – The bank originated no community development loans during the evaluation period.
- **Innovative or Flexible Lending Practices** – The bank did not engage in innovative and flexible lending practices during the evaluation period.
- **Investments** – Qualified investments made from May 6, 2002 to March 14, 2005 were evaluated to determine the bank's use of innovative or complex investments as well as the bank's responsiveness to credit and community development needs.

- **Services** – Services provided by the bank from May 6, 2002 to March 14, 2005, including the distribution of the bank’s branch offices, banking services, hours of operation, availability of loan and deposit products, and the extent and innovativeness of community development services, were evaluated.

Additionally, information obtained through discussions with five community representatives was considered in the overall evaluation. The community contacts included representatives from the Gary, Grand Rapids, and Lafayette MSAs and the non-metropolitan Indiana assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The bank’s overall CRA performance is rated **Satisfactory**. This conclusion was reached after analyzing the data for both the State of Indiana and the State of Michigan. More weight was placed on the activities in the State of Indiana as the bank’s first attempt to enter the Michigan banking market was with the recent acquisition of National Bank of Hastings, Hastings, Michigan, in November 2002. Within the State of Indiana, the Lafayette MSA and non-metro Indiana assessment areas did not carry as much weight as the Gary MSA assessment area, primarily due to the bank’s recent entry into these assessment areas as a result of the late 2002 acquisition of Bright National Bank, Lafayette, Indiana.

LENDING TEST

The bank is rated low satisfactory with respect to the lending test. Sand Ridge Bank demonstrated a good responsiveness to the credit needs in its assessment areas while maintaining a majority of its loans in its assessment areas. The geographic distribution of loans is adequate, considering the bank’s ability to service the low- and moderate-income geographies in its assessment areas. The bank also demonstrated a good distribution of loans among low- and moderate-income individuals and small farms and small businesses.

Assessment Area Concentration: The bank maintained a high percentage of its loans in its assessment areas and is rated high satisfactory for this component. The bank’s multifamily lending outside of its assessment areas was disregarded due to the low number of originations. For details on individual products refer to Exhibit #3 below. In addition, refer to Core Tables 1a and 1b: Lending Volume for additional information about assessment area lending.

Exhibit #3								
Sand Ridge Bank								
Lending Inside and Outside the Assessment Area								
January 1, 2003 through December 31, 2003								
	Inside				Outside			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
HMDA home purchase	172	74.8	21,299	75.7	58	25.2	6,843	24.3
HMDA refinancing	867	85.8	86,307	86.4	143	14.2	13,554	13.6
HMDA home improvement	100	78.1	5,348	83.2	28	21.9	1,080	16.8
HMDA multifamily	1	20.0	483	21.5	4	80.0	1,765	78.5
Total HMDA-related	1,140	83.0	113,437	83.0	233	17.0	23,242	17.0
Total small business	534	72.2	38,767	65.0	206	27.8	20,840	35.0
Total small farm	111	80.4	8,927	78.2	27	19.6	2,494	21.8
TOTAL LOANS	1,785	79.3	161,131	77.6	466	20.7	46,576	22.4

Geographic and Borrower Distribution: The geographic distribution of loans is adequate considering the bank's ability to service low- and moderate-income geographies in its assessment areas. Only the Gary and Lafayette assessment areas include low- and moderate-income census tracts. While the penetration in the Gary assessment area appeared less than adequate, mitigating factors are explained in the specific Gary MSA evaluation. Performance in the Lafayette assessment area exceeded that of the aggregate lenders and is considered excellent. For the assessment areas with no low- or moderate-income tracts, geographic distribution was consistent with the geographic composition of the assessment areas.

The distribution of borrowers reflects good penetration among customers of different income levels and businesses and farms of different sizes. In all assessment areas, a substantial majority of small business loans was to businesses with gross annual revenues of \$1 million or less. In most cases, the bank's percentage far exceeded the aggregate lenders' percentage. In addition, a substantial majority of small business loans was made in amounts of \$100,000 or less. In regard to HMDA-reportable loans, the bank compared favorably to the aggregate lenders as well as the percentage of low- and moderate-income families in the assessment areas for the percentage of loans to low- and moderate-income borrowers.

INVESTMENT TEST

The bank is rated low satisfactory with respect to the investment test. The bank purchased five investments totaling \$4,752,902. In addition, the bank donated \$37,945 in community development grants to eight qualified organizations. The bank retained a Federal Home Loan Mortgage Corporation (FHLMC) mortgage-backed security included in the previous exam dated May 6, 2002; current value is \$313,863. The bank purchased various investments that cover a broad area; although they benefit portions of the assessment areas, it is difficult to say how much of the bank's investments directly benefited its assessment areas. The broad investment products were a factor adding to the investment test conclusion. Without such products, the bank would need to improve its qualified investments in the individual assessment areas. The bank did, however, have an innovative investment in the Gary MSA assessment area in the Poor Relief tax warrant for North

Township in Lake County in the amount of \$1,890,000. The tax warrant covers the four towns that make up North Township and provides financial assistance for community services to low- and moderate-income individuals. Sand Ridge Bank is the exclusive owner of the tax warrant. Refer to the investment section of the Gary MSA assessment area for details on the Poor Relief tax warrant. In addition, refer to Core Tables 14a and 14b for details on the investments purchased by the bank.

SERVICE TEST

Sand Ridge Bank's performance under the combined service test is low satisfactory. Retail services offered are accessible in all portions of the assessment area. Full service branches and ATMs are dispersed throughout the geographies with an adequate percentage located in low- and moderate-income geographies. The bank has two of fifteen branches located in moderate-income tracts; no branches are located in a low-income tract. Since the previous examination, no ATMs or branches have been closed, and one branch (Crown Point, Indiana) was opened in an upper-income geography. In addition, branches in the Lafayette, non-metro Indiana, non-metro Michigan, and Grand Rapids assessment areas were acquired in November 2002 as a result of the mergers of Bright National Bank, Lafayette, Indiana, and National Bank of Hastings, Hastings, Michigan, into Sand Ridge Bank. Hours are accommodating and do not inconvenience customers. For community development services, Sand Ridge Bank is active in the State of Indiana, providing a relatively high level of community development services, particularly in the Gary area, where the main office and the highest percentage of branches and ATMs are located. The bank provided no community development services in the State of Michigan.

Retail Services

The 15 branches operating in five assessment areas are reasonably accessible and serve essentially all the needs of the community, including low- and moderate-income individuals and geographies. The hours of operation vary slightly from branch to branch, but typical hours are 9:00 a.m. to 5:00 p.m. Monday through Thursday, 9:00 a.m. to 6:00 p.m. on Friday, and various branches are open from 8:00 or 9:00 a.m. to noon or 1:00 p.m. on Saturday. Drive-up facilities typically offer extended evening hours during the week and are usually open Saturday. There are drive-up hour variations from branch to branch based on market demand and location. The branch and drive-up business hours are tailored to the convenience of the bank's assessment areas.

Sand Ridge Bank maintains 27 ATMs throughout the five assessment areas. Each assessment area has a minimum of one ATM. Eleven ATMs are full service, with the remaining 16 ATMs serving as cash dispensing-only machines. Two ATMs are located in moderate-income tracts, and both are full service units.

No branches or ATMs have been closed since the previous examination. The one new branch added is located in an upper-income geography and did not greatly expand the access for low- and moderate-income individuals. Further details regarding the branch system can be found in Core Table 15a and 15b.

The institution offers on-line banking at www.sandridgebank.com, which is a fully transactional website that includes the ability to open deposit accounts, receive loan and deposit rate information, perform deposit and loan transactions, and apply for loans. The website and on-line banking functions are operational 24 hours a day, seven days a week and are accessible to any individual with internet/computer access.

A call center is available Monday through Friday from 8:00 a.m. to 6:00 p.m. and is also staffed from 8:00 a.m. to 1:00 p.m. on Saturday. This call center has bank employees onsite to answer any questions customers may have. Currently, no bilingual individuals are among the staff at the center; however, the bank is seeking an individual to fill this role. There is also a "Banking On Call" service, which is an automated, 24-hour telephone banking center. This service allows customers to transfer money, verify account balances, and report lost/stolen credit cards.

Community Development Services

Sand Ridge Bank provides an overall adequate level of community development services with the greatest focus in the Gary assessment area. The institution understands the need to contribute its services to the community that it serves and has certain officers and employees that contribute their financial skills to organizations throughout the different assessment areas. Examples of organizations receiving the benefit of employees' expertise include Delphi Housing, Inc., Greater Hammond Community Service, and the Salvation Army. These service activities include positions as officers, board members, and committee participants, as well as providing speakers at first-time homebuyer seminars. Exhibit #4 provides an overview of community development services.

Exhibit #4			
Community Development Services Sand Ridge Bank			
Organization	Purpose	Bank Activity	Assessment Area
Flora Apartments, Inc.	Subsidizes apartments and homes with rent assistance for low- and moderate-income tenants.	Bank employee is the director.	Non-MSA (IN)
Area IV Development Corporation	Housing resource that offers low- and moderate-income families affordable housing.	Bank employee serves on the board of directors.	Non-MSA (IN)
Delphi Housing, Inc.	A not-for-profit organization that provides housing to low-income senior citizens.	Bank employee serves on the board of directors.	Non-MSA (IN)
Northwest Indiana Trade Association	Secures resources to fund college scholarships. The primary focus is to support low-income youth with strong academic records who show an interest in automotive related fields.	Bank employee is an officer.	Gary
Greater Hammond Community Service	This organization provides food, clothing, and financial counseling for the poor.	Bank employee is the director and was previously an executive vice president.	Gary
Meals on Wheels	This organization provides food to families attempting to find housing in Lake and Porter Counties.	Bank employee is an officer with the organization.	Gary

The above exhibit is not inclusive of all community development services provided by the bank; however, it does illustrate that the focus of the institution is to provide community development services in Indiana. No community development service occurred in the State of Michigan. This factor was taken into account when determining the bank's rating.

COMPLIANCE WITH ANTI-DISCRIMINATION LAWS

An analysis of the bank's compliance with fair lending laws was not prepared during this CRA evaluation period. However, a fair lending review completed during the previous consumer compliance examination revealed no evidence of patterns or practices of discriminatory treatment or other illegal credit practices on a prohibited basis. Interviews with community representatives revealed no evidence of discriminatory credit practices.

COMPLIANCE WITH SECTION 109 OF THE RIEGLE NEAL INTERSTATE BANKING AND BRANCHING EFFICIENCY ACT OF 1994 (INTERSTATE ACT)

With its holding company operating in Ohio and branches in both Indiana and Michigan, Sand Ridge Bank is subject to the provisions of section 109 of the Interstate Act which prohibits a bank from establishing or acquiring a branch or branches outside of its home state primarily for the purpose of deposit production. Sand Ridge Bank's statewide loan-to-deposit ratio compares

favorably to the host state loan-to-deposit ratio in both Indiana and Michigan. The bank is in compliance with section 109 of the Interstate Act.

STATE OF INDIANA

CRA RATING FOR INDIANA:

The lending test is rated: Low Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: High Satisfactory

The major factors supporting the institution's rating include:

Lending Test

- Sand Ridge Bank demonstrated adequate responsiveness to the credit needs in its assessment areas.
- The geographic distribution of loans is adequate considering the bank's ability to service the low- and moderate-income geographies in its assessment areas.
- The bank demonstrated a good distribution of loans among low- and moderate-income individuals and small farms and small businesses.

Investment Test

- The bank made an adequate level of qualified investments in its assessment areas.
- The bank, on occasion, used innovative qualified investments.
- The bank demonstrated an adequate responsiveness to the community development needs in its assessment areas.

Service Test

- Service delivery systems are accessible to geographies and individuals of different income levels in the assessment areas.
- Retail services do not vary in a way that inconveniences the assessment areas, particularly low- and moderate-income geographies and individuals.
- Sand Ridge Bank provides an adequate level of community development services.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN INDIANA

The bank operates within four counties that make up three assessment areas in the State of Indiana. The assessment areas encompass both large metropolitan areas and rural farming communities. Sand Ridge Bank operates 12 branches in the state, with the headquarters located in Highland, Indiana. The bank's Indiana assessment areas consist of sections of two metropolitan areas, the Gary MSA and the Lafayette MSA, and one non-metropolitan county, Carroll County. Due to the differences in the three assessment areas, the bank has developed different strategies to best meet the needs of its assessment areas. As a whole, the bank is primarily a consumer lender; however, Carroll County is the only assessment area that has a high concentration of agriculture loans, and the branches located in this assessment area tailor the bank's products to better service that specific assessment area.

The bank has \$643,376,000 in deposits in the State of Indiana. Indiana deposits make up 92.9% of the bank's total deposits. The bank maintains 0.8% of the deposit market share over the entire state. However, the bank has 7.3% of the deposit market share in the four counties in which it operates and competes with 30 other institutions for deposits.

The bank's Indiana assessment areas service a population of 360,911 people. In 2003, the State of Indiana faced an unemployment rate of 5.1%, which is unchanged from 2002 according to the Bureau of Labor Statistics. In 2004, the Indiana Association for Community Economic Development identified various community development opportunities in the state. The top concerns included water and sewer system improvements, downtown revitalization, and job creation and training.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN INDIANA

LENDING TEST

Sand Ridge Bank's lending in the State of Indiana is considered low satisfactory. The bank demonstrated adequate responsiveness to the credit needs in its assessment areas. The bank's geographic distribution of loans is adequate considering its ability to service the low- and moderate-income geographies in its assessment areas. The bank also demonstrated good distribution of loans among low- and moderate-income individuals and small farms and small businesses.

Lending Activity: The bank's lending activity is considered adequate. The bank originated 980 HMDA loans, 497 small business and 111 small farm loans in its assessment areas in the State of Indiana. HMDA lending in the state represents 86.0% of the bank's total lending in its combined assessment areas, both in Michigan and Indiana. In addition, 93.1% of small business lending and 100.0% of small farm lending were originated in the State of Indiana. Details of the lending volume for the State of Indiana can be found in Core Table 1a.

Geographic and Borrower Distribution: The geographic distribution of residential real estate loans reflects an adequate level of penetration throughout the low- and moderate-income geographies of the assessment area. However, the geographic distribution of small business loans reflects an adequate level of penetration throughout all the geographies in the assessment area. This is

attributed to the bank's strategic plan in the State of Indiana of being a leader in commercial lending. This is best shown in the bank's Lafayette assessment area where 36.1% of small business loans were in low- and moderate-income tracts. See Core Tables 2a through 7b for more detail.

The bank's distribution of loans by borrower income reflects good distribution among individuals of different income levels and businesses and farms of different sizes. Most notably, the lending to small businesses demonstrated excellent distribution to businesses of different sizes, particularly to those businesses with gross annual revenues of \$1 million or less. See Core Tables 8a through 11b for more detail.

INVESTMENT TEST

Performance on the investment test in the State of Indiana is considered low satisfactory based on the adequate level of investments and donations as well as adequate responsiveness to the credit and community development needs in the State of Indiana.

The bank retained an investment reported in the prior evaluations of a FHLMC mortgage-backed security. The security is comprised of 19 loans, one of which falls in the Gary MSA and two that are in the Lafayette MSA. The current book value is \$313,863.

In the third quarter of 2003, the bank purchased a HUD section 108 government participation certificate, series HUD 1999-A, in the amount of \$227,697. Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Activities eligible for Section 108 financing include, but are not limited to, the following: economic development activities; housing rehabilitation; construction or improvement of public facilities; and rehabilitation of publicly-owned real property. HUD requires that all projects and activities must either principally benefit low- and moderate-income persons, aid in the elimination or prevention of slums and blight, or meet urgent needs of the community. Although it is difficult to say how much of the bank's investment benefited its Indiana assessment areas, HUD provided a list of communities that benefited from the series 1999-A bond. Two of the benefiting communities are in the bank's assessment areas; these include Lafayette, Indiana in the bank's Lafayette MSA assessment area and Hammond, Indiana in the bank's Gary MSA assessment area. Lafayette, Indiana received \$3,300,000 in assistance from the program. Hammond, Indiana received \$1,495,000 in assistance from the program.

The bank purchased an Indiana Housing Finance Authority (IHFA) Single Family Mortgage Revenue Bond, 2000 Series-D, in the amount of \$1,087,044 in the third quarter of 2002. The IHFA bonds cover the entire State of Indiana, and it is difficult to determine how much of the bank's actual investment benefited its assessment areas in the State of Indiana. However, IHFA developed a list of counties that benefited from the 2000 Series D bonds. Clinton County (Lafayette MSA) received a total of \$96,406 from the IHFA 2000 Series D bond. In addition, Lake County received \$1,306,540 from the IHFA 2000 Series D bond.

The bank invested \$500,000 in the CRA Investment Fund. The principal investment strategy of this fund is to invest in debt securities that will cause the fund to qualify under CRA. The fund assists

low- and moderate-income families by providing affordable multi-family rental units, affordable home mortgages, economic development through job creation, and various other community development activities. The program does not target any specific geographic area but covers the broader statewide area. Most recently, the fund purchased IHFA bonds similar in purpose as the one mentioned above.

The bank funded a Poor Relief tax warrant for North Township, a subdivision of Lake County. The Poor Relief tax warrant was for the amount of \$1,890,000 and will be used for providing community services to low- and moderate-income individuals. The tax warrant provides a degree of stability within North Township, which has median family incomes that fall within the low- and moderate-income classification for the Gary MSA.

In addition to investments, the bank also donated \$34,230 in community development grants to seven qualified organizations. Refer to Core Table 14a for details on community development investments in the State of Indiana.

SERVICE TEST

The bank's performance under the service test in the State of Indiana is considered high satisfactory based upon a review of the distribution of its branches and ATMs, the range and accessibility of its delivery systems, products and services, record of opening and closing branches, branch hours of operation, and community development services. The performance within the Gary MSA assessment area is emphasized because it contains the majority of the bank's branches in the state. Alternate delivery systems are accessible and hours of operation do not inconvenience customers. The bank participated in 12 community development services during the review period, which is considered a relatively high level of performance.

METROPOLITAN AREAS

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE GARY MSA ASSESSMENT AREA

The bank operates within Lake County, which makes up the Gary MSA assessment area. The assessment area encompasses both large metropolitan areas and industrial parks. Sand Ridge Bank operates eight branches in Lake County, with the headquarters located in Highland, Indiana. The bank's Gary MSA assessment areas consists of 35 census tracts. The bank is primarily focused on commercial lending in this assessment area.

The bank has \$540,258,000 in deposits in its branches in Lake County. Lake County deposits make up 84.0% of the bank's total Indiana deposits. Based on the June 30, 2004 market share report, as produced by the FDIC, the bank maintains 8.3% of the deposit market share in Lake County. The bank faces competition from JPMorgan Chase, N.A. and Bank Calumet, N.A., which, combined, have 34.8% of the deposit market share in Lake County.

The bank's Gary MSA assessment area services a population of 186,743 people. In 2003, the Gary MSA faced an unemployment rate of 6.0%, which is a decrease from 2002, according to the Bureau of Labor Statistics. Refer to exhibit #5 for details on the demographics of the bank's Gary MSA assessment area.

Exhibit #5								
Assessment Area Demographics Gary MSA Assessment Area								
Income Categories	Tract Distribution		Families by Tract Income		Families Below Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0.0	0.0	0	0.0	6,482	12.6
Moderate-income	3	8.6	3,144	6.1	567	18.0	8,102	15.8
Middle-income	16	45.7	21,179	41.2	754	3.6	11,783	22.9
Upper-income	16	45.7	27,055	52.7	526	1.9	25,011	48.7
Income Not Reported	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	35	100.0	51,378	100.0	1,847	3.6	51,378	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	0	0	0.0	0	0.0	0	0.0	
Moderate-income	5,111	2,973	58.2	1,797	35.2	341	6.7	
Middle-income	31,914	22,645	71.0	7,967	25.0	1,302	4.1	
Upper-income	35,794	29,827	83.3	4,946	13.8	1,021	2.9	
TOTALS	72,819	55,445	76.1	14,710	20.2	2,664	3.7	
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or Equal to \$1 million		Over \$1 million			
			#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0		
Moderate-income	241	4.0	201	3.9	23	4.2		
Middle-income	2,673	44.5	2,287	43.8	269	49.2		
Upper-income	3,094	51.5	2,728	52.3	255	46.6		
TOTALS	6,008	100.0	5,216	100.0	547	100.0		
Percentage of Total Businesses:					86.8	9.1		

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE GARY MSA ASSESSMENT AREA

LENDING TEST

Lending is considered low satisfactory. The bank demonstrated adequate responsiveness to the credit needs in its assessment area. The geographic distribution of loans is adequate considering the bank's ability to service the low- and moderate-income geographies in its assessment area. The bank also demonstrated a good distribution of loans among low- and moderate-income individuals and small businesses.

Lending Activity: The bank's lending activity is considered adequate. The bank originated 546 HMDA loans, 301 small business loans, and no small farm loans in its Gary MSA assessment area. HMDA lending represents 64.5% of all loans reviewed in the Gary MSA assessment area. In addition, lending in the Gary MSA assessment area comprises 53.3% of loans originated in the State of Indiana. Details of the lending volume for the Gary MSA assessment area can be found in Core Table 1a.

Geographic and Borrower Distribution: The geographic distribution of loans reflects an adequate level of penetration throughout the moderate-income geographies of the assessment area. Although the Gary assessment area contains no low-income census tracts, moderate-income tracts comprise 8.6% of the assessment area. The market aggregate for HMDA-reportable and small business loans and the percentage of moderate-income tracts exceeded the percentage of the bank's loans to borrowers in moderate-income tracts. The percentage of businesses located in the moderate-income census tract (4.0%) also exceeded the percentage of bank loans. However, one of the moderate-income census tracts is almost entirely residential, with a significant percentage of the units consisting of public housing. The bank's nearest facility to this tract is a supermarket branch, and several other banks also have branches in the immediate area, many of which are full-service facilities. Another moderate-income tract contains primarily commercial properties. Details of the geographic distribution can be found in Core Tables 2a through 7b.

The bank's distribution of loans by borrower reflects a good distribution among individuals of different income levels and businesses of different sizes and is rated high satisfactory. Most notably, lending to small businesses demonstrates an excellent distribution to businesses with revenues less than \$1 million. The bank originated 84.7% of its business loans to such businesses, which compares favorably to the percentage of these businesses in the assessment area (86.8%) and far exceeds the aggregate lenders at 36.3%. In addition, 80.7% of the small business loans were made in amounts of \$100,000 or less. For details on the distribution of loans by borrower income, refer to Core Tables 8a through 11b.

INVESTMENT TEST

The bank is rated high satisfactory in the Gary MSA. Sand Ridge Bank made a significant level of qualified investments, particularly those that are not routinely provided by private investors, occasionally in a leadership position. Sand Ridge Bank made one qualified investment and seven community development grants in the Gary MSA assessment area.

The bank maintained a prior period investment in a FHLMC mortgage-backed security. The security is comprised of 19 loans, one of which falls in the Gary MSA. The loan is located in census tract 423.00, which is not directly in the bank's assessment area. However, the investment provides a benefit to the entire state, including the Gary MSA. The current book value is \$313,863.

In addition, the bank funded a Poor Relief tax warrant for North Township, a subdivision of Lake County. North Township is comprised of East Chicago, Hammond, Highland, Munster, and Whiting, Indiana. The Poor Relief tax warrant was for the amount of \$1,890,000 and will be used for

providing community services to low- and moderate-income individuals. Applicants must fit an income requirement as outlined by the township eligibility standards. In addition, the tax warrant will provide a degree of stability within East Chicago, Hammond, and Whiting, which have median family incomes that fall within the low- and moderate-income classification for the Gary MSA.

The bank also donated \$34,230 in community development grants to seven qualified organizations. The largest benefactor of these grants was Northwest Indiana Habitat for Humanity, with \$15,000 in donations. This community group builds affordable housing for low- and moderate-income individuals.

Further details regarding qualified investments can be found in Core Table 14a.

SERVICE TEST

Sand Ridge Bank does a good job of meeting the needs of all segments of the Gary assessment area through both its retail and community development services and is rated high satisfactory. This is evidenced by the number of community development organizations with which the bank is involved and by the availability of alternate delivery systems.

Retail Services

Delivery systems are reasonably accessible to essentially all portions of the bank's assessment area. Services do not vary in a way that inconveniences portions of the assessment area, particularly low- and moderate-income individuals and/or geographies.

The institution has a total of seven branches and 18 ATMs in the Gary assessment area. All seven branches maintain extended hours on Friday evening and also participate in Saturday banking hours. Banking hours are tailored to convenience this assessment area's customers. There are an additional 17 bank-owned ATMs in this MSA, a majority of which have 24-hour access. No branches or ATMs are located in a low- or moderate-income tract. One new branch was opened since the previous examination—the bank's Crown Point Office. This branch is located in an upper-income geography and includes an onsite ATM. See Core Table 15a for more details regarding the branch system.

Alternate delivery systems discussed previously, including automated account access through "Banking On Call," customer call center, Internet website, and on-line banking services (for subscribers), are accessible to customers and others throughout this MSA. All products and services, including free checking, are available at the various banking locations.

Community Development Services

The level of community development service activities provided by bank representatives in the Gary MSA is relatively high and is the strongest of all five assessment areas. This is due to the fact that the bank is headquartered here and has more branches and employees in this area than other assessment areas. Furthermore, there are many grassroots and other qualified organizations operating in this area providing numerous opportunities for participation in community development activities.

A review of CRA service hours accumulated since the previous evaluation indicates that bank representatives provided community development service activities to such organizations as the Northwest Indiana Trade Association, Highland Kiwanis, Salvation Army, Catholic Charities, Meals on Wheels, and the Greater Hammond Community Service. In addition, a first-time homebuyer seminar was conducted for low- and moderate-income families.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE LAFAYETTE MSA ASSESSMENT AREA

The bank operates within Tippecanoe County and Clinton County, which make up the Lafayette MSA assessment area. This assessment area encompasses both urban and rural areas. Sand Ridge Bank operates three branches in the Lafayette MSA assessment area, two of them located in Lafayette, Indiana and one in Rossville, Indiana. The bank's Lafayette MSA assessment area consists of 38 census tracts, 37 in Tippecanoe County and one in Clinton County. The bank has adopted a more general business strategy to facilitate all forms of banking: consumer, commercial, and agriculture.

The bank has \$34,820,000 in deposits in its branches in the Lafayette MSA assessment area. Deposits from this assessment area make up 5.4% of the bank's total Indiana deposits. Based on the June 30, 2004 market share report, as produced by the FDIC, the bank maintains 1.7% of the deposit market share in the assessment area.

The bank's Lafayette MSA assessment area services a population of 154,003 people. In 2003, the Lafayette MSA faced an unemployment rate of 4.4%, which is an increase from 2002, according to the Bureau of Labor Statistics. Refer to exhibit #6 for details on the demographics of the bank's Lafayette MSA assessment area.

Exhibit #6								
Assessment Area Demographics Lafayette MSA Assessment Area								
Income Categories	Tract Distribution		Families by Tract Income		Families Below Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	4	10.5	1,006	3.0	352	35.0	6,162	18.1
Moderate-income	6	15.8	4,321	12.7	677	15.7	6,306	18.5
Middle-income	17	44.7	17,999	52.9	1,000	5.6	8,183	24.1
Upper-income	10	26.3	10,685	31.4	409	3.8	13,360	39.3
Tract Not Reported	1	2.6	0	0.0	0	0.0	0	0.0
TOTALS	38	100.0	34,011	100.0	2,438	7.2	34,011	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	4,978	76	0.2	1.5	4,703	94.5	199	4.0
Moderate-income	9,912	2,926	9.0	29.5	6,183	62.4	803	8.1
Middle-income	27,866	18,336	56.6	65.8	8,021	28.8	1,509	5.4
Upper-income	17,468	11,032	34.1	63.2	5,761	33.0	675	3.9
Tract Not Reported	0	0	0.0	0.0	0	0.0	0	0.0
TOTALS	60,224	32,370	100.0	53.7	24,668	41.0	3,186	5.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or Equal to \$1 million		Over \$1 million			
			#	%	#	%	#	%
Low-income	217	5.1	182	5.0	16	4.1		
Moderate-income	1,213	28.5	995	27.1	169	43.6		
Middle-income	1,846	43.4	1,640	44.6	126	32.5		
Upper-income	969	22.8	845	23.0	77	19.8		
Tract Not reported	13	0.3	12	0.3	0	0.0		
TOTALS	4,258	100.0	3,674	100.0	388	100.0		
Percentage of Total Businesses:				86.3	9.1			

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE LAFAYETTE MSA ASSESSMENT AREA

LENDING TEST

Lending in the Lafayette MSA assessment area is considered high satisfactory. The bank demonstrated good responsiveness to the credit needs in its assessment area. Geographic distribution of loans is excellent considering the bank's ability to service the low- and moderate-income geographies in its assessment area. The bank demonstrated good distribution of loans among low- and moderate-income individuals and small businesses.

Lending Activity: The bank's lending activity is considered good. The bank originated 174 HMDA loans, 108 small business and seven small farm loans in the Lafayette MSA assessment area. HMDA lending represents 60.2% of the loans reviewed in the Lafayette MSA assessment area. In addition, lending in this assessment area makes up 18.2% of loans originated in the State of Indiana. Details of the lending volume for the Lafayette MSA assessment area can be found in Core Table 1a.

Geographic and Borrower Distribution: The geographic distribution of residential real estate loans reflects excellent penetration throughout the low- and moderate-income geographies of the assessment area and is rated outstanding. The geographic distribution of small business loans and farm loans is consistent with real estate lending and reflects excellent penetration throughout the low- and moderate-income census tracts. Refer to Core Tables 2a through 7b for further detail.

The bank showed good responsiveness to the credit needs of low- and moderate-income individuals in its assessment area and is rated high satisfactory. Most notably, the lending to low- and moderate-income individuals for refinance of home purchase loans demonstrated a good distribution of loans. Low- and moderate-income individuals held 30.5% of refinance loans while making up 36.6% of the population in the assessment area. This percentage compares favorably to aggregate lenders for refinance loans at 23.3%. Of the 108 small business loans, 82.4% were made to businesses with gross annual revenues of \$1 million or less which significantly exceeded aggregate lenders at 44.1% and compares favorably to the number of businesses at 86.3%. In addition, 74.1% of the small business loans were made in amounts of \$100,000 or less. For details on the distribution of loans by borrower income, refer to Core Tables 8a through 12b.

INVESTMENT TEST

Investment test performance in the Lafayette MSA assessment area is considered needs to improve. The bank made a poor level of qualified investments and has not made use of innovative or complex qualified investments.

As described in the investment section for the State of Indiana, the bank purchased a HUD series 1999-A bond that does not specifically target the Lafayette assessment area; rather, it targets the entire state with some benefit to the Lafayette MSA assessment area. HUD provided a list of communities that benefited from the series 1999-A bond; Lafayette, Indiana was one of them. Outside of this state bond, the bank did not make any other qualified investments in the Lafayette MSA assessment area.

SERVICE TEST

Sand Ridge Bank does an adequate job of meeting the needs of all segments of the Lafayette assessment area through its retail and community development services and is rated low satisfactory.

Retail Services

Sand Ridge Bank's service delivery systems are reasonably accessible to geographies and individuals of different income levels in the Lafayette assessment area. There has been no opening or closing of branches or ATMs since the previous examination. The institution has three branches in the Lafayette assessment area, two of which are located in a moderate-income tract. There are three ATMs distributed throughout the assessment area, and two are also located in a moderate-income tract.

Services offered do not vary among the branches in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and individuals. The hours of operation are accommodating to customers. All branches offer extended lobby and drive-thru hours on Friday and are open on Saturday mornings.

Community Development Services:

Sand Ridge Bank provides an adequate number of community development services in the Lafayette area. The institution provides financial knowledge to the Salvation Army and the Builders Association of Greater Lafayette. Both organizations assist families in need with obtaining food, housing, or employment. While performance is adequate given the amount of time the bank has been operating in this area, opportunities exist for the bank to expand the services provided to the community due to the presence of low- and moderate-income tracts in Tippecanoe County.

NON-METROPOLITAN STATEWIDE AREA

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NON-MSA INDIANA ASSESSMENT AREA - CARROLL COUNTY

The bank operates in Carroll County which makes up the non-metropolitan Indiana assessment area of the bank. The assessment area is comprised of mostly rural areas. Sand Ridge Bank operates three branches in Carroll County. The bank's non-metropolitan Indiana assessment area consists of seven census tracts. The bank tailors its business strategy to facilitate banking for the agriculture sector which is the largest business sector in the county.

The bank has \$68,298,000 in deposits in its branches in the non-metropolitan Indiana assessment area. Deposits from this assessment area make up 10.6% of the bank's total Indiana deposits. Based on the June 30, 2004 market share report, as produced by the FDIC, the bank maintains 31.8% of the deposit market share in the assessment area.

The bank's non-metro Indiana assessment area services a population of 20,165 people. In 2003, Carroll County faced an unemployment rate of 5.4%, which is an increase from 2002, according to the Bureau of Labor Statistics. Refer to exhibit #7 for details on the demographics of the bank's Lafayette MSA assessment area.

Exhibit #7								
Assessment Area Demographics								
Non-Metropolitan Indiana Assessment Area								
Income Categories	Tract Distribution		Families by Tract Income		Families Below Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	797	14.1
Moderate-income	0	0.0	0	0.0	0	0.0	928	16.4
Middle-income	6	85.7	4,934	87.4	207	4.2	1,518	26.9
Upper-income	1	14.3	714	12.6	37	5.2	2,405	42.6
Tract Not Reported	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	7	100.0	5,648	100.0	244	4.3	5,648	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0	0.0	0.0	0	0.0
Moderate-income	0	0	0.0	0	0.0	0.0	0	0.0
Middle-income	7,693	5,327	86.6	69.2	1,452	18.9	914	11.9
Upper-income	982	825	13.4	84.0	114	11.6	43	4.4
Tract Not Reported	0	0	0.0	0.0	0	0.0	0	0.0
TOTALS	8,675	6,152	100.0	70.9	1,566	18.1	957	11.0
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or Equal to \$1 million		Over \$1 million			
			#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	609	89.6	533	89.0	41	93.2		
Upper-income	71	10.4	66	11.0	3	6.8		
Tract Not reported	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	680	100.0	599	100.0	44	100.0		
Percentage of Total Businesses:					88.1		6.5	
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or Equal to \$1 million		Over \$1 million			
			#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	176	83.4	171	83.4	5	83.3		
Upper-income	35	16.6	34	16.6	1	16.7		
Tract Not reported	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	211	100.0	205	100.0	6	100.0		
Percentage of Total Farms:					88.1		2.8	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NON-MSA INDIANA ASSESSMENT AREA

LENDING TEST

Lending in the non-metro Indiana assessment area is considered high satisfactory. The bank demonstrated a good responsiveness to the credit needs in its assessment area. The bank's distribution of loans is adequate considering there are no low- and moderate-income geographies in its assessment area. The bank demonstrated an excellent distribution of loans among low- and moderate-income individuals and small businesses.

Lending Activity: The bank's lending activity is considered good. The bank originated 260 HMDA loans, 88 small business loans, and 104 small farm loans in the non-metro Indiana assessment area. HMDA lending represents 57.5% of the loans reviewed in the assessment area. In addition, HMDA-reportable, small business, and small farm lending in the assessment area makes up 28.5% of the loans reviewed in the State of Indiana. Details of the lending volume for the non-MSA Indiana assessment area can be found in Core Table 1a.

Geographic and Borrower Distribution: The geographic distribution of loans reflects an adequate level of penetration throughout the assessment area and is rated low satisfactory. There are no low- and moderate-income geographies in the non-metro Indiana assessment area. The distribution of loans is consistent with the geographic composition of the assessment area. Further details regarding geographic distribution can be found in Core Tables 2a through 7b.

The bank's distribution of loans by borrower income reflects an excellent distribution among individuals of different income levels and businesses of different sizes and is rated outstanding. Most notably, real estate lending demonstrated an excellent distribution of loans to low- and moderate-income individuals. Low- and moderate-income individuals held a 47.6% share of home improvement loans in the non-MSA Indiana assessment area. This is significant because 30.5% of the families in the non-MSA Indiana assessment area are low- and moderate-income. In addition, the distribution of real estate loans is either consistent with or exceeds the performance of all aggregate real estate lending in this assessment area. Furthermore, Sand Ridge Bank showed leadership, especially in home improvement lending. The bank holds 66.7% of the market share of all home improvement lending with low-income borrowers and 26.7% with moderate-income borrowers. Regarding small farm loans, 92.3% of the bank's loans were to farms with gross annual revenues of \$1 million or less, which compares favorably to aggregate lenders at 92.9%. For small business loans, 88.6% were to businesses with gross annual revenues of \$1 million or less, which far exceeds the aggregate at 47.9%. For details on the distribution of loans by borrower income, refer to Core Tables 8a through 12b.

INVESTMENT TEST

Investment test performance in the non-metro Indiana assessment area is considered needs to improve. The bank made a poor level of qualified investments and did not make use of innovative or complex qualified investments.

As noted in the investment section for the State of Indiana, the bank purchased an Indiana Housing Finance Authority (IHFA) Single Family Mortgage Revenue Bond, 2000 Series-D, in the amount of \$1,087,044 in the third quarter of 2002. The IHFA bonds cover the entire State of Indiana, and it is difficult to determine how much of the bank's actual investment benefited its non-metro Indiana assessment area. However, IHFA developed a list of counties that benefited from the 2000 Series D bonds, and Clinton County was one of the benefiting counties. Outside of this state bond, the bank did not make any other community development investments in the Lafayette MSA assessment area.

SERVICE TEST

Performance on the service test is considered adequate based on the analyses of retail banking services and community development services discussed below and is rated low satisfactory.

Retail Services

Sand Ridge Bank's service delivery systems are accessible to geographies and individuals of different income levels in the Indiana non-metropolitan assessment area. There has been no opening or closing of branches or ATMs since the previous examination.

The institution has three branches located throughout the assessment area; however, none is situated in a low- or moderate-income census tract. Three ATMs are distributed throughout the assessment area, with each branch location operating an onsite machine.

All alternative delivery methods, including the website, automated "Banking on Call" service, and call center are available to this locale. The services offered do not vary among the branches in a way that inconveniences individuals in the area. The hours of operation are accommodating to customers. All branches offer extended lobby and drive-thru hours on Friday and are open on Saturday mornings.

Community Development Services

Sand Ridge Bank provides an adequate level of community development services throughout the non-metropolitan area of Indiana. The bank provided financial knowledge through various director and board member positions to Flora Apartments, Inc., Area IV Development Corporation, Dollars for Scholars, and Delphi Housing, Inc. Three of the four organizations attempt to secure financing for low- and moderate-income families. The fourth service (Dollars for Scholars) provides scholarships and counseling to underprivileged families.

STATE OF MICHIGAN

CRA RATING FOR MICHIGAN:

The lending test is rated: High Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: Low Satisfactory

The major factors supporting the institution's rating include:

Lending Test

- Sand Ridge Bank demonstrated good responsiveness to the credit needs in its assessment areas.
- The geographic distribution of loans is adequate, considering the bank's ability to service its assessment areas.
- The bank demonstrated a good distribution of loans among low- and moderate-income individuals and to small farms and small businesses.

Investment Test

- The bank made an adequate level of qualified investments in its assessment areas.
- The bank did not use innovative qualified investments.
- The bank demonstrated an adequate responsiveness to the community development needs in its assessment areas.

Service Test

- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the assessment areas.
- Retail services do not vary in a way that inconveniences the assessment areas.
- Sand Ridge Bank provided a low level of community development services.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MICHIGAN

The bank operates within two counties that make up two assessment areas in the State of Michigan. The assessment areas are comprised of small urban areas and large rural communities. Sand Ridge Bank operates two branches in the state. The bank's Michigan assessment areas consist of sections of the Grand Rapids MSA # 3000, and all of Barry County, which is a non-MSA county. Due to the different competitive markets, the bank has had difficulty penetrating the highly competitive market of Grand Rapids. In the state, the bank is primarily a consumer lender, with little consumer real estate lending, and the bank focused its lending to better service that specific lending need.

The bank has \$49,541,000 in deposits in the State of Michigan. Michigan deposits make up 7.1% of the bank's total deposits. The bank maintains 4.9% of the deposit market share over the two counties in which it operates and competes with 17 other institutions for deposits.

The bank's Michigan assessment areas service a population of 71,959 people. In 2003, the State of Michigan faced an unemployment rate of 7.1%, which is an increase of 0.9% from 2002, according to the Bureau of Labor Statistics.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MICHIGAN

LENDING TEST

The bank's lending in the State of Michigan is considered high satisfactory. The bank demonstrated good responsiveness to the credit needs in its assessment area. The geographic distribution of loans is adequate considering there are no low- and moderate-income geographies in its assessment areas. The bank demonstrated good distribution of loans among low- and moderate-income individuals and small businesses.

Lending Activity: The bank's lending activity is considered good. The bank originated 160 HMDA loans, 37 small business loans, and no small farm loans in its assessment areas in the State of Michigan. HMDA lending in the state represents 9.0% of the bank's total lending in its combined assessment areas, both in Michigan and Indiana. In addition, 6.9% small business loans were originated in the State of Michigan. Details of the lending volume for the State of Michigan can be found in Core Table 1b.

Geographic and Borrower Distribution: The geographic distribution of loans reflects an adequate level of penetration throughout the geographies of the assessment areas and is consistent with the geographic composition considering there are no low- and moderate-income tracts.

The bank's distribution of loans by borrower income reflects a good distribution among individuals of different income levels and businesses of different sizes. Most notably, the lending to small business demonstrates excellent distribution in the non-MSA assessment area. Refer to the individual assessment area performance tests for details.

INVESTMENT TEST

The bank is rated low satisfactory for the investment test in the State of Michigan. The bank purchased a Michigan Housing Development Authority (MHDA) Single Family Mortgage Revenue Bond, 1997 Series-E, in the amount of \$1,048,160 in 2003. The MHDA bond covers the entire State of Michigan, and it is difficult to determine how much of the bank's actual investment benefited its assessment areas in the state. MHDA restricts the eligibility to purchase a home with MHDA financing to low- and moderate-income families.

SERVICE TEST

The bank's performance relative to the service test in Michigan is considered low satisfactory based upon a review of the distribution of its branches and ATMs, the range and accessibility of its delivery systems, products and services, record of opening and closing branches, branch hours of operation, and community development services. Alternate delivery systems are accessible and hours of operation do not inconvenience customers. The bank participated in one community development service. It holds deposit accounts for the Interest on Lawyer Trust Accounts (IOLTA). The IOLTA program generates funds to help provide legal services for low- and moderate-income individuals. Currently, the bank is maintaining six accounts for the IOLTA program.

NON-METROPOLITAN STATEWIDE AREA

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NON-METROPOLITAN MICHIGAN ASSESSMENT AREA

The bank operates in Barry County, which makes up the non-metropolitan Michigan assessment area of the bank. Barry County is located in the southwest part of the state. Almost half the land in Barry County is in farms with both livestock and produce. The county also has a manufacturing and service sector base. Sand Ridge Bank operates one branch in Barry County. The bank's non-metropolitan Michigan assessment area consists of ten census tracts.

The bank has \$41,897,000 in deposits in its branch in the non-metropolitan Michigan assessment area. Deposits from this assessment area make up 84.6% of the bank's total Michigan deposits. Based on the June 30, 2004 market share report, as produced by the FDIC, the bank maintains 12.3% of the deposit market share in the assessment area.

The bank's non-metro Michigan assessment area services a population of 56,755 people. In 2003, Barry County faced an unemployment rate of 5.0%, which is an increase from 2002, according to the Bureau of Labor Statistics. Refer to exhibit #8 for details on the demographics of the bank's non-metro Michigan assessment area.

Exhibit #8								
Assessment Area Demographics								
Non-Metropolitan Indiana Assessment Area								
Income Categories	Tract Distribution		Families by Tract Income		Families Below Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,711	10.6
Moderate-income	0	0.0	0	0.0	0	0.0	2,706	16.8
Middle-income	4	40.0	6,997	43.4	348	5.0	3,568	22.1
Upper-income	6	60.0	9,123	56.6	282	3.1	8,135	50.5
Tract Not Reported	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	10	100.0	16,120	100.0	630	3.9	16,120	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	10,341	7,655	42.4	74.0	1,573	15.2	1,113	10.8
Upper-income	13,535	10,406	57.6	76.9	1,401	10.4	1,728	12.8
Tract Not Reported	0	0	0.0	0.0	0	0.0	0	0.0
TOTALS	23,876	18,061	100.0	75.6	2,974	12.5	2,841	11.9
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or Equal to \$1 million		Over \$1 million			
			#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0		
Moderate-income	0	0.0	0	0.0	0	0.0		
Middle-income	873	48.7	792	48.5	45	50.0		
Upper-income	921	51.3	840	51.5	45	50.0		
Tract Not reported	0	0.0	0	0.0	0	0.0		
TOTALS	1,794	100.0	1,632	100.0	90	100.0		
Percentage of Total Businesses:				91.0	5.0			

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NON-METRO MICHIGAN ASSESSMENT AREA

LENDING TEST

The bank's lending in the non-metro Michigan assessment area is considered high satisfactory. The bank demonstrated a good responsiveness to the credit needs in its assessment area. The bank's distribution of loans is adequate, considering there are no low- and moderate-income geographies in

its assessment area. The bank demonstrated a good distribution of loans among low- and moderate-income individuals and small businesses.

Lending Activity: The bank's lending activity is considered good. The bank originated 153 HMDA loans, 35 small business loans, and no small farm loans in the non-metro Michigan assessment area. HMDA lending represents 81.4% of the loans reviewed in the assessment area. In addition, lending in the assessment area comprises 95.4% of loans reviewed in the State of Michigan. Details of the lending volume for the non-MSA Michigan assessment area can be found in Core Table 1b.

Geographic and Borrower Distribution: The geographic distribution of loans reflects an adequate level of penetration throughout the assessment area. There are no low- and moderate-income geographies in the non-metro Michigan assessment area. The distribution of loans is consistent with the geographic composition of the assessment area. Refer to Core Tables 2c through 6d for details on lending distribution by geography.

The bank's distribution of loans by borrower income reflects good distribution of loans among individuals of different income levels and businesses of different sizes. Most notably, real estate lending demonstrated a good distribution of loans to low- and moderate-income individuals. Low- and moderate-income individuals hold a 23.5% share of all HMDA loans reviewed in the non-metro Michigan assessment area. This is significant because 27.4% of the families in the non-metro Michigan assessment area are low- and moderate-income. In addition, the distribution of real estate loans is either consistent with or exceeds the performance of aggregate real estate lending in this assessment area. One hundred percent of the bank's small business loans were made to businesses with gross annual revenues of \$1 million or less, which far exceeds the aggregate lenders at 35.5%. Eighty percent of these loans were originated in amounts of \$100,000 or less. For details on the distribution of loans by borrower income, refer to Core Tables 8c through 11d.

INVESTMENT TEST

Investment test performance in the non-metro Michigan assessment area is considered low satisfactory. While the bank did not purchase or make any community development investments that targeted the non-metro Michigan assessment area specifically, the MHDA bond purchased in 2003 covered the broader statewide area that included the assessment area.

SERVICE TEST

Performance on the service test is considered low satisfactory based on the analyses of retail banking services and community development services discussed below.

Retail Services

One branch and two ATMs are located in the non-metro Michigan assessment area. No branches or ATMs have been opened or closed since the previous examination. The hours of operation are reasonable. The branch offers extended hours on Friday and is also open on Saturday mornings. All alternative delivery methods previously listed are available in the non-metro Michigan assessment area. Details of branch distributions can be found in Core Table 15b.

Community Development Services

The bank has provided no community development services in this assessment area. This may partially be due to the fact that the bank has only recently entered the Michigan market. However, that fact is not a great enough compensating factor to explain the lack of services. In the future, the bank will need to improve its community development services in the assessment area.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE GRAND RAPIDS MSA ASSESSMENT AREA (LIMITED REVIEW)

The bank operates within three census tracts in Allegan County which makes up the bank's Grand Rapids MSA assessment area. The assessment area encompasses small rural areas. Sand Ridge Bank operates one branch in the Grand Rapids MSA assessment area. The bank has struggled to compete for consumer real estate loans as the area is highly saturated with real estate lenders—both conventional banks and mortgage brokers.

The bank has \$7,644,000 in deposits in its branch in the Grand Rapids MSA assessment area. Deposits from this assessment area make up 15.4% of the bank's total Michigan deposits. Based on the June 30, 2004 market share report as produced by the FDIC, the bank maintains 1.1% of the deposit market share in the assessment area.

The bank's Grand Rapids MSA assessment area services a population of 15,204 people. In 2003, the Grand Rapids MSA faced an unemployment rate of 7.4%, which is an increase from 2002, according to the Bureau of Labor Statistics. Refer to exhibit #9 for details on the demographics of the bank's Grand Rapids MSA assessment area.

Exhibit #9								
Assessment Area Demographics								
Grand Rapids MSA Assessment Area								
Income Categories	Tract Distribution		Families by Tract Income		Families Below Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	679	16.3
Moderate-income	0	0.0	0	0.0	0	0.0	954	22.9
Middle-income	3	100.0	4,172	100.0	197	4.7	1,172	28.1
Upper-income	0	0.0	0	0.0	0	0.0	1,367	32.8
Tract Not Reported	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	3	100.0	4,172	100.0	197	4.7	4,172	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	5,829	4,469	100.0	76.7	881	15.1	479	8.2
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Tract Not Reported	0	0	0.0	0.0	0	0.0	0	0.0
TOTALS	5,829	4,469	100.0	76.7	881	15.1	479	8.2
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or Equal to \$1 million		Over \$1 million			
			#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0		
Moderate-income	0	0.0	0	0.0	0	0.0		
Middle-income	555	100.0	488	100.0	47	100.0		
Upper-income	0	0.0	0	0.0	0	0.0		
Tract Not reported	0	0.0	0	0.0	0	0.0		
TOTALS	555	100.0	488	100.0	47	100.0		
Percentage of Total Businesses:					87.9	8.5		

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE GRAND RAPIDS MSA ASSESSMENT AREA (LIMITED REVIEW)

LENDING TEST

Lending in the Grand Rapids MSA assessment area is considered low satisfactory. The bank demonstrated an adequate responsiveness to the credit needs in its assessment area. The distribution of loans among low- and moderate-income individuals and small businesses is adequate.

Lending Activity: The bank's lending activity is considered adequate. The bank originated seven HMDA loans, two small business loans, and no small farm loans in the Grand Rapids MSA assessment area. Details of the lending volume for the Grand Rapids MSA assessment area can be found in Core Table 1b.

Geographic and Borrower Distribution: All three tracts in the Grand Rapids MSA assessment area are considered middle-income; therefore, the geographic distribution analysis is not meaningful.

The distribution of loans by borrower income reflects an adequate distribution among individuals of different income levels and businesses of different sizes. Most notably, home loan lending to low- and moderate-income individuals is good. Of the seven HMDA-reportable loans originated, low- and moderate-income individuals held 85.7%, while making up 39.2% of the population in the assessment area. For details on the distribution of loans by borrower income, refer to Core Tables 8c through 11d.

INVESTMENT TEST

Investment test performance in the Grand Rapids MSA assessment area is considered low satisfactory. The bank made an adequate level of qualified investments and has not made use of innovative or complex qualified investments. The bank made \$3,715 in community development grants to the Barry County United Way. Although United Way provides a range of community services, its primary users are low- and moderate-income individuals.

SERVICE TEST

Sand Ridge Bank is somewhat responsive to the credit and community development needs within this assessment area. There is one branch and one ATM operating in the assessment area. The hours of operation are reasonable and alternate delivery systems are accessible. The bank does not have a strong involvement in activities and organizations that qualify under the definition of community development service. No community development services were noted in this assessment area.

CRA APPENDIX A

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED	January 1, 2003 to December 31, 2003 (lending test) May 6, 2002 to March 14, 2005 (investment and service test)		
FINANCIAL INSTITUTION Sand Ridge Bank Highland, IN			LOAN PRODUCTS REVIEWED HMDA Reportable Small Business Small Farm
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
None Reviewed			None

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED ¹	OTHER INFORMATION
INDIANA			
MSA 2960 Gary IN	Full Review	One	
MSA 3920 Lafayette IN	Full Review	None	
Non-Metro Indiana	Full Review	None	

¹There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

MICHIGAN			
MSA 3000 Grand Rapids	Limited Review	None	
Non-Metro Michigan	Full Review	None	

CRA APPENDIX B

Summary of State and Multi-state MSA Ratings

State or Multi-state Metropolitan Area Name	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall State Rating
Indiana	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Michigan	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory

CRA APPENDIX C

GLOSSARY

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 metropolitan area/assessment area.

Block numbering area (“BNA”): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census tract: 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 statistical 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.

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 (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes 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.

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

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

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

Metropolitan area (MA): 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 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

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) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

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

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

CRA APPENDIX D*

Core CRA Tables

* Tables 13a, 13b, 13c, and 13d were not used in this analysis. Information in these tables generally refers to optional lending data the bank can provide to enhance its performance. Optional data were not used in this evaluation. In addition, tables 7c, 7d, 12c, and 12d have been omitted as no small farm loans were originated nor purchased by the bank in either of the Michigan assessment areas. 45

Table 1a. Lending Volume

LENDING VOLUME		Area: Indiana						Evaluation Period: January 1, 2003 TO December 31, 2003				
MA/Assessment Area: 2003	% 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 AA*
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
FULL REVIEW												
Gary MSA – 2960	53.3	546	57,402	301	22,211	0	0	0	0	847	79,613	84.0
Lafayette MSA – 3920	18.2	174	18,612	108	9,358	7	732	0	0	289	28,702	5.4
Non-Metro Indiana	28.5	260	19,117	88	3,612	104	8,195	0	0	452	30,924	10.6

(*) Deposit data as of June 30, 2004. Rated area refers to either the state or multi-state MSA rating area.

(**) Loan data as of December 31, 2003. Rated area refers to the state rating area.

Table 1b. Lending Volume

LENDING VOLUME		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003				
MA/Assessment Area: 2003	% 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 AA*
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
FULL REVIEW												
Non-Metro Michigan	95.4	153	17,693	35	3,218	0	0	0	0	188	20,911	84.6
LIMITED REVIEW												
Grand Rapids MSA – 3000	4.6	7	613	2	368	0	0	0	0	9	981	15.4

(*) Deposit data as of June 30, 2004. Rated area refers to either the state or multi-state MSA rating area.

(**) Loan data as of December 31, 2003. Rated area refers to the state rating area.

Table 2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Area: Indiana						Evaluation Period: January 1, 2003 TO December 31, 2003						
MA/Assessment Area: 2003	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
FULL REVIEW														
Gary MSA - 2960	115	71.0	0.0	0.0	5.4	1.7	40.8	23.5	53.8	74.8	0.0	5.5	35.5	59.0
Lafayette MSA - 3920	21	13.0	0.2	4.8	9.0	9.5	56.6	33.3	34.1	52.4	0.8	7.0	48.9	43.3
Non-Metro Indiana	26	16.0	0.0	0.0	0.0	0.0	86.6	88.5	13.4	7.7	0.0	0.0	81.6	12.0

(*) Based on 2003 aggregate HMDA data only. No tract information was available for 6.4% of aggregate home purchase loans in the Non-Metro Indiana assessment area.

(**) Home purchase loans originated and purchased in the MSA/AA as a percentage of all home purchase loans originated and purchased in the rated area. No tract information was available for 3.8% of home purchase loans originated and purchased by the bank in the Non-Metro Indiana Assessment area.

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

Table 2b. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Area: Indiana						Evaluation Period: January 1, 2003 TO December 31, 2003							
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) 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	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Gary MSA - 2960	115	71.0	0.0	0.0	5.4	1.7	40.8	23.5	53.8	74.8	2.0	0.0	0.7	1.4	2.6
Lafayette MSA - 3920	21	13.0	0.2	4.8	9.0	9.5	56.6	33.3	34.1	52.4	0.6	3.7	0.8	0.4	0.8
Non-Metro Indiana	26	16.0	0.0	0.0	0.0	0.0	86.6	88.5	13.4	7.7	8.4	0.0	0.0	9.1	5.6

(*) Based on 2003 HMDA Data only.

(**) Home purchase loans originated and purchased in the MSA/AA as a percentage of all home purchase loans originated and purchased in the rated area. No tract information was available for 3.8% of home purchase loans originated and purchased by the bank in the Non-Metro Indiana assessment area.

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

Table 2c. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE												Area: Michigan		Evaluation Period: January 1, 2003 to December 31, 2003			
MA/Assessment Area: 2003	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			
FULL REVIEW																	
Non-Metro Michigan	9	90.0	0.0	0.0	0.0	0.0	42.4	66.7	57.6	33.3	0.0	0.0	40.1	59.9			
LIMITED REVIEW																	
Grand Rapids MSA – 3000	1	10.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	100.0	0.0			

(*) Based on 2003 aggregate HMDA data only.

(**) Home purchase loans originated and purchased in the MSA/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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 2d. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE												Area: Michigan		Evaluation Period: January 1, 2003 to December 31, 2003			
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) 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	Over all	Low	Mod	Mid	Upp		
FULL REVIEW																	
Non-Metro Michigan	9	90.0	0.0	0.0	0.0	0.0	42.4	66.7	57.6	33.3	0.8	0.0	0.0	1.3	0.4		
LIMITED REVIEW																	
Grand Rapids MSA – 3000	1	10.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.3	0.0	0.0	0.3	0.00		

(*) Based on 2003 HMDA Data only.

(**) Home purchase loans originated and purchased in the MSA/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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3a. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT												Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Home Improvement 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					
FULL REVIEW																			
Gary MSA – 2960	64	74.4	0.0	0.0	5.4	3.1	40.8	56.3	53.8	40.6	0.0	4.9	41.3	53.8					
Lafayette MSA – 3920	1	1.2	0.2	0.0	9.0	0.0	56.6	0.0	34.1	100.0	0.0	9.4	58.7	31.8					
Non-Metro Indiana	21	24.4	0.0	0.0	0.0	0.0	86.6	76.2	13.4	23.8	0.0	0.0	70.5	25.0					

(*) Based on 2003 Aggregate HMDA Data only. No tract information was available for 4.5% of aggregate home improvement loans in the Non-Metro Indiana assessment area.

(**) Home improvement loans originated and purchased in the MSA/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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3b. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT												Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) 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	Over all	Low	Mod	Mid	Upp				
FULL REVIEW																			
Gary MSA – 2960	64	74.4	0.0	0.0	5.4	3.1	40.8	56.3	53.8	40.6	9.7	0.0	6.5	12.8	7.5				
Lafayette MSA – 3920	1	1.2	0.2	0.0	9.0	0.0	56.6	0.0	34.1	100.0	0.4	0.0	0.0	0.0	1.4				
Non-Metro Indiana	21	24.4	0.0	0.0	0.0	0.0	86.6	76.2	13.4	23.8	32.3	0.0	0.0	34.0	31.3				

(*) Based on 2003 HMDA Data only.

(**) Home improvement loans originated and purchased in the MSA/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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census Information.

Table 3c. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003						
MA/Assessment Area: 2003	Total Home Improvement 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
FULL REVIEW														
Non-Metro Michigan	14	100.0	0.0	0.0	0.0	0.0	42.4	57.1	57.6	42.9	0.0	0.0	46.5	53.5
LIMITED REVIEW														
Grand Rapids MSA - 3000	0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0

(*) Based on 2003 Aggregate HMDA Data only.

(**) Home improvement loans originated and purchased in the MSA/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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3d. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003							
MA/Assessment Area: 2003	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) 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	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Non-Metro Michigan	14	100.0	0.0	0.0	0.0	0.0	42.2	57.1	57.6	42.9	8.2	0.0	0.0	9.9	6.7
LIMITED REVIEW															
Grand Rapids MSA - 3000	0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

(*) Based on 2003 HMDA Data only.

(**) Home improvement loans originated and purchased in the MSA/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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census Information.

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Area: Indiana		Evaluation Period: January 1, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Home Refinance 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			
FULL REVIEW																	
Gary MSA – 2960	367	50.2	0.0	0.0	5.4	1.9	40.8	36.5	53.8	61.6	0.0	3.7	34.8	61.5			
Lafayette MSA – 3920	151	20.7	0.2	0.7	9.0	7.9	56.6	61.6	34.1	29.8	0.4	6.6	51.6	41.4			
Non-Metro Indiana	213	29.1	0.0	0.0	0.0	0.0	86.6	86.4	13.4	11.3	0.0	0.0	79.4	16.2			

(*) Based on 2003 Aggregate HMDA Data only. No tract information was available for 4.4% of aggregate home refinance loans in the Non-Metro Indiana assessment area.

(**) Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area. No tract information was available for 2.3% of home mortgage refinance loans originated and purchased by the bank in the Non-Metro Indiana assessment area.

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

Table 4b. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Area: Indiana		Evaluation Period: January 1, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) 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	Over all	Low	Mod	Mid	Upp		
FULL REVIEW																	
Gary MSA – 2960	367	50.2	0.0	0.0	5.4	1.9	40.8	36.5	53.8	61.6	2.8	0.0	1.5	3.0	2.8		
Lafayette MSA – 3920	151	20.7	0.2	0.7	9.0	7.9	56.6	61.6	34.1	29.8	1.5	2.5	1.8	1.8	1.1		
Non-Metro Indiana	213	29.1	0.0	0.0	0.0	0.0	86.6	86.4	13.4	11.3	15.2	0.0	0.0	16.3	11.1		

(*) Based on 2003 HMDA Data only.

(**) Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area. No tract information was available for 2.3% of home mortgage refinance loans originated and purchased by the bank in the Non-Metro Indiana assessment area.

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

Table 4c Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Area: Michigan		Evaluation Period: January 1, 2003 to December 31, 2003			
MA/Assessment Area: 2003	Total Home Refinance 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			
FULL REVIEW																	
Non-Metro Michigan	130	95.6	0.0	0.0	0.0	0.0	42.4	48.5	57.6	51.5	0.0	0.0	39.0	61.0			
LIMITED REVIEW																	
Grand Rapids MSA – 3000	6	4.4	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	100.0	0.0			

(*) Based on 2003 Aggregate HMDA Data only.

(**) Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

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

Table 4d. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Area: Michigan		Evaluation Period: January 1, 2003 to December 31, 2003			
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) 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	Over all	Low	Mod	Mid	Upp		
FULL REVIEW																	
Non-Metro Michigan	130	95.6	0.0	0.0	0.0	0.0	42.4	48.5	57.6	51.5	2.5	0.0	0.0	3.1	2.1		
LIMITED REVIEW																	
Grand Rapids MSA – 3000	6	4.4	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.4	0.0	0.0	0.4	0.0		

(*) Based on 2003 HMDA Data only.

(**) Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

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

Table 5a Geographic Distribution of Multi-Family Loans

Geographic Distribution: MULTI-FAMILY												Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Multi-Family Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*								
	#	% of Total**	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp					
FULL REVIEW																			
Gary MSA – 2960	0	0.0	0.0	0.0	13.0	0.0	52.8	0.0	34.1	0.0	0.0	0.0	45.5	54.5					
Lafayette MSA – 3920	1	100.0	28.0	0.0	23.9	0.0	20.4	100.0	27.7	0.0	20.5	22.7	29.5	27.3					
Non-Metro Indiana	0	0.0	0.0	0.0	0.0	0.0	96.2	0.0	3.8	0.0	0.0	0.0	100.0	0.0					

(*) Based on 2003 Aggregate HMDA Data only.

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

(***) Percentage of multi-family units is the number of multi-family housing units in a particular geography divided by the number of multi-family housing units in the area based on 2000 Census information.

Table 5b. Geographic Distribution of Multi-Family Loans

Geographic Distribution: MULTI-FAMILY												Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Multi-Family Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Tract Income*								
	#	% of Total**	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp				
FULL REVIEW																			
Gary MSA – 2960	0	0.0	0.0	0.0	13.0	0.0	52.8	0.0	34.1	0.0	0.0	0.0	0.0	0.0					
Lafayette MSA – 3920	1	100.0	28.0	0.0	23.9	0.0	20.4	100.0	27.7	0.0	2.2	0.0	0.0	7.1	0.0				
Non-Metro Indiana	0	0.0	0.0	0.0	0.0	0.0	96.2	0.0	3.8	0.0	0.0	0.0	0.0	0.0					

(*) Based on 2003 Aggregate HMDA Data only.

(**) Multifamily loans originated and purchased in the MSA/AA as a percentage of all home multifamily loans originated and purchased in the rated area.

(***) Percentage of multi-family units is the number of multi-family housing units in a particular geography divided by the number of multi-family housing units in the area based on 2000 Census information.

Table 5c Geographic Distribution of Multi-Family Loans

Geographic Distribution: MULTI-FAMILY		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003						
MA/Assessment Area: 2003	Total Multi-Family Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
FULL REVIEW														
Non-Metro Michigan	0	0.0	0.0	0.0	0.0	0.0	62.8	0.0	37.2	0.0	0.0	0.0	50.0	50.0
LIMITED REVIEW														
Grand Rapids MSA - 3000	0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0

(*) Based on 2003 Aggregate HMDA Data only.

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

(***) Percentage of multi-family units is the number of multi-family housing units in a particular geography divided by the number of multi-family housing units in the area based on 2000 Census information.

Table 5d. Geographic Distribution of Multi-Family Loans

Geographic Distribution: MULTI-FAMILY		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003							
MA/Assessment Area: 2003	Total Multi-Family Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Tract Income*				
	#	% of Total**	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Non-Metro Michigan	0	0.0	0.0	0.0	0.0	0.0	62.8	0.0	37.2	0.0	0.0	0.0	0.0	0.0	0.0
LIMITED REVIEW															
Grand Rapids MSA - 3000	0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

(*) Based on 2003 Aggregate HMDA Data only.

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

(***) Percentage of multi-family units is the number of multi-family housing units in a particular geography divided by the number of multi-family housing units in the area based on 2000 Census information.

Table 6a Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003						
MA/Assessment Area: 2003	Total Small Loans to Businesses		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
FULL REVIEW														
Gary MSA – 2960	301	60.6	0.0	0.0	4.0	2.3	44.5	46.2	51.5	51.5	0.0	3.5	41.7	54.9
Lafayette MSA – 3920	108	21.7	5.1	0.0	28.5	36.1	43.4	41.7	22.8	22.2	3.6	28.6	36.3	27.2
Non-Metro Indiana	88	17.7	0.0	0.0	0.0	0.0	89.6	88.6	10.4	11.4	0.0	0.0	85.9	6.9

(*) Based on 2003 Aggregate Small Business Data only. No tract information was available for 7.1% and 4.3% of aggregate small business loans in the Non-Metro Indiana assessment area and Lafayette MSA, respectively.

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

(***) Source of Data: Dun and Bradstreet.

Table 6b. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003							
MA/Assessment Area: 2003	Total Small Loans to Businesses		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Tract Income*				
	#	% of Total**	% of Businesses* **	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Gary MSA – 2960	301	60.6	0.0	0.0	4.0	2.3	44.5	46.2	51.5	51.5	6.2	0.0	4.3	6.9	5.9
Lafayette MSA – 3920	108	21.7	5.1	0.0	28.5	36.1	43.4	41.7	22.8	22.2	3.1	0.0	3.9	3.6	2.6
Non-Metro Indiana	88	17.7	0.0	0.0	0.0	0.0	89.6	88.6	10.4	11.4	15.2	0.0	0.0	15.6	22.7

(*) Based on 2003 Aggregate Small Business Data only. No tract information was available for 7.1% and 4.3% of aggregate small business loans in the Non-Metro Indiana assessment area and Lafayette MSA, respectively.

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

(***) Source of Data: Dun and Bradstreet.

Table 6c Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Area: Michigan				Evaluation Period: January 1, 2003 to December 31, 2003						
MA/Assessment Area: 2003	Total Small Loans to Businesses		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA 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
FULL REVIEW														
Non-Metro Michigan	35	94.6	0.0	0.0	0.0	0.0	48.7	51.3	51.4	48.6	0.0	0.0	40.6	55.5
LIMITED REVIEW														
Grand Rapids MSA – 3000	2	5.4	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	100.0	0.0

(*) Based on 2003 Aggregate Small Business Data only. No tract information was available for 3.9% of aggregate small business loans in the Non-Metro Michigan assessment area.

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

(***) Source of Data: Dun and Bradstreet.

Table 6d. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Area: Michigan				Evaluation Period: January 1, 2003 to December 31, 2003							
MA/Assessment Area: 2003	Total Small Loans to Businesses		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Tract Income*				
	#	% of Total**	% of Businesses* **	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Non-Metro Michigan	35	94.6	0.0	0.0	0.0	0.0	48.7	51.4	51.3	48.6	3.2	0.0	0.0	3.9	2.7
LIMITED REVIEW															
Grand Rapids MSA – 3000	2	5.4	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.4	0.0	0.0	0.4	0.0

(*) Based on 2003 Aggregate Small Business Data only. No tract information was available for 3.9% of aggregate small business loans in the Non-Metro Michigan assessment area.

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

(***) Source of Data: Dun and Bradstreet.

Table 7a. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS				Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003						
MA/Assessment Area: 2003	Total Small Loans to Farms		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Low	Mod	Mid	Upp
FULL REVIEW														
Gary MSA – 2960	0	0.0	0.0	0.0	0.0	0.0	56.5	0.0	43.5	0.0	0.0	0.0	66.7	33.3
Lafayette MSA – 3920	7	6.3	0.0	0.0	2.1	0.0	76.3	100.0	21.6	0.0	0.0	3.5	74.0	20.8
Non-Metro Indiana	104	93.7	0.0	0.0	0.0	0.0	83.4	81.7	16.6	18.3	0.0	0.0	83.9	13.4

(*) Based on 2003 Aggregate Small Farm Data only. No tract information was available for 2.7% and 1.8% of aggregate small farm loans in the Non-Metro Indiana assessment area and Lafayette MSA, respectively.

(**) Small loans to farms originated and purchased in the MSA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

(***) Source of Data: Dun and Bradstreet.

Table 7b. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS				Area: Indiana				Evaluation Period: January 1, 2003 TO December 31, 2003							
MA/Assessment Area: 2003	Total Small Loans to Farms		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Tract Income*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Gary MSA – 2960	0	0.0	0.0	0.0	0.0	0.0	56.5	0.0	43.5	0.0	0.0	0.0	0.0	0.0	0.0
Lafayette MSA – 3920	7	6.3	0.0	0.0	2.1	0.0	76.3	100.0	21.6	0.0	3.9	0.0	0.0	5.2	0.0
Non-Metro Indiana	104	93.7	0.0	0.0	0.0	0.0	83.4	81.7	16.6	18.3	31.7	0.0	0.0	31.1	38.8

(*) Based on 2003 Aggregate Small Farm Data only. No tract information was available for 2.7% and 1.8% of aggregate small farm loans in the Non-Metro Indiana assessment area and Lafayette MSA, respectively.

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

(***) Source of Data: Dun and Bradstreet.

Table 8a Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Area: Indiana						Evaluation Period: January 1, 2003 TO December 31, 2003						
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) by Borrower Income **			
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Low	Mod	Mid	Upp
FULL REVIEW														
Gary MSA – 2960	115	71.0	12.6	4.3	15.8	16.5	22.9	30.4	48.7	43.5	8.4	22.1	24.9	29.1
Lafayette MSA – 3920	21	13.0	18.1	9.5	18.5	14.3	24.1	28.6	39.3	38.1	10.7	22.4	24.9	26.1
Non-Metro Indiana	26	16.0	14.1	11.5	16.4	30.8	26.9	38.5	42.6	19.2	8.1	26.1	24.0	19.0

(*) Home purchase loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 5.2% and 9.5% of loans originated and purchased by the bank in the Gary MSA assessment area and Lafayette MSA assessment area, respectively.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 15.6%, 15.9%, and 22.6% of aggregate loans originated and purchased in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(***) Home purchase loans originated and purchased in the MSA/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.

Table 8b. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Area: Indiana						Evaluation Period: January 1, 2003 TO December 31, 2003							
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Borrower Income***				
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Gary MSA – 2960	115	71.0	12.6	4.3	15.8	16.5	22.9	30.4	48.7	43.5	2.0	1.1	1.5	2.5	3.0
Lafayette MSA – 3920	21	13.0	18.1	9.5	18.5	14.3	24.1	28.6	39.3	38.1	0.6	0.6	0.4	0.7	0.9
Non-Metro Indiana	26	16.0	14.1	11.5	16.4	30.8	26.9	38.5	42.6	19.2	8.4	11.5	9.8	12.8	8.5

(*) Home purchase loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 5.2% and 9.5% of loans originated and purchased by the bank in the Gary MSA assessment area and Lafayette MSA assessment area, respectively.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 15.6%, 15.9%, and 22.6% of aggregate loans originated and purchased in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(***) Home purchase loans originated and purchased in the MSA/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.

Table 8c Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003						
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) by Borrower Income **			
	#	% of Total***	% Fami- lies****	% BANK Loans*	% Fami- lies****	% BANK Loans*	% Fami- lies****	% BANK Loans*	% Fami- lies****	% BANK Loans*	Low	Mod	Mid	Upp
FULL REVIEW														
Non-Metro Michigan	9	90.0	10.6	11.1	16.8	11.1	22.1	33.3	50.5	22.2	4.8	16.8	19.8	36.2
LIMITED REVIEW														
Grand Rapids MSA – 3000	1	10.0	16.3	0.0	22.9	100.0	28.1	0.0	32.8	0.0	10.6	29.0	20.8	19.4

(*) Home purchase loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 22.2% of loans originated and purchased by the bank in the Non-Metro Michigan assessment area.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 22.5% and 20.2% of aggregate loans originated and purchased in the Non-Metro Michigan and Grand Rapids MSA assessment areas, respectively.

(***) Home purchase loans originated and purchased in the MSA/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.

Table 8d. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Area: Michigan						Evaluation Period: January 1, 2003 to December 31, 2003							
MA/Assessment Area: 2003	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Borrower Income***				
	#	% of Total***	% Fami- lies****	% BANK Loans*	% Fami- lies****	% BANK Loans*	% Fami- lies****	% BANK Loans*	% Fami- lies****	% BANK Loans*	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Non-Metro Michigan	9	90.0	10.6	11.1	16.8	11.1	22.1	33.3	50.5	22.2	0.8	1.8	0.5	1.3	0.5
LIMITED REVIEW															
Grand Rapids MSA – 3000	1	10.0	16.3	0.0	22.9	100.0	28.1	0.0	32.8	0.0	0.3	0.0	1.0	0.0	0.0

(*) Home purchase loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 22.2% of loans originated and purchased by the bank in the Non-Metro Michigan assessment area.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 22.5% and 20.2% of aggregate loans in the Non-Metro Michigan and Grand Rapids MSA assessment areas, respectively.

(***) Home purchase loans originated and purchased in the MSA/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.

Table 9a Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Area: Indiana								Evaluation Period: January 1, 2003 TO December 31, 2003				
MA/Assessment Area: 2003	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) by Borrower Income**			
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Low	Mod	Mid	Upp
FULL REVIEW														
Gary MSA – 2960	64	74.4	12.6	12.5	15.8	21.9	22.9	37.5	48.7	25.0	12.1	19.0	31.4	34.8
Lafayette MSA – 3920	1	1.2	18.1	0.0	18.5	100.0	24.1	0.0	39.3	0.0	18.4	19.7	33.6	25.6
Non-Metro Indiana	21	24.4	14.1	28.6	16.4	19.0	26.9	19.0	42.6	33.3	6.8	25.0	31.8	31.8

(*) Home improvement loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 3.1% of loans originated and purchased by the bank in the Gary MSA assessment area.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 2.7%, 2.7%, and 4.5% of aggregate loans originated and purchased in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(***) Home improvement loans originated and purchased in the MSA/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.

Table 9b. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Area: Indiana								Evaluation Period: January 1, 2003 TO December 31, 2003					
MA/Assessment Area: 2003	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%)**				
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Gary MSA – 2960	64	74.4	12.6	12.5	15.8	21.9	22.9	37.5	48.7	25.0	9.7	10.0	11.0	11.4	7.2
Lafayette MSA – 3920	1	1.2	18.1	0.0	18.5	100.0	24.1	0.0	39.3	0.0	0.5	0.0	2.3	0.0	0.0
Non-Metro Indiana	21	24.4	14.1	28.6	16.4	19.0	26.9	19.0	42.6	33.3	32.3	66.7	26.7	22.2	33.3

(*) Home improvement loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 3.1% of loans originated and purchased by the bank in the Gary MSA assessment area.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 2.7%, 2.7%, and 4.5% of aggregate loans originated and purchased in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(***) Home improvement loans originated and purchased in the MSA/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.

Table 9c Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Area: Michigan								Evaluation Period: January 1, 2003 to December 31, 2003				
MA/Assessment Area: 2003	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) by Borrower Income**			
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Low	Mod	Mid	Upp
FULL REVIEW														
Non-Metro Michigan	14	100	10.6	21.4	16.8	28.6	22.1	0.0	50.5	50.0	10.2	21.0	26.8	35.7
LIMITED REVIEW														
Grand Rapids MSA – 3000	0	0.0	16.3	0.0	22.9	0.0	28.1	0.0	32.8	0.0	18.6	25.6	27.9	20.9

(*) Home improvement loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 6.4% and 7.0% of aggregate loans originated and purchased in the Non-Metro Michigan and Grand Rapids MSA assessment areas, respectively.

(***) Home improvement loans originated and purchased in the MSA/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.

Table 9d. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Area: Michigan								Evaluation Period: January 1, 2003 to December 31, 2003					
MA/Assessment Area: 2003	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%)**				
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loan*	Over all	Low	Mod	Mid	Upp
FULL REVIEW															
Non-Metro Michigan	14	100	10.6	21.4	16.8	28.6	22.1	0.0	50.5	50.0	8.2	15.8	10.8	0.0	11.1
LIMITED REVIEW															
Grand Rapids MSA – 3000	0	0.0	16.3	0.0	22.9	0.0	28.1	0.0	32.8	0.0	0.0	0.0	0.0	0.0	0.0

(*) Home purchase loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 6.4% and 7.0% of aggregate loans originated and purchased in the Non-Metro Michigan and Grand Rapids MSA assessment areas, respectively.

(***) Home improvement loans originated and purchased in the MSA/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.

Table 10a Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE LOANS														Area: Indiana		Evaluation Period: January 01, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Home Mortgage Refinance		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) by Borrower Income**								
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Low	Mod	Mid	Upp					
FULL REVIEW																			
Gary MSA – 2960	367	50.2	12.6	5.4	15.8	13.1	22.9	30.5	48.7	46.3	5.3	14.9	24.5	35.2					
Lafayette MSA – 3920	151	20.7	18.1	9.3	18.5	21.2	24.1	29.1	39.3	38.4	7.3	16.0	24.2	33.0					
Non-Metro Indiana	213	29.1	14.1	6.6	16.4	21.6	26.9	36.6	42.6	30.5	4.7	16.0	24.6	29.8					

(*) Home refinance loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 4.6%, 2.0%, and 4.7% of loans originated and purchased by the bank in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 20.1%, 19.6%, and 24.9% of aggregate loans originated and purchased in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(***) Home refinance loans originated and purchased in the MSA/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.

Table 10b. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE LOANS														Area: Indiana		Evaluation Period: January 01, 2003 TO December 31, 2003			
MA/Assessment Area: 2003	Total Home Mortgage Refinance		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share(%) by Borrower Income**								
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Over all	Low	Mod	Mid	Upp				
FULL REVIEW																			
Gary MSA – 2960	367	50.2	12.6	5.4	15.8	13.1	22.9	30.5	48.7	46.3	2.8	2.9	2.5	3.5	3.7				
Lafayette MSA – 3920	151	20.7	18.1	9.3	18.5	21.2	24.1	29.1	39.3	38.4	1.5	1.9	2.0	1.8	1.7				
Non-Metro Indiana	213	29.1	14.1	6.6	16.4	21.6	26.9	36.6	42.6	30.5	15.2	20.0	19.4	21.0	15.5				

(*) Home refinance loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available. No information was available for 4.6%, 2.0%, and 4.7% of loans originated and purchased by the bank in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 20.1%, 19.6%, and 24.9% of aggregate loans originated and purchased in the Gary MSA, Lafayette MSA, and Non-Metro Indiana assessment areas, respectively.

(***) Home refinance loans originated and purchased in the MSA/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.

Table 10c Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE LOANS												Area: Michigan		Evaluation Period: January 01, 2003 to December 31, 2003			
MA/Assessment Area: 2003	Total Home Mortgage Refinance		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) by Borrower Income**						
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Low	Mod	Mid	Upp			
FULL REVIEW																	
Non-Metro Michigan	130	95.6	10.6	3.8	16.8	16.9	22.1	26.9	50.5	48.5	3.3	13.5	22.2	39.2			
LIMITED REVIEW																	
Grand Rapids MSA – 3000	6	4.4	16.3	16.7	22.9	66.7	28.1	0.0	32.8	16.7	7.4	20.6	29.0	23.1			

(*) Home refinance loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available; no information was available 3.8% of loans originated and purchased by the bank in the Non-Metro Michigan assessment area.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 21.9% and 19.9% of aggregate loans originated and purchased in the Non-Metro Michigan and Grand Rapids MSA assessment areas, respectively.

(***) Home refinance loans originated and purchased in the MSA/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.

Table 10d. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE LOANS												Area: Michigan		Evaluation Period: January 01, 2003 to December 31, 2003			
MA/Assessment Area: 2003	Total Home Mortgage Refinance		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share(%) by Borrower Income**						
	#	% of Total***	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	% Families****	% BANK Loans*	Over all	Low	Mod	Mid	Upp		
FULL REVIEW																	
Non-Metro Michigan	130	95.6	10.6	3.8	16.8	16.9	22.1	26.9	50.5	48.5	2.5	2.9	3.1	3.0	3.1		
LIMITED REVIEW																	
Grand Rapids MSA – 3000	6	4.4	16.3	16.7	22.9	66.7	28.1	0.0	32.8	16.7	0.4	1.0	1.4	0.0	0.3		

(*) Home refinance loans originated and purchased in the MSA/AA as a percentage of loans with borrower income information available; no information was available 3.8% of loans originated and purchased by the bank in the Non-Metro Michigan assessment area.

(**) Based on 2003 Aggregate HMDA data only; no information was available for 21.9% and 19.9% of aggregate loans originated and purchased in the Non-Metro Michigan and Grand Rapids MSA assessment areas, respectively.

(***) Home refinance loans originated and purchased in the MSA/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.

Table11a Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Area: Indiana		Evaluation Period: January 01, 2003 TO December 31, 2003		
MA/Assessment Area: 2003	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		% of Loans by Original Amount Regardless of Business Size			Aggregate Lending Data by Business Revenue***	
	#	% of Total****	% of Businesses*	% BANK Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	% of Loans to Businesses with Revenues \$ 1 Million or Less
FULL REVIEW									
Gary MSA - 2960	301	60.6	86.8	84.7	80.7	13.0	6.3	3,520	36.3
Lafayette MSA - 3920	108	21.7	86.3	82.4	74.1	16.7	9.3	3,355	44.1
Non-Metro Indiana	88	17.7	88.1	88.6	89.8	8.0	2.3	491	47.9

(*) Businesses with revenues of \$1 million or less as a percentage of all businesses.

(**) Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

(***)Based on 2003 Aggregate Small Business Data only.

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

Table11b. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Area: Indiana		Evaluation Period: January 01, 2003 TO December 31, 2003		
MA/Assessment Area: 2003	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		% of Loans by Original Amount Regardless of Business Size			Market Share (%) by Business Revenue***	
	#	% of Total****	% of Businesses*	% BANK Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	Overall	Rev \$ 1 Million or Less
FULL REVIEW									
Gary MSA - 2960	301	60.6	86.8	84.7	80.7	13.0	6.3	6.2	13.4
Lafayette MSA - 3920	108	21.7	86.3	82.4	74.1	16.7	9.3	3.1	5.7
Non-Metro Indiana	88	17.7	88.1	88.6	89.8	8.0	2.3	15.2	24.9

(*) Businesses with revenues of \$1 million or less as a percentage of all businesses.

(**) Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

(***)Based on 2003 Aggregate Small Business Data only.

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

Table11c Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Area: Michigan			Evaluation Period: January 01, 2003 to December 31, 2003		
MA/Assessment Area: 2003	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		% of Loans by Original Amount Regardless of Business Size			Aggregate Lending Data by Business Revenue***		
	#	% of Total****	% of Businesses*	% BANK Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	% of Loans to Businesses with Revenues \$ 1 Million or Less	
FULL REVIEW										
Non-Metro Michigan	35	94.6	91.0	100.0	80.0	11.4	8.6	1,094	35.5	
LIMITED REVIEW										
Grand Rapids MSA - 3000	2	5.4	87.9	100.0	50.0	0.0	50.0	216	35.3	

(*) Businesses with revenues of \$1 million or less as a percentage of all businesses.

(**) Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

(***)Based on 2003 Aggregate Small Business Data only.

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

Table11d. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Area: Michigan			Evaluation Period: January 01, 2003 to December 31, 2003		
MA/Assessment Area: 2003	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		% of Loans by Original Amount Regardless of Business Size			Market Share (%) by Business Revenue***		
	#	% of Total****	% of Businesses*	% BANK Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	Overall	Rev \$ 1 Million or Less	
FULL REVIEW										
Non-Metro Michigan	35	94.6	91.0	100.0	80.0	11.4	8.6	3.1	8.3	
LIMITED REVIEW										
Grand Rapids MSA - 3000	2	5.4	87.9	100.0	50.0	0.0	50.0	0.4	1.1	

(*) Businesses with revenues of \$1 million or less as a percentage of all businesses.

(**) Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

(***)Based on 2003 Aggregate Small Business Data only.

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

Table12a Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Area: Indiana		Evaluation Period: January 01, 2003 TO December 31, 2003		
MA/Assessment Area: 2003	Total Small Farm Loans		Farms With Revenues of \$1 million or less		% of Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data(%) by Farm Revenue***	
	#	% of Total****	% of Farms*	% BANK Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	% of Loans to Farms with Revenues \$ 1 Million or Less
FULL REVIEW									
Gary MSA - 2960	0	0.0	98.4	0.0	0.0	0.0	0.0	6	100.0
Lafayette MSA - 3920	7	6.3	98.2	100.0	57.1	28.6	14.3	173	91.3
Non-Metro Indiana	104	93.7	97.2	92.3	76.9	14.4	8.7	224	92.9

(*) Farms with revenues of \$1 million or less as a percentage of all farms.

(**) Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms.

(***)Based on 2003 Aggregate Small Farm Data only.

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

Table12b. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Area: Indiana		Evaluation Period: January 01, 2003 TO December 31, 2003		
MA/Assessment Area: 2003	Total Small Farm Loans		Farms With Revenues of \$1 million or less		% of Loans by Original Amount Regardless of Farm Size			Market Share (%) by Farm Revenue***	
	#	% of Total****	% of Farms*	% BANK Loans**	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	Overall	Rev \$ 1 Million or Less
FULL REVIEW									
Gary MSA - 2960	0	0.0	98.4	0.0	0.0	0.0	0.0	0.0	0.0
Lafayette MSA - 3920	7	6.3	98.2	100.0	57.1	28.6	14.3	3.9	4.2
Non-Metro Indiana	104	93.7	97.2	92.3	76.9	14.4	8.7	31.7	31.6

(*) Farms with revenues of \$1 million or less as a percentage of all farms.

(**) Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms.

(***)Based on 2003 Aggregate Small Farm Data only.

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

Table 14a Qualified Investments

QUALIFIED INVESTMENTS				Area : Indiana		Evaluation Period: May 6,2002 TO March 14, 2005			
MA/Assessment Area: 2003	Prior Period Investments*		Current Period Investments***		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
FULL REVIEW									
Overall Indiana***	1	314	3	1,815	4	2,129	52.5	0	0
Gary MSA - 2960	0	0	8	1,924	8	1,924	47.5	0	0
Lafayette MSA - 3920	0	0	0	0	0	0	0.0	0	0
Non-Metro Indiana	0	0	0	0	0	0	0.0	0	0

(*) "Prior period investments" means investments made in a previous evaluation period that are outstanding as of the examination date.

(**)"Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

(***) The bank made various CRA investments that are not attributable to any specific assessment area but rather cover the broader statewide region that includes the assessment areas. Refer to the individual state sections of the Public Evaluation for details.

Table 14b. Qualified Investments

QUALIFIED INVESTMENTS				Area : Michigan		Evaluation Period: May 6, 2002 TO March 14, 2005			
MA/Assessment Area: 2003	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
FULL REVIEW									
Overall Michigan***	0	0	1	1,048	1	1,048	99.6	0	0
Non-Metro Michigan	0	0	0	0	0	0	0.0	0	0
LIMITED REVIEW									
Grand Rapids MSA - 3000	0	0	2	4	2	4	0.4	0	0

(*) "Prior period investments" means investments made in a previous evaluation period that are outstanding as of the examination date.

(**)"Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system.

(***) The bank made various CRA investments that are not attributable to any specific assessment area but rather cover the broader statewide region that includes the assessment areas. Refer to the individual state sections of the Public Evaluation for details.

Table 15a Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Area: Indiana				Evaluation Period: May 6, 2002 TO March 14, 2005					
MA/Assessment Area: 2003	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 Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
FULL REVIEW																	
Gary MSA – 2960	84.0	7	53.8	0.0	0.0	42.9	57.1	1	0	0	0	0	1	0.0	6.4	41.6	52.0
Lafayette MSA – 3920	5.4	3	23.1	0.0	66.7	33.3	0.0	3	0	0	2	1	0	11.3	13.0	43.6	27.7
Non-Metro Indiana	10.6	3	23.1	0.0	0.0	66.7	33.3	3	0	0	0	2	1	0.0	0.0	87.8	12.2

(*) Demographics based on 2000 census data. 4.4% of the population are in a tract where income information was not reported.

(**) Branch openings in the Lafayette MSA and Non-Metro Indiana are a result of the merger of Bright National Bank, Lafayette, IN into Sand Ridge Bank on November 15, 2002.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Area: Michigan				Evaluation Period: May 6, 2002 TO March 14, 2005					
MA/Assessment Area: 2003	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 Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
FULL REVIEW																	
Non-Metro Michigan	84.6	1	50.0	0.0	0.0	100.0	0.0	1	0	0	0	1	0	0.0	0.0	44.3	55.7
LIMITED REVIEW																	
Grand Rapids MSA – 3000	15.4	1	50.0	0.0	0.0	100.0	0.0	1	0	0	0	1	0	0.0	0.0	100.0	0.0

(*) Demographics based on 2000 census data.

(**) Branch openings in Michigan are a result of the merger of National Bank of Hastings, Hastings, MI into Sand Ridge Bank on November 15, 2002.

