

PUBLIC DISCLOSURE

March 8, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank: Fifth Third Bank, Indiana
#976749
251 North Illinois Street, Suite 165
Indianapolis, Indiana 46204

Supervisory Agency: Federal Reserve Bank of Cleveland
P.O. Box 6387
Cleveland, Ohio 44101-1387

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

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I. GENERAL INFORMATION

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

This document is an evaluation of the Community Reinvestment Act ("CRA") performance of Fifth Third Bank, Indiana prepared by the Federal Reserve Bank of Cleveland, the institution's supervisory agency, as of March 8, 1999. The agency evaluates performance in assessment area(s) as they are delineated by the institution rather than individual branches. This assessment area evaluation may include the visits to some but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A of 12 CFR Part 228.

II. DESCRIPTION OF INSTITUTION

Fifth Third Bank, Indiana (“FTBCI”) is a subsidiary of Fifth Third Bancorp. Both FTBCI and Fifth Third Bancorp are headquartered in Cincinnati, Ohio. Other subsidiaries of Fifth Third Bancorp include banks in Ohio, Indiana, Kentucky, Florida, and Arizona; Fifth Third Community Development Company; Fifth Third Investment Company; Fountain Square Insurance Company; Calvin Hotel Company; Heartland Capital Management; Fifth Third - The Ohio Company; and State Savings Mortgage Company. Fifth Third Bancorp had total assets of \$28.9 billion as of December 31, 1998. FTBCI had total assets of \$1.469 billion as of December 31, 1998, which comprised nearly 5% of the bank holding company’s total assets.

Fifth Third Bank, Indiana operates 35 branches throughout the Greater Indianapolis Areas. These branches serve wider assessment areas which include portions of Central and Southeastern Indiana. A detailed discussion of the bank’s assessment areas can be found in the "Description of Assessment Area" section of this report. FTBCI is a full-service financial institution with a primary business focus on consumer and commercial lending, trust, and investment financial services. Table 1 presents selected financial information for Fifth Third Bank, Indiana.

Table 1	
Key Financial Information as of December 31, 1998	
(In Thousands)	
Total Assets	\$1,469,064
Total Deposits	\$762,576
Total Net Loan & Leases	\$820,896
Loans Secured by Real Estate	\$339,204
Loans Secured by 1- to 4-Family Residential Properties	\$299,722
Loans Secured by Multi-Family Residential Properties	\$0
Consumer Loans *	\$180,078
Commercial & Industrial Loans **	\$220,864

* Includes loans to individuals and credit card loans.
 ** Includes commercial & industrial loans, commercial real estate loans, and construction & development loans

Fifth Third Bank, Indiana’s asset size and financial condition indicate that it has the ability to meet the credit needs of its assessment areas. There are no legal or other impediments, which would hamper FTBCI’s ability to meet the community’s credit needs.

III. DESCRIPTION OF ASSESSMENT AREA

Fifth Third Bank, Indiana has defined two assessment areas. All assessment areas comply with the requirements of the Community Reinvestment Act and do not arbitrarily exclude low- or moderate-income geographies (i.e., census tracts, or block numbering areas). The two assessment areas were reviewed as part of this evaluation.

The first assessment area includes the entire Indianapolis Metropolitan Statistical Area ("MSA") 3480. MSA 3480 includes Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, and Shelby Counties in Indiana. This MSA also includes the city of Indianapolis and surrounding communities.

Tables 2 and 3 present relevant demographic information for MSA 3480. The area median family income for MSA 3480 is \$37,198.

Type of Geography*	# and % of Geographies	# and % of Population	# and % of Households	# and % of Families	# and % of OO** Units
Low-income	28 8.5%	76,762 5.6%	28,682 5.4%	17,063 4.6%	11,387 3.3%
Moderate-income	76 23.0%	286,943 20.8%	111,361 21.0%	72,844 19.6%	58,623 17.1%
Middle-income	152 45.9%	635,107 46.0%	247,706 46.7%	173,942 46.8%	163,066 47.6%
Upper-income	75 22.7%	381,678 27.6%	142,514 26.9%	107,835 29.0%	109,611 32.0%
Total Assessment Area	331	1,380,491	530,263	371,714	342,687

* Geographies are classified as follows: low-income geographies have median family incomes less than 50% of the area median family income, moderate-income geographies have median family income from 50% to less than 80% of the area median family income, middle-income geographies have median family income from 80% to less than 120% of the area median family income, and upper-income geographies have median family income equal to or greater than 120% of the area median family income.
 ** Owner-occupied units.

Income Level*	# of Households	% of Households	# of Families	% of Families
Low-income	117,636	22.2%	69,300	18.6%
Below Poverty Level**	51,287	9.7%	27,763	7.5%
Moderate-income	90,073	17.0%	69,039	18.6%
Middle-income	110,001	20.7%	89,562	24.1%
Upper-income	212,553	40.1%	143,813	38.7%

* Income levels are classified as follows: low-income households/families have median incomes less than 50% of the area median household/family income, moderate-income households/families have median incomes from 50% to less than 80% of the area median household/family income, middle-income households/families have median income from 80% to less than 120% of the area median household/family income, and upper-income households/families have median income equal to or greater than 120% of the area median household/family income.
 ** Subset of low-income households/families.

The assessment area has 571,246 housing units. Of these units, 60% are owner-occupied, 33% are rental units, and 7% are vacant. One- to four-family units comprise 77% of the housing stock, while multi-family units of five or more comprise 19% and mobile homes comprise 4% of the remaining housing stock. The median housing value is \$63,513, and the median gross rent is \$408 per month. The median housing age is 32 years, with 28% of the housing stock built prior to 1950.

The local economies are strong and are experiencing business development /expansion and growth in employment. Table 4 details the unemployment rates by county as compared with the respective state and national averages for March 1999.

Table 4 Unemployment Rate as of March 1998	
State of Indiana	2.9%
BooneCounty	1.8%
Hamilton County	1.2%
Hancock County	1.5%
Johnson County	1.8%
Madison County	3.4%
Marion County	2.5%
Morgan County	2.8%
Shelby County	2.5%
United States (National)	4.7%

Service, retail trade, and manufacturing are the dominant industry employers. Eli Lilly and Company (pharmaceuticals 7,500 employees), Marsh Supermarkets Inc./Village pantry Markets (grocers/retail 7,000 employees), Allison Transmission and Allison Engine Company (manufacturing 8,200 employees combined), and Anthem, Inc. (insurance/health carrier 3,000 employees), are the major employers in their respective industries.

The second assessment area is the Southeastern Indiana Assessment Area. Southeastern Indiana Assessment Area consists of a small portion of the Cincinnati Metropolitan Statistical Area 1640 which crosses the Indiana state line into Ohio and Dearborn Counties in Southeastern Indiana. In addition, the Southeastern Indiana Assessment Area includes four entire contiguous counties outside of MSA 1640. These rural counties are Decatur, Fayette, Ripley, and Rush. It should be noted that the Southeastern Indiana Assessment Area is very small comparison to the population of the Indianapolis MSA. Tables 5 and 6 present relevant demographic information for The Southeastern Indiana Assessment Area. The area median family income for the Southeastern Indiana Assessment Area is \$32,259.

TABLE 5 DEMOGRAPHIC DATA BY GEOGRAPHY					
Type of Geography*	# and % of Geographies	# and % of Population	# and % of Households	# and % of Families	# and % of OO** Units
Low-income	0 0%	0 0%	0 0%	0 0%	0 0%
Moderate-income	3 9.1%	10,587 7.8%	4,118 8.4%	2,828 7.5%	2,614 7.1%
Middle-income	28 84.8%	118,005 86.4%	42,202 85.7%	32,688 86.5%	32,100 87.0%
Upper-income	2 6.1%	7,963 5.8%	2,919 5.9%	2,283 6.0%	2,186 5.9%
Total Assessment Area	33	136,555	49,239	37,799	36,900

* Geographies are classified as follows: low-income geographies have median family incomes less than 50% of the area median family income, moderate-income geographies have median family income from 50% to less than 80% of the area median family income, middle-income geographies have median family income from 80% to less than 120% of the area median family income, and upper-income geographies have median family income equal to or greater than 120% of the area median family income.

** Owner-occupied units.

TABLE 6 DEMOGRAPHIC DATA BY INCOME LEVEL				
Income Level*	# of Households	% of Households	# of Families	% of Families
Low-income	10,690	21.7%	6,691	17.7%
Below Poverty Level**	5,280	10.7%	2,843	7.5%
Moderate-income	8,662	17.6%	7,554	20.0%
Middle-income	10,093	20.5%	9,426	24.9%
Upper-income	19,794	40.2%	14,128	37.4%

* Income levels are classified as follows: low-income households/families have median incomes less than 50% of the area median household/family income, moderate-income households/families have median incomes from 50% to less than 80% of the area median household/family income, middle-income households/families have median income from 80% to less than 120% of the area median household/family income, and upper-income households/families have median income equal to or greater than 120% of the area median household/family income.

** Subset of low-income households/families.

The assessment area has 52,917 housing units. Of these units, 70% are owner-occupied, 23% are rental units, and 7% are vacant. One- to four-family units comprise 85% of the housing stock, while multi-family units of five or more comprise 6%, and mobile homes comprise 9% of the remaining housing stock. The median housing value is \$47,796, and the median gross rent is \$314 per month. The median housing age is 46 years, with 41% of the housing stock built prior to 1950.

The local economy is stable but has experienced little growth in employment. Unemployment remains a problem in this area. Table 7 details the unemployment rates by county as compared with the state and national averages for March 1999.

Table 7 Unemployment Rates As of March 1999	
State of Indiana	2.9%
Dearborn County	3.6%
Decatur County	2.1%
Fayette County	4.6%
Ohio County	2.0%
Ripley County	3.7%
Rush County	2.6%
United States	4.7%

The service industry employs the largest number of employees followed by the retail trades and the manufacturing industry. There are 1387 establishments in the Southeastern Indiana assessment area. The majority of the businesses are small businesses, with 95% employing less than 50 employees, 5% employing between 50 and 499 employees, and less than 1% employing 500 or more employees.

Two community contacts were conducted in conjunction with the examination in MSA 3480. (none were made in the Southeastern Indiana assessment area). One meeting was held with the executive director of an organization whose purpose is to develop housing for people who might otherwise be left without options for affordable, decent places to live. The second meeting was held an affordable housing/urban redevelopment organization.

The primary needs identified through these contacts included financing affordable housing development, financing for businesses of all sizes, continued bank involvement in gap funding for redevelopment projects, provide in kind services such as seminars on basic banking skills, such as how to maintain a checking account, how to buy a home, and savings programs to encourage the youth to save.

See Appendix B for a map of FTBCI's assessment areas.

IV. INSTITUTION RATING

This institution’s CRA performance is rated satisfactory.

Major factors contributing to this rating include:

- good responsiveness to assessment area credit needs;
- high percentage of loans are made in the bank’s assessment areas;
- poor penetration of assessment area geographies;
- adequate distribution of loans throughout the assessment area;
- good penetration of loans among retail customers of different income levels and business customers of different sizes;
- leadership role in providing community development loans;
- extensive use of innovative and flexible lending practices;
- makes a good level of innovative and complex community development investments;
- delivery systems accessible to essentially all of the assessment area; and
- leadership role in providing community development services.

Table 8 indicates the performance level of Fifth Third Bank, Indiana with respect to the lending, investment, and service tests.

Table 8 Fifth Third Bank, Indiana PERFORMANCE TESTS			
PERFORMANCE LEVELS	LENDING TEST*	INVESTMENT TEST	SERVICE TEST
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Lending Test

Lending Activity

FTBCI originated over 9940 loans totaling more than \$461 million within its assessment areas since the previous examination for the products reviewed. The majority of the lending activity was related to small businesses and consumers. Lending activity reflects good responsiveness to assessment area credit needs.

Tables 9 and 10 show the number and amount of lending, by loan product, originated by the bank since the previous examination. The majority of lending is concentrated in the motor vehicle, home equity, and home mortgage loan categories, which reflects the bank’s retail focus.

<p>TABLE 9 1997* LENDING BY LOAN PRODUCT</p>

Loan Type	Number of Loans	% of Total Loans	Amount of Loans**	% of Total Loans
Home Mortgage	382	73.5%	\$28,629	64.2%
Home Purchase	108	20.8%	12,652	20.2%
Refinance	116	22.3%	13,811	31.4%
Home Improvement	158	30.4%	2,166	4.8%
Multifamily Housing	0	0%	0	0%
Small Business	104	20.0%	\$12,539	29.0%
Small Business Secured by Residential Real Estate	5	1.0%	\$399	1.4%
Small Farm	29	5.6%	\$2,478	5.6%
Total	529	100%	\$44,531	100%

* October 20, 1997 – December 31, 1997

** In thousands

TABLE 10 1998 LENDING BY LOAN PRODUCT				
Loan Type	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Loans
Consumer	8,795	78.2%	\$172,937	36.6%
Motor Vehicle	6,731	19.5%	92,334	19.5%
Home Equity	2,064	18.4%	80,603	17.1%
Home Mortgage	1,512	13.4%	\$187,823	39.8%
Home Purchase	412	3.7%	55,636	11.8%
Refinance	1,098	9.8%	132,079	28.0%
Home Improvement	2	0%	108	0%
Multifamily Housing	0	0%	0	0%
Small Business	718	6.4%	\$98,720	20.9%
Small Business Secured by Residential Real Estate	27	.2%	\$2,662	.6%
Small Farm	190	1.7%	\$10,300	2.2%
Total	11,242	100%	\$472,442	100%

* In thousands

Tables 11 and 12 show the number and amount of the institution's lending inside the assessment area by loan product. A high percentage of FTBCI's lending is concentrated within the assessment area.

TABLE 11				
1997* LENDING WITHIN ASSESSMENT AREA BY LOAN PRODUCT				
Loan Type	Number of Loans	% of Total Loans	Amount of Loans**	% of Total Loans
Home Mortgage	335	87.7%	\$26,870	93.9%
Home Purchase	101	94.7%	\$12,006	94.9%
Refinance	106	91.4%	\$13,163	95.3%
Home Improvement	128	81.0%	\$1,701	78.5%
Multifamily Housing	0	0%	\$0	0%
Small Business	97	93.3%	\$11,698	93.3%
Small Business Secured by Residential Real Estate	5	100%	\$399	100%
Small Farm	26	89.7%	\$1,960	79.1%
Total	463	89.0%	\$40,927	92.9%

* October 20, 1997 – December 31, 1997
 ** In thousands

TABLE 12				
1998 LENDING WITHIN ASSESSMENT AREA BY LOAN PRODUCT				
Loan Type	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Loans
Consumer	7,262	82.6%	\$14,799	85.6%
Motor Vehicle	5,300	78.7%	\$71,193	77.1%
Home Equity	1,962	95.1%	\$76,797	95.3%
Home Mortgage	1,382	91.4%	\$173,916	92.6%
Home Purchase	373	90.5%	\$51,127	91.9%
Refinance	1,007	91.7%	\$122,681	92.9%
Home Improvement	2	100%	\$108	100%
Multifamily Housing	0	0%	\$0	0%
Small Business	659	91.8%	\$88,043	89.2%
Small Business Secured by Residential Real Estate	27	100%	\$2,662	100%
Small Farm	147	77.4%	\$7,478	72.7%
Total	9,477	84.3%	\$286,898	88.9%

* In thousands.

Geographic Distribution

In addition to the concentration of lending inside the assessment area, the geographic distribution of the loans in the assessment area is considered in evaluating lending performance. Loans are evaluated based upon their distribution among geographies and compared to the combined percentage of geographies by income level and the population within these geographies as defined by 1990 Census information. Further comparisons are included as deemed relevant. The geographic distribution of FTBCI's loans demonstrates a poor penetration throughout its assessment area.

Table 13 reflects the number and dollar amount of consumer lending within geographic income classification categories as a percentage of lending within each category type.

TABLE 13	
DISTRIBUTION OF 1998 CONSUMER LOANS BY GEOGRAPHY	

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle*	1.2%	7.9%	59.1%	31.8%
	1.4%	8.4%	57.0%	33.2%
Home Equity*	.3%	2.9%	44.2%	52.6%
	.1%	1.9%	35.1%	62.9%
Geographies**	7.7%	21.7%	49.5%	21.2%
Population**	5.1%	19.6%	49.6%	25.7%

* Number and amount of consumer loans as a percentage of consumer loans in each category.

** Geographies and population as a percent of entire assessment area.

The table shows a representational distribution of consumer loans compared to both population and geographies within the assessment area in 1998. The overall lending activity among geographies of varying income levels reflects a poor penetration throughout the assessment area to low-moderate income geographies and population.

Tables 14 and 15 show the geographic distribution of the bank's mortgage lending in 1997 and 1998 compared to the percentage of geographies by income level in the assessment area, the population residing within each geography, and the percentage of owner-occupied housing units within each geography. Mortgage lending for 1997 is also compared to the aggregate lending activity within the assessment area. This data includes mortgage lending within the assessment area for all institutions, including FTBCI, required to report mortgage-lending data as required by the Home Mortgage Disclosure Act.

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans **	.0%	2.0%	41.6%	56.4%
	.0%	1.2%	28.4%	70.3%
Home Refinance Loans **	.9%	4.7%	41.5%	52.8%
	.4%	2.0%	24.0%	73.6%
Home Improvement Loans **	.0%	6.3%	57.8%	35.9%
	.0%	5.9%	52.4%	41.7%
Multifamily Housing Loans **	0%	0%	0%	0%
	0%	0%	0%	0%
FTBCI's Total Mortgage Lending	.3%	4.5%	47.6%	47.6%
	.2%	1.9%	27.7%	70.2%
Aggregate Mortgage Loans (All Lenders)	2.9%	14.2%	46.5%	36.4%
	1.5%	7.7%	39.7%	51.0%
Geographies***	7.7%	21.7%	49.5%	21.2%
Owner-Occupied Housing Units***	3.0%	16.1%	51.4%	29.5%

* October 20, 1997 – December 31, 1997

** Number and amount of mortgage loans as a percentage of total mortgage loans in MSA portion of assessment area.

*** Geographies, population, and owner-occupied housing units contained within MSA portion of assessment area only.

TABLE 15				
DISTRIBUTION OF 1998 MORTGAGE LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans *	1.3% .7%	5.1% 4.6%	49.6% 30.5%	44.0% 64.2%
Home Refinance Loans *	.1% .0%	2.0% 1.1%	52.8% 36.1%	45.1% 62.8%
Home Improvement Loans *	0% 0%	0% 0%	100% 100%	0% 0%
Multifamily Housing Loans *	0% 0%	0% 0%	0% 0%	0% 0%
FTBCI's Total Mortgage Lending	.4% .2%	2.8% 2.1%	52.0% 34.5%	44.7% 63.2%
Geographies**	7.7%	21.7%	49.5%	21.2%
Population**	5.1%	19.6%	49.6%	25.7%
Owner-Occupied Housing Units**	3.0%	16.1%	51.4%	29.5%

* Number and amount of mortgage loans as a percentage of total mortgage loans in entire assessment area.

** Geographies, population, and owner-occupied housing units contained within the entire assessment area.

The tables show a representational distribution of mortgage loans compared to population, geographies, and owner-occupied units within the assessment area. A review of the bank's 1997 and 1998 mortgage lending revealed a low penetration in low-moderate geographies, where the bank originated a total of 61 loans. In addition, FTBCI underperformed in comparison to the aggregate of other lenders in the assessment area.

At the previous examination, the bank's poor mortgage lending penetration was considered a reflection of its smaller size and limited number of offices relative to larger competing institutions located in Downtown Indianapolis. Although FTBCI at its current asset size of \$1.4 billion can not be considered small in size, nevertheless, FTBCI's size and resources remain limited in comparison to larger banks in the area (this rationale would also apply to FTBCI's geographic distribution of consumer loans, which was also low, yet better than the distribution of mortgage loans). Therefore, the overall mortgage lending activity among geographies of varying income levels reflect a poor penetration throughout the assessment area, especially to those of low-moderate income.

Tables 16 and 17 show the number and amount of small business loans within the assessment area. These percentages are compared to the percentage of geographies by income level and aggregate small business lending activity reported in the assessment area in 1997. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report small business lending data as required by the Community Reinvestment Act ("CRA"). There were a minimal number of small farm loans extended during the evaluation period, so no analysis would be meaningful.

TABLE 16
DISTRIBUTION OF 1997* SMALL BUSINESS LOANS BY GEOGRAPHY

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Small Business Loans **	5.1% 9.5%	8.1% 13.9%	44.4% 27.9%	42.4% 48.6%
Small Business Loans Secured by Residential Real Estate**	0% 0%	16.7% 33.2%	50.0% 23.4%	33.3% 43.4%
Aggregate Small Business Lending	5.6% 6.7%	15.2% 15.1%	42.2% 39.4%	37.0% 38.8%
Geographies***	7.7%	21.7%	49.5%	21.2%

* October 20, 1997 – December 31, 1997

** Number and amount of Small Business & Farm loans as a percentage of total Small Business & Farm loans.

*** Geographies as a percent of the entire assessment area.

TABLE 17 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Small Business Loans *	3.3% 4.7%	9.1% 11.9%	51.4% 47.6%	36.1% 35.8%
Small Business Loans Secured by Residential Real Estate*	0% 0%	7.4% 16.9%	66.7% 62.0%	25.9% 21.1%
Geographies**	7.7%	21.7%	49.5%	21.2%

* Number and amount of Small Business & Farm loans as a percentage of total Small Business & Farm loans.

** Geographies as a percent of the entire assessment area.

The tables reflect a slightly lower penetration in moderate-income tracts compared to aggregate percentages and an even lower penetration compared to geography composition. The bank's geographic distribution of small business lending is considered adequate and representative in light of performance context and data reporting considerations.

Borrower Distribution

A further indicator of the institution's lending efforts is reflected in an analysis of the actual incomes and revenues of borrowers used in granting credit, when income or revenue was provided. Borrowers are classified according to 1997 and 1998 median family income estimates from the Department of Housing and Urban Development. Statewide non-metropolitan median family income figures for Indiana were used in determining the income levels of borrowers outside the MSA, while borrowers within the MSA were classified according to the MSA median family income figures. Aggregate reporting figures were used to analyze FTBCI's lending activity when available. Comparisons of the bank's borrower distribution with population and aggregate distributions demonstrate a good representation among retail customers of different income levels and business customers of different sizes.

Table 20 indicates the number and amount of the institution's consumer lending, by category, as a percentage of total loans within each category type. Lending levels are compared with the percentage of families and households within respective income classifications.

TABLE 18				
DISTRIBUTION OF 1998 CONSUMER LOANS BY BORROWER INCOME				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle*	10.3%	21.2%	28.8%	39.0%
	7.5%	18.6%	28.0%	44.9%
Home Equity*	3.8%	9.2%	23.4%	62.0%
	2.3%	5.6%	15.4%	74.9%
Families within assessment area**	18.6%	18.7%	24.2%	38.6%
Households within assessment area**	22.1%	17.0%	20.7%	40.1%

* Number and amount of consumer loans as a percentage of consumer loans in each category.

** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

A comparison of consumer lending to low- and moderate-income borrowers relative to the respective proportion of families and households in the assessment area indicates strong performance in lending to these individuals. The percentage by number of consumer loans extended is considered more significant in comparing the low- and moderate-income categories as these categories of borrowers can typically afford loans in smaller amounts.

Tables 19 and 20 indicate the number and amount of the institution's mortgage lending, by category, as a percentage of total loans within each category type. Lending levels are compared with the percentage of families and households within respective income classifications. Aggregate lending activity data within the assessment area is utilized in 1996 lending comparisons. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report mortgage-lending data as required by the Home Mortgage Disclosure Act.

TABLE 19				
DISTRIBUTION OF 1997* MORTGAGE LOANS BY BORROWER INCOME				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans **	2.0%	12.9%	24.8%	57.4%
	.8%	7.5%	19.7%	69.9%
Home Refinance Loans **	4.7%	6.6%	32.1%	54.7%
	2.1%	3.6%	20.7%	72.5%
Home Improvement Loans **	4.7%	20.3%	32.1%	44.5%
	3.2%	15.9%	20.7%	59.7%
FTBCI's Total Mortgage Lending	3.9%	13.7%	29.0%	51.6%
	1.6%	6.1%	20.3%	70.5%
Aggregate Mortgage Loans (All Lenders)	9.6%	20.1%	24.6%	31.1%
	4.5%	13.8%	21.4%	43.3%
Families***	18.6%	18.7%	24.2%	38.6%
Households***	22.1%	17.0%	20.7%	40.1%

* October 20, 1997 – December 31, 1997

** Number and amount of mortgage loans with incomes reported as a percentage of mortgages loans in each category.

*** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

TABLE 20				
DISTRIBUTION OF 1998 MORTGAGE LOANS BY BORROWER INCOME				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans *	4.6%	19.3%	23.1%	49.1%
	1.9%	9.7%	16.6%	67.6%
Home Refinance Loans *	2.8%	14.0%	24.3%	56.3%
	1.2%	7.4%	15.6%	73.4%
Home Improvement Loans *	0%	100%	0%	0%
	0%	100%	0%	0%
FTBCI's Total Mortgage Lending	3.3%	15.6%	24.0%	54.3%
	1.4%	8.2%	15.9%	71.7%
Families**	18.6%	18.7%	24.2%	38.6%
Households**	22.1%	17.0%	20.7%	40.1%

* Number and amount of mortgage loans with incomes reported as a percentage of mortgages loans in each category.

** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

The distribution of mortgage lending by borrower income is fairly consistent in 1997 and 1998. Lending to low-income borrowers is somewhat lower than the family and household representation in the assessment area. However, it is reasonable to expect low-income lending at levels not fully representative of family and household demographics. A more favorable comparison in mortgage lending to moderate-income borrowers is reflected in both 1997 and 1998. FTBCI's record of lending to low- and moderate-income borrowers is less than the aggregate of all lenders for 1997. Overall, lending distribution and lending to low- and moderate-income borrowers, combined, reflects adequate

penetration among retail customers of varying income levels.

Tables 21 and 23 show the distribution of small business loans by loan amount at origination, while tables 22 and 24 show the distribution of loans by gross revenues of the businesses. Comparisons of both loan amount and gross revenues of the business are conducted to serve as indicators of true small business lending to small businesses. These percentages are compared to the same characteristics for aggregate small business lending activity reported in the assessment area in 1997. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report small business lending data as required by the CRA.

TABLE 21 DISTRIBUTION OF 1997* SMALL BUSINESS LOANS BY LOAN AMOUNT AT ORIGINATION			
Type of Loan	Loan Amount £ \$100,000	Loan Amount >\$100,000 and £ \$250,000	Loan Amount > \$250,000
Small Business**	69.7%	13.1%	17.2%
Small Business Secured By Residential Real Estate**	19.1%	18.2%	62.7%
Aggregate Small Business Lending Activity**	66.7%	33.3%	0%
	33.4%	66.6%	0%
Small Farm**	81.8%	9.8%	8.3%
Aggregate Small Farm Lending Activity**	23.4%	21.4%	55.1%
	73.1%	23.1%	4.7%
	22.5%	52.0%	25.5%
	87.0%	9.7%	3.3%
	45.0%	30.5%	24.5%

* October 20, 1997 – December 31, 1997

** Number and amount of small business loans as a percentage of small business loans in each category.

TABLE 22 DISTRIBUTION OF 1997* SMALL BUSINESS LOANS WITH GROSS ANNUAL REVENUES LESS THAN \$1 MILLION				
Type of Loan	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Amount
Small Business	80	80.8%	\$7,465	63.2%
Small Business Secured by Residential Real Estate	5	83.3%	\$539	90.0%
Aggregate Small Business Lending Activity	6,675	45.3%	\$454,983	38.6%
Small Farm	25	96.2%	\$1,460	74.5%
Aggregate Small Farm Lending Activity	1,097	87.2%	\$54,754	82.6%

* October 20, 1997 – December 31, 1997

In 1997, FTBCI extended a majority of its small business and small farm loans, both by number and dollar volume, in amounts less than \$100,000. The distribution of the *dollar volume and number* of loans less than \$100,000 for the institution is significantly lower than the market aggregates. However, FTBCI's lending to small businesses with gross annual revenues less than \$1 million is significantly higher than the aggregate of all lenders.

TABLE 23 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS BY LOAN AMOUNT AT ORIGATION			
Type of Loan	Loan Amount £ \$100,000	Loan Amount >\$100,000 and £ \$250,000	Loan Amount > \$250,000
Small Business**	69.0%	15.2%	15.8%
Small Business Secured By Residential Real Estate**	21.0%	19.2%	59.8%
	74.1%	22.2%	3.7%
	44.1%	40.9%	15.0%
Small Farm**	87.1%	8.8%	4.1%
	43.2%	28.5%	28.3%

* Number and amount of small business loans as a percentage of small business loans in each category.

TABLE 24 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS WITH GROSS ANNUAL REVENUES LESS THAN \$1 MILLION				
Type of Loan	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Amount
Small Business	455	69.0%	\$42,571	48.4%
Small Business Secured By Residential Real Estate	26	96.3%	\$2,562	96.2%
Small Farm	145	98.6%	\$6,589	88.0%

The trend for small business lending in 1998 is consistent with that of 1997, reflecting similar distributions in all categories. In 1997, FTBCI extended a majority, by both number and dollar volume, of loans in amounts less than \$100,000.

Community Development Loans

FTBCI is a leader in making community development loans. The bank originated in both its assessment areas approximately \$9 million in community development loans since the previous examination. Table 25 shows the distribution of the number and amount of community development loans as a percentage by geography in both of FTBCI's assessment areas.

Table 25		
Distribution of Community Development Loans by Geography		
Type of Geography	Number of Loans (%)	Amount of Loans (%)
Low-Income	20%	35%
Moderate-Income	80%	65%
Middle-Income	0%	0%
Upper-Income	0%	0%
Multi-Geography*	0%	0%

* Community development loans benefiting more than one type of geography.

This table shows that over 35% of FTBCI's community development loans benefit low income geographies/individuals, with the remaining community development loans being distributed in multiple geographies, benefiting both low and moderate income geographies/individuals.

The following is a partial listing of community development loans, which demonstrate FTBCI's relatively high level of use of these type loans.

- Originated financing to construct a treatment center for Pheasant Run, Inc., a not-for-profit health/rehabilitation/welfare agency devoted to treatment of youth that generally have a combination of physical, social, emotional, and academic problems. Their main office and treatment facilities are located in LMI communities.
- As mentioned in the previous performance evaluation of FTBCI, the bank once again increased financing to the Fort Harrison Reuse Authority, a quasi-government agency that undertakes the planning, rehabilitation, development, and other preparations for all property within Fort Harrison, an LMI an redevelopment area.
- Extended financing for the first time to Indiana Black Expo EDC, to be used for working capital in pursuing the organization's mission of rehabilitation of single family homes in LMI areas.
- Provided financing to the United Northwest Area Development Corporation, a company whose mission is to perform major repairs on properties owned by eligible, low-income homeowners.
- Extended financing to the Fort Harrison Reuse CDC, in order to develop single family homes in the redevelopment of a LMI area.

Innovative/Flexible Lending Criteria

FTBCI has extensively used innovative and flexible lending criteria to enhance its ability to meet credit needs within its two assessment areas. Following is a listing of these innovative and/or flexible lending programs for both of FTBCI's assessment areas. The lending volume indicates the extensive use and success of these programs. Generally, lending totals are included in the analysis of the "Lending Test."

- FTBCI continues to offer the Good Neighbor Mortgage Loan Program, which provides flexible, affordable home purchase loans for low- and moderate-income residents. The program features four options based upon property location, household income, and source of downpayment. Flexible features include downpayments as low as 3%, higher debt-to-income ratios, reduced closing costs, and a homebuyer training course. In 1997, 33 loans were originated for over \$1.9 million, while in 1998, 45 loans were originated for over \$2.8 million.

- FHA loans are government guaranteed mortgage loans offering no or low down payment to qualified buyers. Since the previous examination, 21 loans were originated for nearly \$1.9 million.
- VA loans are also government guaranteed mortgage loans offering no or low down payment to qualified buyers. Since the previous examination, 18 loans were originated for over \$1.8 million.
- Ginger Mae loans are non-conforming mortgage loans saleable in the secondary market. These loans may be non-conforming for reasons such as low credit quality and prior bankruptcy. FTBCI implemented this program at the time of the examination.
- PLUS and Stafford student loans are unsecured notes extended to post-secondary students for educational purposes. Loans made under the Plus Loan Program help parents obtain a tuition loan on behalf of their dependent children. The Stafford Loan Program is available for those families who qualify under the need-based formula. Loan totals were unavailable.
- Government assisted business loans are made in conjunction with government loan programs like the Small Business Administration's ("SBA") 7A and 504 loan programs. Since the previous examination 7, SBA loans were originated for nearly \$1 million. To date, FTBCI has 25 SBA loans outstanding for a total of nearly \$1.9 million.
- FTBCI applied to the Federal Home Loan Bank (FHLB) on behalf of the Martin Luther King CDC, the Interstate 70 Keystone Project, and the Back Home Again in Indiana Alliance for these organizations to receive important gap funding and downpayment assistance for their respective projects. Although the FHLB provides the subsidies directly to the developers, FTBCI does guarantee the repayment of these subsidies to the FHLB. To cover the variety of resources and programs FTBCI is affiliated with at the FHLB, FTBCI has over \$450 million in member shares deposited at the FHLB.

FTBCI also utilizes the downpayment assistance programs of Dearborn County, Ripley County, and the Indianapolis Neighborhood Housing Partnership Loan Pool to make mortgage loans more available to low- and moderate-income individuals.

Investment Test

FTBCI makes investments and grants primarily through the Fifth Third Foundation and the Fifth Third Community Development Corporation.

The Foundation Office is a department of the Fifth Third Investment Advisors division of the bank. The Foundation Office manages the bank's charitable trust established from profits of the bank for the purpose of providing grants and contributions to community and neighborhood, health and human services, educational, and cultural organizations. The Foundation makes over \$1.6 million in contributions from this trust annually.

Grants and contributions of approximately \$38,000 were made since the previous examination to organizations which provide education to small business owners regarding access to capital, financing, and technical assistance; homebuyer education and counseling; youth mentoring services; community services; job skills and training; affordable housing; and small business development and incubator services. Examples of such organizations receiving contributions are BOS Community Development Services, Goodwill Industries of Central Indiana, Habitat for Humanity, Indianapolis Neighborhood Housing Partnership, Pleasant Run Children's Home, Martin University, Second Helpings Inc., The Villages of Indiana, and the Indiana Black Expo EDC.

Fifth Third Community Development Corporation ("CDC") is a subsidiary of Fifth Third Bancorp. The CDC makes investments through low-income housing tax credits and small business venture capital equity funds. The CDC has funded, on FTBCI's behalf, approximately \$1¹ million in low-income housing tax credits as of March of 1999, out of a total commitment of \$1.1 million. In addition, the CDC has funded \$135,000 on the bank's behalf in small business venture capital equity funds since the last examination on October 20, 1997. These equity funds invest primarily in small businesses in the bank's assessment area, but also include businesses within the tri-state area and midwest region.

Low-income housing tax credit projects have included the Chirstian Place which developed 29 affordable housing units for families less than 60% of the median family income, Guerin Place which provided 13 affordable housing units for families less than 60% of the median family, and McDonald & Company which developed various low- to moderate-income housing projects throughout Ohio and Indiana.

Venture capital equity fund investments have included Blue Chip Opportunity and Blue Chip Capital II.

FTB has a good level of qualified community development investments, grants, and has significant use of innovative and complex investments to support community development initiatives.

¹ Amortized book value of funding since inception of projects rather than since the previous examination.

Service Test

Retail Banking Services

FTBCI’s retail banking and alternative delivery systems are accessible to essentially all geographies within the bank’s two assessment areas. Table 26 shows the bank’s distribution of branches and off-site ATMs by geography.

TABLE 26 DISTRIBUTION OF BRANCHES BY GEOGRAPHY						
Type of Geography	# of Branches	% of Branches	# of Off-Site ATMs	% of Off-Site ATMs	% of Total Population	% of Total Geographies
Low-income	2	6%	1	11%	5.1%	7.7%
Moderate-income	5	14%	3	33%	19.6%	21.7%
Middle-income	15	43%	4	45%	49.6%	49.5%
Upper-income	13	37%	1	11%	25.7%	21.2%

This table shows that 20% of the bank’s branches are located in low- and moderate-income geographies compared to a corresponding population of 25% and geographies of 29%. The maps in Appendix C show that additional branches located in middle- and upper-income geographies are conveniently located to low- and moderate-income geographies. The table also shows that 44% of the bank’s off-site ATMs are located in low- and moderate-income geographies, which compares more favorably to the percentage of population and geographies. The bank also operates one mobile ATM which has been made available at various community events in Central Indiana such as the Indianapolis 500, 500 Festival Parade, Deer Creek Music Center, and at special promotions for local radio stations at Kroger stores.

Stand-alone branches offer business hours Monday through Friday or Saturday while BankMart branches, located inside of Kroger grocery stores, offer extended evening hours and weekend hours on both Saturday and Sunday. In particular, Harrison Village, a banking center with limited business hours, has been established to serve the needs of the residents of the Harrison Village Retirement facility. The facility is run as a satellite office of FTBCI’s Georgetown Road Banking Center.

In addition, the bank operates a 24 hour, seven day a week Customer Service Call Center and Jeanie Telephone Banking Center which allows customers to open deposit accounts, apply for loans, make account inquiries, and pay bills. FTBCI customers have online computer access to checking, savings, credit card, and loan accounts 24 hours a day.

Customers also have the opportunity to open deposit accounts and apply for loans through advertisements, direct mailings, and "take-one" brochure displays. Business hours and services are reasonable and do not vary in ways that inconvenience certain portions of the assessment area. FTBCI has not opened or closed any branches since the previous examination.

Community Development Services

FTBCI provides community development services including technical assistance for grant applications, educational services and savings programs for school students, technical assistance and educational services to small businesses, technical assistance to non-profit housing developers, and homeownership counseling and seminars. The following partial list demonstrates FTBCI's leadership role in providing these services.

- Provided technical assistance describing special mortgage programs at a home buying seminar hosted by the Indianapolis Neighborhood Housing Partnership, an organization which provides affordable housing services to LMI individuals.
- Participated in a financial products seminar and presentation to 20-25 residents of the Horizon House, which provided 3,000 homeless individuals and families needed services of shelter, medical care, legal assistance, as well as financial advice.
- Hosted seminar with the Indiana Small Business Development Center Network for future and existing small businesses focusing on financing alternatives and business plan formation.
- Christamore House, one of the community centers under CCI, is located in an LMI area and provides recreational and social services for LMI individuals. A bank officer serves as a director, whereby banking and financial expertise is provided for the successful operation of the center.
- Neighborhood Self-Employment Initiative, in conjunction with CDCs and community groups, provides employment training to LMI individuals in LMI communities. An officer of the bank as a board member provides financial and banking advice.
- Mayor's Committee on Brownfield Activities (City of Indianapolis) recommends the appropriate standards to clean and abate Brownfield sites, many of which are located in LMI areas. A bank officer serves on the committee and provides commercial real estate lending advice. Once cleaned up, these sites will provide additional land for development.
- City of Indianapolis, Division of Community Development and Financial Services, reviews proposals from city and community organizations to be funded through the Community Development Block Grant's Neighborhood Development Fund. An officer of the bank is on the committee that reviews these proposal, and makes recommendations prior to submission for the request of funds.

V. MULTISTATE MSA 3480

CRA rating for multi-state MSA 3480: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

Major factors contributing to this rating include:

- good responsiveness to assessment area credit needs;
- substantial majority of loans are made in the bank's assessment areas;
- poor penetration of assessment area geographies;
- adequate distribution of loans throughout the assessment area;
- adequate penetration of loans among retail customers of different income levels and business customers of different sizes;
- leadership role in providing community development loans
- extensive use of innovative and flexible lending practices;
- makes a good level of innovative and complex community development investments;
- delivery systems accessible to essentially all of the assessment area; and
- leadership role in providing community development services.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 3480

Fifth Third Bank, Indiana has designated the entire MSA as one of its assessment areas. See the "Description of Assessment Area" section of this report for a detailed discussion of this MSA.

FTBCI provides services at 28 banking offices in MSA 3480, which accounts for 80% of the bank's 13 banking offices. Operations in this MSA account for approximately 90% of the bank's total deposits.

Primary competition includes Bank One, National City, Key Bank, First Indiana, Huntington, First Indiana, and Planters National Bank.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN MSA 3480

Lending Test

Lending Activity

FTBCI originated nearly 7,251 loans totaling more than \$349 million in this MSA since the previous examination, which accounts for 73% of the number and 77% of the amount of loans originated by the bank. The majority of the lending activity was related to home purchase and refinance, small business, and consumer loans. Lending activity reflects good responsiveness to assessment area credit needs.

Geographic Distribution

FTBCI originated loans in all of the geographies within MSA 3480. Fifth Third Bank, Indiana has poor penetration of geographies within the assessment area.

Tables 27 and 28 show the number and amount of the bank's mortgage lending in each category of geography as a percentage of the number and amount of total mortgage lending. Home purchase, refinance, and home improvement loans are compared to the percentage of owner-occupied units in

each geography.

TABLE 27 DISTRIBUTION OF 1997* MORTGAGE LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans **	0% 0%	2.9% 1.5%	27.1% 18.6%	70.0% 79.9%
Home Refinance Loans **	1.3% .5%	5.3% 2.0%	24.0% 13.4%	69.3% 84.1%
Home Improvement Loans **	0% 0%	8.4% 6.9%	42.2% 38.2%	49.4% 54.9%
Multifamily Housing Loans **	0% 0%	0% 0%	0% 0%	0% 0%
FTBCI's Total Mortgage Lending	.4% .3%	5.7% 2.0%	31.6% 17.0%	62.3% 80.7%
Aggregate Mortgage Loans (All Lenders)	3.1% 1.5%	14.5% 7.7%	44.0% 37.4%	38.4% 53.3%
Geographies***	8.5%	23.0%	45.9%	22.7%
Population***	5.6%	20.8%	46.0%	27.6%
Owner-Occupied Housing Units***	3.3%	17.1%	47.6%	32.0%

* October 20, 1997 – December 31, 1997

** Number and amount of mortgage loans as a percentage of total mortgage loans in MSA portion of assessment area.

*** Geographies, population, and owner-occupied housing units contained within MSA portion of assessment area only.

TABLE 28				
DISTRIBUTION OF 1998 MORTGAGE LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans *	2.2% .9%	7.2% 5.4%	22.9% 12.2%	67.7% 81.4%
Home Refinance Loans *	.2% .1%	2.4% .9%	28.3% 18.2%	69.1% 80.8%
Home Improvement Loans *	0% 0%	0% 0%	100% 100%	0% 0%
Multifamily Housing Loans *	0% 0%	0% 0%	0% 0%	0% 0%
FTBCI's Total Mortgage Lending	.7% .3%	3.7% 2.3%	26.9% 16.4%	68.7% 81.0%
Geographies**	8.5%	23.0%	45.9%	22.7%
Population**	5.6%	20.8%	46.0%	27.6%
Owner-Occupied Housing Units**	3.3%	17.1%	47.6%	32.0%

* Number and amount of mortgage loans as a percentage of total mortgage loans in entire assessment area.

** Geographies, population, and owner-occupied housing units contained within the entire assessment area.

A review of the bank's 1997 and 1998 mortgage lending revealed a low penetration in low-moderate geographies. In addition, FTBCI underperformed in comparison to the aggregate of other lenders in the assessment area.

Therefore, the overall mortgage lending activity among geographies of varying income levels reflect a poor penetration throughout the assessment area, especially to those of low-moderate income.

Tables 29 and 30 show the number and amount of the bank’s small business and small farm lending in each category of geography as a percentage of the number and amount of total small business and small farm lending.

TABLE 29 DISTRIBUTION OF 1997* SMALL BUSINESS LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Small Business Loans **	7.7% 11.9%	12.3% 17.4%	20.0% 20.6%	60.0% 50.0%
Small Business Loans Secured by Residential Real Estate**	0% 0%	0% 0%	60.0% 35.0%	40.0% 65.0%
Aggregate Small Business Lending	6.1% 7.1%	15.1% 15.1%	39.2% 37.3%	39.6% 40.5%
Small Farm Loans **	0% 0%	0% 0%	100% 100%	0% 0%
Aggregate Small Farm Lending	.2% 0%	5.5% 3.0%	79.2% 78.6%	15.2% 18.4%
Geographies***	8.5%	23.0%	45.9%	22.7%

* October 20, 1997 – December 31, 1997
 ** Number and amount of Small Business & Farm loans as a percentage of total Small Business & Farm loans.
 *** Geographies as a percent of the entire assessment area.

TABLE 30 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Small Business Loans *	5.0% 6.0%	13.1% 14.9%	30.9% 35.4%	51.0% 43.6%
Small Business Loans Secured by Residential Real Estate*	0% 0%	12.5% 26.8%	50.0% 45.5%	37.5% 27.7%
Small Farm Loans *	0% 0%	0% 0%	40.0% 18.1%	60.0% 81.9%
Geographies**	8.5%	23.0%	45.9%	22.7%

* Number and amount of Small Business & Farm loans as a percentage of total Small Business & Farm loans.
 ** Geographies as a percent of the entire assessment area.

This table shows a good distribution of small business among low- and moderate-income geographies compared with middle- and upper-income geographies

Table 31 shows the number and amount of the bank’s consumer lending in each category of geography as a percentage of the number and amount of total consumer lending. Consumer loans are compared to the percentage of population in each geography.

TABLE 31 DISTRIBUTION OF 1998 CONSUMER LOANS BY GEOGRAPHY				
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Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle*	1.7%	10.2%	49.1%	38.9%
	1.8%	10.4%	47.8%	40.0%
Home Equity*	.3%	3.2%	31.9%	64.6%
	.1%	1.8%	26.1%	71.9%
Geographies**	8.5%	23.0%	45.9%	22.7%
Population**	5.6%	20.8%	46.0%	27.6%

* Number and amount of consumer loans as a percentage of consumer loans in each category.

** Indirect motor vehicle loans originated by affiliate bank.

*** Geographies and population as a percent of entire assessment area.

FTBCI's geographic distribution of loans reflects poor distribution throughout the assessment area, considering the bank's limited presence in comparison to its major competitors.

Borrower Distribution

Table 32 shows the number and amount of the bank's consumer lending in each category of borrower income as a percentage of the number and amount of total mortgage and consumer lending. Lending percentages are compared to the percentage of borrowers in each income category.

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle*	10.6%	20.5%	29.0%	39.2%
	7.8%	18.2%	28.3%	44.9%
Home Equity*	3.0%	8.4%	22.9%	64.0%
	1.9%	5.1%	14.7%	76.5%
Families within assessment area**	18.6%	18.6%	24.1%	38.7%
Households within assessment area**	22.2%	17.0%	20.7%	40.1%

* Number and amount of consumer loans as a percentage of consumer loans in each category.

** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

A comparison of consumer lending to low- and moderate-income borrowers relative to the respective proportion of families and households in the assessment area indicates strong performance in lending to these individuals. The percentage by number of consumer loans extended is considered more significant in comparing the low- and moderate-income categories as these categories of borrowers can typically afford loans in smaller amounts.

Tables 33 and 34 indicate the number and amount of the institution's mortgage lending, by category, as a percentage of total loans within each category type. Lending levels are compared with the percentage of families and households within respective income classifications. Aggregate lending activity data within the assessment area is utilized in 1996 lending comparisons. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report mortgage-lending data as required by the Home Mortgage Disclosure Act.

TABLE 33				
DISTRIBUTION OF 1997* MORTGAGE LOANS BY BORROWER INCOME				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans **	1.4%	11.4%	20.0%	62.9%
	.3%	5.8%	17.4%	73.8%
Home Refinance Loans **	6.7%	2.7%	22.7%	66.7%
	2.5%	1.0%	14.2%	81.5%
Home Improvement Loans **	4.8%	18.1%	31.3%	45.8%
	2.7%	16.9%	21.4%	59.0%
FTBCI's Total Mortgage Lending	4.4%	11.0%	25.0%	57.9%
	1.5%	4.0%	16.0%	76.9%
Aggregate Mortgage Loans (All Lenders)	9.8%	20.1%	24.2%	30.9%
	4.5%	13.8%	21.0%	43.4%
Families**	18.6%	18.6%	24.1%	38.7%
Households**	22.2%	17.0%	20.7%	40.1%

* October 20, 1997 – December 31, 1997

** Number and amount of mortgage loans with incomes reported as a percentage of mortgages loans in each category.

*** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

TABLE 34				
DISTRIBUTION OF 1998 MORTGAGE LOANS BY BORROWER INCOME				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans *	3.6%	12.6%	20.6%	58.3%
	1.2%	5.4%	13.6%	75.4%
Home Refinance Loans *	3.3%	11.2%	20.9%	61.7%
	1.3%	4.9%	11.9%	79.3%
Home Improvement Loans *	0%	100%	0%	0%
	0%	100%	0%	0%
FTBCI's Total Mortgage Lending	3.4%	11.7%	20.8%	60.7%
	1.3%	5.1%	12.4%	78.1%
Families**	18.6%	18.6%	24.1%	38.7%
Households**	22.2%	17.0%	20.7%	40.1%

* Number and amount of mortgage loans with incomes reported as a percentage of mortgages loans in each category.

** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

The distribution of mortgage lending by borrower income is fairly consistent in 1997 and 1998. Lending to low-income borrowers is somewhat lower than the family and household representation in the assessment area. However, it is reasonable to expect low-income lending at levels not fully representative of family and household demographics. Overall, lending distribution and lending to low- and moderate-income borrowers, combined, reflects poor penetration among retail customers of varying income levels.

Tables 35 and 37 show the distribution of small business loans by loan amount at origination, while tables 36 and 38 show the distribution of loans by gross revenues of the businesses. Comparisons of both loan amount and gross revenues of the business are conducted to serve as indicators of true small business lending to small businesses. These percentages are compared to the same characteristics for aggregate small business lending activity reported in the assessment area in 1997. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report small business lending data as required by the CRA. There were a minimal number of small farm loans extended during the evaluation period, so no analysis would be meaningful.

TABLE 35 DISTRIBUTION OF 1997* SMALL BUSINESS LOANS BY LOAN AMOUNT AT ORIGINATION			
Type of Loan	Loan Amount £ \$100,000	Loan Amount >\$100,000 and £\$250,000	Loan Amount > \$250,000
Small Business**	61.5%	13.9%	24.6%
	13.1%	16.4%	70.5%
Small Business Secured By Residential Real Estate**	80.0%	20.0%	0%
	50.0%	50.0%	0%
Aggregate Small Business Lending Activity**	81.5%	9.9%	8.6%
	22.9%	21.1%	56.0%

* October 20, 1997 – December 31, 1997

** Number and amount of small business loans as a percentage of small business loans in each category.

TABLE 36 DISTRIBUTION OF 1997* SMALL BUSINESS LOANS WITH GROSS ANNUAL REVENUES LESS THAN \$1 MILLION				
Type of Loan	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Amount
Small Business	50	76.9%	\$6,254	66.3%
Small Business Secured by Residential Real Estate	4	80.0%	\$340	85.0%
Aggregate Small Business Lending Activity	6,059	44.1%	\$423,530	37.8%

* October 20, 1997 – December 31, 1997

In 1997, FTBCI extended a majority, by both number and dollar volume, of loans in amounts less than \$100,000. The distribution of the *dollar and number volume* of loans less than \$100,000 for the institution represents a lower portion of lending activity for FTBCI than the aggregate. However, FTBCI’s lending to small businesses with gross annual revenues less than \$1 million is significantly higher than the aggregate of all lenders.

TABLE 37 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS BY LOAN AMOUNT AT ORIGINATION			
Type of Loan	Loan Amount £ \$100,000	Loan Amount >\$100,000 and £ \$250,000	Loan Amount > \$250,000

Small Business**	62.76% 18.0%	18.3% 20.0%	19.0% 62.0%
Small Business Secured By Residential Real Estate**	68.8% 38.7%	25.0% 37.5%	6.2% 23.8%
Small Farm**	70.0% 32.4%	20.0% 36.6%	10.0% 31.0%

* Number and amount of small business loans as a percentage of small business loans in each category.

TABLE 38 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS WITH GROSS ANNUAL REVENUES LESS THAN \$1 MILLION				
Type of Loan	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Amount
Small Business	274	61.9%	\$32,140	46.4%
Small Business Secured By Residential Real Estate	15	93.8%	\$1,579	94.0%
Small Farm	10	100%	\$983	100%

The trend for small business lending in 1998 is consistent with that of 1997, reflecting similar distributions in all categories. In 1997, FTBCI extended a high percentage, by both number and dollar volume, of loans in amounts less than \$100,000.

VI. MULTISTATE MSA 1640

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MULTISTATE MSA 1640

Fifth Third Bank, Indiana has designated the entire Indiana portion of the MSA as one of its assessment areas. See the "Description of Assessment Area" section of this report for a detailed discussion of this MSA.

FTBCI provides services at 7 banking offices in MULTISTATE MSA 1640, which accounts for 20% of the bank's 35 banking offices. Operations in this MSA account for approximately 10% of the bank's total deposits. Primary competition includes Bank One, National City, Key Bank, First Indiana, Huntington, First Indiana, and Planters National Bank.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN MULTISTATE MSA 1640

Lending Test

Lending Activity

FTBCI originated more than 2,689 loans totaling more than \$112 million in this MSA since the previous examination, which accounts for 27% of the number and 23% of the amount of loans originated by the bank. The majority of the lending activity was related to home purchase and refinance, small business, and consumer loans. Lending activity reflects good responsiveness to assessment area credit needs.

Geographic Distribution

FTBCI originated loans in all geographies within the Indiana portion of MULTISTATE MSA 1640. Fifth Third Bank, Indiana has adequate penetration of geographies within the assessment area.

Tables 41 and 42 show the number and amount of the bank’s mortgage lending in each category of geography as a percentage of the number and amount of total mortgage lending. Home purchase, refinance, and home improvement loans are compared to the percentage of owner-occupied units in each geography.

TABLE 41 DISTRIBUTION OF 1997* MORTGAGE LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans **	0% 0%	0% 0%	75.9% 75.2%	24.1% 24.8%
Home Refinance Loans **	0% 0%	3.2% 2.4%	83.9% 79.2%	12.9% 18.4%
Home Improvement Loans **	0% 0%	2.3% 4.1%	86.4% 82.0%	11.4% 13.9%
Multifamily Housing Loans **	0% 0%	0% 0%	0% 0%	0% 0%
FTBCI’s Total Mortgage Lending	0% 0%	1.9% 1.5%	82.7% 77.8%	15.4% 20.7%
Aggregate Mortgage Loans (All Lenders)	0% 0%	9.6% 7.8%	85.0% 85.8%	5.4% 6.4%
Geographies***	0%	9.1%	84.8%	6.1%
Population***	0%	7.8%	86.4%	5.8%
Owner-Occupied Housing Units***	0%	7.1%	87.0%	5.9%

* October 20, 1997 – December 31, 1997

** Number and amount of mortgage loans as a percentage of total mortgage loans in MSA portion of assessment area.

*** Geographies, population, and owner-occupied housing units contained within MSA portion of assessment area only.

TABLE 42				
DISTRIBUTION OF 1998 MORTGAGE LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans *	0%	2.0%	89.3%	8.7%
	0%	2.1%	89.2%	8.7%
Home Refinance Loans *	0%	1.4%	86.2%	12.4%
	0%	1.4%	85.0%	13.5%
Home Improvement Loans *	0%	0%	100%	0%
	0%	0%	100%	0%
Multifamily Housing Loans *	0%	0%	0%	0%
	0%	0%	0%	0%
FTBCI's Total Mortgage Lending	0%	1.6%	87.0%	11.4%
	0%	1.6%	86.2%	12.2%
Geographies**	0%	9.1%	84.8%	6.1%
Population**	0%	7.8%	86.4%	5.8%
Owner-Occupied Housing Units**	0%	7.1%	87.0%	5.9%

* Number and amount of mortgage loans as a percentage of total mortgage loans in entire assessment area.

** Geographies, population, and owner-occupied housing units contained within the entire assessment area.

This table shows that FTBCI's geographic distribution of mortgage lending is significantly lower than, the geographic distribution of owner-occupied units in the MSA. However, FTBCI's size and branch locations are limited in comparison to much of its competition, contributing to its low penetration of moderate-income tracts.

Tables 43 and 44 show the number and amount of the bank's small business and small farm lending in each category of geography as a percentage of the number and amount of total small business and small farm lending. However, There were a minimal number of small farm loans extended during the evaluation period, so no analysis would be meaningful.

TABLE 43				
DISTRIBUTION OF 1997* SMALL BUSINESS LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Small Business Loans **	0%	0%	91.2%	8.8%
	0%	0%	57.1%	42.9%
Small Business Loans Secured by Residential Real Estate**	0%	100%	0%	0%
	0%	100%	0%	0%
Aggregate Small Business Lending	0%	15.3%	78.0%	6.8%
	0%	14.8%	74.3%	10.9%
Geographies***	0%	9.1%	84.8%	6.1%

* October 20, 1997 – December 31, 1997

** Number and amount of Small Business & Farm loans as a percentage of total Small Business & Farm loans.

*** Geographies as a percent of the entire assessment area.

TABLE 44				
DISTRIBUTION OF 1998 SMALL BUSINESS LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Small Business Loans *	0%	.9%	93.5%	5.6%
	0%	.4%	92.6%	7.0%
Small Business Loans Secured by Residential Real Estate*	0%	0%	90.9%	9.1%
	0%	0%	90.2%	9.8%
Geographies**	0%	9.1%	84.8%	6.1%

* Number and amount of Small Business & Farm loans as a percentage of total Small Business & Farm loans.

** Geographies as a percent of the entire assessment area.

These tables show an adequate distribution of small business loans among the moderate-income geographies compared with middle- and upper-income geographies.

Table 45 shows the number and amount of the bank's consumer lending in each category of geography as a percentage of the number and amount of total consumer lending. Consumer loans are compared to the percentage of population in each geography.

TABLE 45				
DISTRIBUTION OF 1998 CONSUMER LOANS BY GEOGRAPHY				
Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle*	0%	1.5%	86.0%	12.5%
	0%	1.9%	86.5%	11.5%
Home Equity*	0%	2.0%	86.3%	11.7%
	0%	2.1%	81.9%	15.9%
Geographies**	0%	9.1%	84.8%	6.1%
Population**	0%	7.8%	86.4%	5.8%

* Number and amount of consumer loans as a percentage of consumer loans in each category.

** Geographies and population as a percent of entire assessment area.

This table shows that FTBCI's geographic distribution of consumer loans is lower than, the geographic distribution of population and owner-occupied units in the MSA.

Given its relative size and limited branch locations within this assessment area, FTBCI's geographic distribution of loans reflects poor penetration throughout the assessment area.

Borrower Distribution

Table 46 shows the number and amount of the bank's consumer lending in each category of borrower income as a percentage of the number and amount of total mortgage and consumer lending. Lending percentages are compared to the percentage of borrowers in each income category.

TABLE 46	
DISTRIBUTION OF 1998 CONSUMER LOANS BY BORROWER INCOME	

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Motor Vehicle*	9.4%	23.0%	28.1%	38.6%
	6.4%	20.0%	27.1%	45.2%
Home Equity*	6.3%	11.7%	25.3%	55.4%
	4.4%	8.6%	18.9%	66.6%
Families within assessment area**	17.7%	20.0%	24.9%	37.4%
Households within assessment area**	21.7%	17.6%	20.5%	40.2%

* Number and amount of consumer loans as a percentage of consumer loans in each category.

** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

A comparison of consumer lending to low- and moderate-income borrowers relative to the respective proportion of families and households in the assessment area indicates strong performance in lending to these individuals. The percentage by number of consumer loans extended is considered more significant in comparing the low- and moderate-income categories as these categories of borrowers can typically afford loans in smaller amounts.

Tables 47 and 48 indicate the number and amount of the institution's mortgage lending, by category, as a percentage of total loans within each category type. Lending levels are compared with the percentage of families and households within respective income classifications. Aggregate lending activity data within the assessment area is utilized in 1996 lending comparisons. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report mortgage-lending data as required by the Home Mortgage Disclosure Act.

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans **	3.4%	17.2%	37.9%	41.4%
	3.0%	16.5%	33.1%	47.4%
Home Refinance Loans **	0%	16.1%	54.8%	25.8%
	0%	17.2%	54.9%	25.3%
Home Improvement Loans **	4.5%	25.0%	27.3%	40.9%
	4.6%	15.1%	21.2%	57.1%
FTBCI's Total Mortgage Lending	2.9%	20.2%	38.5%	36.5%
	1.8%	16.7%	41.7%	38.4%
Aggregate Mortgage Loans (All Lenders)	7.9%	19.7%	30.5%	34.4%
	4.0%	14.3%	29.0%	42.2%
Families within assessment area***	17.7%	20.0%	24.9%	37.4%
Households within assessment area***	21.7%	17.6%	20.5%	40.2%

* October 20, 1997 – December 31, 1997

** Number and amount of mortgage loans with incomes reported as a percentage of mortgages loans in each category.

*** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

Type of Loan	Low-Income	Moderate-Income	Middle-Income	Upper-Income
Home Purchase Loans *	6.0%	29.3%	26.7%	35.3%
	4.2%	23.5%	26.0%	42.5%
Home Refinance Loans *	2.1%	17.8%	29.0%	48.9%
	1.0%	14.4%	25.7%	57.2%
Home Improvement Loans *	0%	100%	0%	0%
	0%	100%	0%	0%
FTBCI's Total Mortgage Lending	3.1%	20.9%	28.4%	45.3%
	1.9%	16.9%	25.8%	53.1%
Families**	17.7%	20.0%	24.9%	37.4%
Households**	21.7%	17.6%	20.5%	40.2%

* Number and amount of mortgage loans with incomes reported as a percentage of mortgages loans in each category.

** Families/Household classified using 1998 HUD estimated MFI for the MSA and the non-metropolitan areas.

The distribution of mortgage lending by borrower income is fairly consistent in 1997 and 1998. Lending to low-income borrowers is slightly lower than the family and household representation in the assessment area. However, it is reasonable to expect low-income lending at levels not fully representative of family and household demographics. A more favorable comparison in mortgage lending to moderate-income borrowers is reflected in both 1997 and 1998. FTBCI's record of lending to low- and moderate-income borrowers is slightly lower than the aggregate of all lenders for 1997. Overall, lending distribution and lending to low- and moderate-income borrowers, combined, reflects good penetration among retail customers of varying income levels.

Tables 49 and 51 show the distribution of small business loans by loan amount at origination, while tables 50 and 52 show the distribution of loans by gross revenues of the businesses. Comparisons of both loan amount and gross revenues of the business are conducted to serve as indicators of true small business lending to small businesses. These percentages are compared to the same characteristics for aggregate small business lending activity reported in the assessment area in 1997. This data includes lending activity in the assessment area for all institutions, including FTBCI, required to report small business lending data as required by the CRA. There were a minimal number of small farm loans extended during the evaluation period, so no analysis would be meaningful.

Type of Loan	Loan Amount £\$100,000	Loan Amount >\$100,000 and £\$250,000	Loan Amount > \$250,000
Small Business**	85.3%	11.8%	2.9%
	43.0%	25.3%	31.7%
Small Business Secured By Residential Real Estate**	0%	100%	0%
	0%	100%	0%
Aggregate Small Business Lending Activity**	86.1%	9.6%	4.4%
	33.3%	27.3%	39.4%

* October 20, 1997 – December 31, 1997

** Number and amount of small business loans as a percentage of small business loans in each category.

Type of Loan	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Amount
Small Business	30	88.2%	\$1,211	51.1%
Small Business Secured by Residential Real Estate	1	100%	\$199	100%
Aggregate Small Business Lending Activity	616	60.9%	\$31,453	53.7%

* October 20, 1997 – December 31, 1997

In 1997, FTBCI extended a substantial majority, by both number and dollar volume, of loans in amounts less than \$100,000. The distribution of the *dollar volume* of loans less than \$100,000 for the institution represents a significantly higher portion of lending activity for FTBCI than the aggregate. The distribution of the *number* of loans within respective loan size categories is similar for both the institution and aggregate figures.

TABLE 51 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS BY LOAN AMOUNT AT ORIGINATION			
Type of Loan	Loan Amount £ \$100,000	Loan Amount >\$100,000 and £ \$250,000	Loan Amount > \$250,000
Small Business**	81.9%	8.8%	9.3%
	32.1%	16.2%	51.7%
Small Business Secured By Residential Real Estate**	87.8%	18.2%	0%
	53.2%	46.8%	0%
Small Farm**	88.3%	8.0%	3.7%
	44.8%	27.3%	27.9%

* Number and amount of small business loans as a percentage of small business loans in each category.

TABLE 52 DISTRIBUTION OF 1998 SMALL BUSINESS LOANS WITH GROSS ANNUAL REVENUES LESS THAN \$1 MILLION				
Type of Loan	Number of Loans	% of Total Loans	Amount of Loans*	% of Total Amount
Small Business	181	83.8%	\$10,431	55.7%
Small Business Secured By Residential Real Estate	11	100%	\$983	100%
Small Farm	135	98.5%	\$5,606	86.2%

In 1997 and 1998, FTBCI extended a high percentage, both by number and dollar volume, of small business and farm loans in amounts less than \$100,000.

VII. Fair Lending Review

The bank has written Equal Credit Opportunity Act and Fair Housing Act policies and procedures. Lending personnel are trained on these policies and procedures. FTBCI has a fair lending committee that reviews denied loan applications to ensure equal treatment. No violations of the substantive provisions of the antidiscrimination laws and regulations were identified during our fair lending review.

VIII. Appendix A

SCOPE OF THE EXAMINATION

This examination covered the time period since October 20, 1997. The analysis included a review of the data required to be reported under the Home Mortgage Disclosure Act (home purchase, home improvement, and home refinance) as well as the Community Reinvestment Act (small business, small farm, and community development loans). FTBCI also elected to have its 1998 consumer loan data (motor vehicle and home equity) considered. All two of the bank's assessment areas were reviewed and evaluated.

VIII. Appendix B

VIII. Appendix C

VIII. Appendix D