

# **PUBLIC DISCLOSURE**

June 7, 2021

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

1st Source Bank  
RSSD #991340

100 North Michigan Street  
South Bend, Indiana 46601

Federal Reserve Bank of Chicago

230 South LaSalle Street  
Chicago, Illinois 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 CRA RATING**

**1<sup>st</sup> Source Bank’s Overall CRA Rating: Outstanding**

**Performance Test Rating Table**

The following table indicates the performance level of 1<sup>st</sup> Source Bank with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	1ST SOURCE BANK		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X	-	-
High Satisfactory	-	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.

**Summary of Major Factors that Support the Rating**

**Lending Test:**

- Excellent responsiveness to credit needs in its assessment areas, taking into account the number and amount of home mortgage and small business loans in its assessment areas;
- A high percentage of its loans are made in the assessment area;
- An excellent geographic distribution of loans in the assessment areas;
- A good distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by

the bank;

- An excellent record of serving the credit needs of highly economically disadvantaged areas in its assessment areas, low-income individuals, or businesses with gross annual revenues of \$1 million or less;
- Extensive use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- or moderate-income individuals or geographies; and
- The bank is a leader in making community development loans.

Investment Test:

- An adequate level of qualified investments, particularly those that are not routinely provided by private investors, although rarely in a leadership position;
- Significant use of innovative or complex qualified investments; and
- Excellent responsiveness to credit and community development needs.

Service Test:

- The bank's service delivery systems are accessible to geographies and individuals of different income levels in its assessment areas;
- To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals;
- Its services do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income geographies and low- and moderate-income individuals; and
- Provides a relatively high level of community development services.

## 1ST SOURCE BANK

### DESCRIPTION OF INSTITUTION

1<sup>st</sup> Source Bank (1<sup>st</sup> Source) is a \$7.5 billion institution as of March 31, 2021, headquartered in South Bend, Indiana. It is organized under a one-bank holding company, 1<sup>st</sup> Source Corporation, which also has assets of \$7.5 billion, as of March 31, 2021. The holding company also owns one active non-bank subsidiary, 1<sup>st</sup> Source Master Trust.

As the following table indicates the bank is primarily a commercial lender:

<b>Loan Portfolio Composition</b>		
<b>Current Evaluation Period Compared to Previous Evaluation Period</b>		
<b>(\$000)</b>		
<b>As of 3/31/2021</b>		
Residential Real Estate	504,186	9.1%
Agriculture	139,294	2.5%
Commercial	4,556,610	82.4%
Consumer	125,897	2.3%
Other	206,449	3.7%
Total	7,512,362	100.0%

The bank offers savings accounts (including health savings accounts and Individual Retirement Accounts), and time deposits of various types ranging from shorter-term to longer-term certificates of deposit. Credit products include commercial, residential real estate mortgage, agricultural, and consumer loans. The bank offers both mortgages placed in its portfolio and mortgages sold on the secondary market. In addition, the bank participates in a number of federally guaranteed loan programs with the Federal Housing Administration (FHA), U.S. Department of Veterans Affairs (VA), U.S. Small Business Administration (SBA), and the U.S. Department of Agriculture (USDA), including its Farm Service Agency (FSA). Moreover, 1<sup>st</sup> Source's products include innovative and flexible loans, primarily to facilitate homeownership for non-traditional banking customers.

The bank offers a number of alternative retail delivery services, including mobile banking, internet banking and automated teller machines (ATMs). Under its Side-by-Side Retail Banking, the bank offers a service in which customers and bankers face the same screen to work through transactions together. In addition, the bank employs numerous bilingual staff for customers who have such needs. The bank's website, [www.1stsource.com](http://www.1stsource.com), provides customers with the ability to open a variety of products online: personal loans, home equity lines of credit (HELOCs), home equity loans, home improvement loans, credit cards, as well as deposit and checking accounts. Further, the bank's online banking and bill pay features include traditional online and mobile banking applications as well as bank-to-bank transfers; Popmoney allowing transfers between individuals or businesses; Mobile Wallet payment allowing tap-and-pay functionality with participating

merchants; and Card Valet allowing customers to set controls over their debit card use. The bank also provides access to money management applications including e-statements and Quicken Direct Connect tool. Marketing is done through a variety of sources including television, radio, outdoor digital signs, yard banners, direct mail, and newspapers.

The bank is an interstate bank with branches located in the following 12 assessment areas which constitute its primary markets:

- South Bend, Mishawaka, IN-MI MSA #43780 - consisting of the entire MSA, which is St. Joseph County, IN and Cass County, MI in their entirety.
- Elkhart – Goshen, IN MSA #21140 - consisting of the entire MSA, which is Elkhart County in its entirety.
- Fort Wayne, IN MSA #23060 - consisting of the entire MSA, which consists of Allen and Whitley Counties in their entirety.
- Gary, IN MD #23844 - a portion of the MD including only Porter County, IN in its entirety. Excluded were Jasper, Lake, and Newton Counties, which are also included in the MD.
- Michigan City-Laporte, IN MSA #33140 - consisting of the entire MSA, which is Laporte County in its entirety.
- Lafayette - West Lafayette, IN MSA #29200 - a portion of the MSA including only Tippecanoe County in its entirety. Excluded were Benton, Carroll and Warren Counties.
- Eastern IN non-MSA - consisting of Huntington and Wells Counties in their entirety.
- Northeastern IN non-MSA - consisting of DeKalb County in its entirety.
- Western IN non MSA - consisting of Fulton, Kosciusko, Marshall, Pulaski, and Starke Counties in their entirety.
- Niles, MI MSA #35660 - consisting of the entire MSA, which is Berrien County in its entirety.
- Kalamazoo – Portage, MI MSA #28020 - consisting of the entire MSA, which is Kalamazoo County in its entirety.
- North Port - Sarasota – Bradenton, FL MSA #35840 - a portion of the MSA including only Sarasota County in its entirety. Manatee County, which is also part of the MSA, was excluded.

During the evaluation period, the bank opened a branch facility in both the South Bend-Mishawaka IN MSA and the Northeastern IN non-MSA. There were also closings of a branch facility in both the Elkhart-Goshen IN MSA and the Niles MI MSAs. In addition, two full-service ATMs were opened in the Elkhart-Goshen MSA and one was included with the new branch facility in the Northeastern non-MSA. A new cash-only ATM was also opened in the South Bend-Mishawaka IN MSA. 1<sup>st</sup> Source did close four cash-only ATMs with two located in the South Bend-Mishawaka IN MSA and two in the Elkhart-Goshen IN MSA, including one that was associated with the branch closing. The bank also relocated one branch and full-service ATM within the Elkhart-Goshen IN MSA. In total, the bank has 78 branches and 100 ATMs with additional ATM availability provided through the bank's agreements with the Cirrus and Accel networks. The

following tables provides a breakdown of the bank’s branch offices and ATMs in each assessment area by census tract income designation:

*The distribution of the branch offices and ATMs is performed using current data and any changes in the median family income level of the geographies where the branches are located.*

<b>Distribution of Branches Among Census Tracts</b>										
Assessment Area	Low Income		Moderate Income		Middle Income		Upper Income		Total	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total
South Bend-Mishawaka MSA	3	3.8	2	2.6	11	14.1	8	10.3	24	30.8
Elkhart - Goshen MSA	0	0.0	1	1.3	7	9.0	1	1.3	9	11.5
Fort Wayne IN MSA	0	0.0	0	0.0	4	5.1	3	3.9	9*	11.5
Gary IN MD	0	0.0	2	2.6	4	5.1	3	3.9	9	11.5
Michigan City - Laporte IN MSA	0	0.0	0	0.0	4	5.1	1	1.3	5	6.4
Lafayette - West Lafayette IN MSA	0	0.0	1	1.3	0	0.0	1	1.3	2	2.6
Eastern IN non-MSA	0	0.0	1	1.3	1	1.3	0	0.0	2	2.6
Northeastern IN non-MSA	0	0.0	0	0.0	1	1.3	0	0.0	1	1.3
Western IN - non MSA	0	0.0	4	5.1	5	6.4	0	0.0	9	11.5
Niles MI MSA #35660	0	0.0	1	1.3	1	1.3	3	3.9	5	6.4
Kalamazoo - Portage MI MSA #28020	0	0.0	1	1.3	1	1.3	0	0.0	2	2.6
North Port - Sarasota - Bradenton FL MSA #35840	0	0.0	1	1.3	0	0.0	0	0.0	1	1.3
<b>Total</b>	<b>3</b>	<b>3.8</b>	<b>14</b>	<b>17.9</b>	<b>39</b>	<b>50.0</b>	<b>20</b>	<b>25.6</b>	<b>78</b>	<b>100.0</b>
*Two branches in the Fort Wayne MSA are located in census tracts designated as unknown										



<b>Distribution of ATMs Among Census Tracts</b>										
Assessment Area	Low Income		Moderate Income		Middle Income		Upper Income		Total	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total
South Bend-Mishawaka MSA	3	3.0	5	5.0	15	15.0	15	15.0	38	38.0
Elkhart - Goshen MSA	0	0.0	1	1.0	9	9.0	1	1.0	11	11.0
Fort Wayne IN MSA	0	0.0	0	0.0	4	4.0	3	3.0	9*	9.0
Gary IN MD	0	0.0	2	2.0	4	4.0	3	3.0	9	9.0
Michigan City - Laporte IN MSA	0	0.0	0	0.0	4	4.0	1	1.0	5	5.0
Lafayette - West Lafayette IN MSA	0	0.0	1	1.0	0	0.0	1	1.0	2	2.0
Eastern IN non-MSA	0	0.0	1	1.0	1	1.0	0	0.0	2	2.0
Northeastern IN non-MSA	0	0.0	0	0.0	1	1.0	0	0.0	1	1.0
Western IN - non MSA	0	0.0	6	6.0	7	7.0	2	2.0	15	15.0
Niles MI MSA #35660	0	0.0	0	0.0	2	2.0	4	4.0	6	6.0
Kalamazoo - Portage MI MSA #28020	0	0.0	1	1.0	1	1.0	0	0.0	2	2.0
North Port - Sarasota - Bradenton FL MSA #35840	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>3</b>	<b>3.0</b>	<b>17</b>	<b>17.0</b>	<b>48</b>	<b>48.0</b>	<b>30</b>	<b>30.0</b>	<b>100</b>	<b>100.0</b>

\*Two ATMs in the Fort Wayne MSA are located in census tracts designated as unknown

There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

At its previous evaluation conducted on June 18, 2019, the bank was rated Outstanding under CRA.

**SCOPE OF EXAMINATION**

1<sup>st</sup> Source’s CRA performance was evaluated using the Federal Financial Institution Examination Council (FFIEC) Large Institution CRA Examination Procedures. The CRA performance evaluation assesses the bank’s responsiveness and effectiveness in meeting the credit and community development needs in its assessment areas. The bank’s performance was evaluated within the context of information about the institution including asset size, financial condition, market presence of other financial institutions, the combined record of aggregate lenders in each assessment area, as well as local economic and demographic characteristics.

Assessment areas chosen for full review evaluations were selected based on the bank’s presence in the assessment area, the needs of communities located in the assessment areas, and consideration of the level of review applied during previous performance evaluations. The following presents the full and limited review assessment areas selected as part of the present evaluation:

Full Review:

- South Bend-Mishawaka IN-MI MSA #43780 (South Bend-Mishawaka IN-MI MSA)
- Fort Wayne IN MSA #23060 (Fort Wayne, IN MSA)
- Gary, IN MD #23844 (Gary IN MD)
- Kalamazoo-Portage MI MSA #28020 (Kalamazoo-Portage MI MSA)
- North Port-Sarasota-Bradenton FL MSA #35840 (North Port-Sarasota-Bradenton FL MSA)

Limited Review:

- Elkhart-Goshen IN MSA #21140 (Elkhart-Goshen IN MSA)
- Michigan City-Laporte IN MSA #33140 (Michigan City-Laporte IN MSA)
- Lafayette-West Lafayette IN MSA #29200 (Lafayette-West Lafayette IN MSA)
- Eastern IN non-MSA
- Northeastern IN non-MSA
- Western IN-non MSA
- Niles MI MSA #35660 (Niles MI MSA)

Performance in the South Bend-Mishawaka, IN-MI MSA #43780, the Fort Wayne, IN MSA #23060, and the Gary, IN MD #23844 received the greatest weight in the analysis as in aggregate they comprise a majority of the combined branches with 53.8 percent and ATMs with 56.0 percent. In addition, the three combined assessment areas account for 64.5 percent of the bank's total deposits. By geography, the combined number of census tracts within these three assessment areas accounted for 37.1 percent of the bank's combined overall assessment area including 42.4 percent of the low- and moderate-income census tracts.

Lending analysis was based on 2019 and 2020 HMDA- and CRA- reportable loans, specifically mortgage originations and loans to small businesses. CRA-reportable small business loans received greater weight of the analysis as they serve as the bank's primary loan product. Also, greater emphasis was placed on 2019 figures to evaluate the bank's performance, while 2020 figures were used for comparison purposes. Tables for 2019 lending data are included in each of the assessment area discussions, while 2020 lending data tables are included in Appendix A of this evaluation.

Performance within all assessment areas was evaluated using the following performance standards:

***Level of Lending Activity:*** HMDA-reportable and CRA-reportable small business loans were reviewed to determine the responsiveness to credit needs in the assessment areas. The review period was from January 1, 2019 through December 31, 2020.

***Lending in the Assessment Area:*** HMDA-reportable and CRA-reportable small business loans were reviewed to determine the percentage of loans originated within the combined assessment areas. The review period was January 1, 2019 through December 31, 2020.

***Geographic Distribution of Lending in the Assessment Area:*** HMDA-reportable and CRA-reportable small business loans were analyzed to determine the extent to which the bank makes loans in census tracts of different income levels, including those designated as low- or moderate-income. The review period was January 1, 2019 through December 31, 2020.

***Lending to Borrowers of Different Incomes and to Businesses of Different Sizes:*** HMDA-reportable and CRA-reportable small business loans were analyzed to determine the loan distribution among borrowers of different income and revenue levels. The review period was January 1, 2019 through December 31, 2020.

***Community Development Lending:*** The number and dollar volume, innovativeness and complexity of community development loans were reviewed. The review period was June 19, 2018 through June 7, 2021.

***Innovative or Flexible Lending Practices:*** The degree to which the bank used innovative and flexible lending practices to address the credit needs of low- and moderate-income individuals or geographies and small businesses between January 1, 2019 and December 31, 2020.

***Investments:*** Qualified investments, grants and donations made between June 19, 2018 through June 7, 2021 were reviewed to determine the bank's responsiveness to community development investment needs. In addition, outstanding qualified investments made prior to June 19, 2018 were considered. Qualified investments were also evaluated to determine the bank's use of innovative or complex investments.

***Services:*** 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 reviewed. The review focused on activity conducted between June 19, 2018 through June 7, 2021.

In addition, eight community representatives were contacted in connection with this examination to provide information regarding local economic and socio-economic conditions in the assessment area. The following types of organizations were contacted: economic development and affordable housing.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### LENDING TEST

1<sup>st</sup> Source's performance to the lending test is rated outstanding based on its performance in the South-Bend Mishawaka IN MSA, Fort Wayne IN MSA and the Gary IN MD. The performance factors that contributed to the rating was the bank's lending levels which reflected excellent responsiveness to assessment area credit needs; the origination of a high percentage of loans were originated in the bank's assessment area; geographic distribution of loans reflects excellent penetration throughout the assessment area; good penetration among customers of different income levels and businesses of different sizes; excellent record of serving the credit needs of low-income individuals and areas and very small businesses; is a leader in making community development loans and makes extensive use of innovative and/or flexible lending practices in serving assessment area credit needs.

#### Level of Lending Activity

1<sup>st</sup> Source's lending activity reflects excellent responsiveness to credit needs in its assessment area, taking into account the number and amount of home mortgage and small-business loans in its assessment area. The bank made 14,712 HMDA-reportable and CRA-reportable small business loans during the review period totaling \$2.0 billion. A historically low interest rate environment helped generate an unusually high level of refinance activity. However, the bank still maintained a very strong performance in its CRA-reportable small business loans as it experienced an increase of 64.4 percent by number and 46.8 percent by dollar since the prior evaluation with an average loan size of \$111,100. The 60.7 percentage by number of small business originations reflect a one percent increase of CRA-reportable small business loans as a portion of all lending compared to the previous evaluation. The table below presents the bank's level of lending activity across the combined assessment area during the review period:

1 <sup>st</sup> Source Loan Originations January 1, 2019-December 31, 2020				
Loan Type	#	%	\$(000s)	%
Home Improvement	651	4.3	30,305	1.5
Home Purchase	1,370	9.0	294,381	14.5
Multi-Family Housing	17	0.1	51,198	2.5
Refinancing	3,385	22.2	564,769	27.9
Loan Purpose Not Applicable	39	0.3	3,975	0.2
<b>Total HMDA Related</b>	<b>5,462</b>	<b>35.8</b>	<b>944,628</b>	<b>46.6</b>
<b>Total Small Business Related</b>	<b>9,250</b>	<b>60.7</b>	<b>1,027,622</b>	<b>50.7</b>
<b>Total Small Farm Related</b>	<b>526</b>	<b>3.5</b>	<b>54,296</b>	<b>2.7</b>
<b>TOTAL LOANS</b>	<b>15,238</b>	<b>100.0</b>	<b>2,026,546</b>	<b>100.0</b>

### Assessment Area Concentration

1<sup>st</sup> Source's lending activity reflects a high percentage of loans made in the bank's assessment area. As the following chart illustrates the bank originated by number 75.9 percent of its loans inside its assessment area. The small business loan performance at 64.9 percent was significantly below the very high level of HMDA originations at 93.0 percent. However, the bank's performance in Small Business CRA-reportable lending was an improvement from the 60.7 percent of the previous evaluation.

Lending Inside/Outside the Assessment Area								
Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000)	%
Home Improvement	618	94.9	\$28,560	94.2	33	5.1	\$1,745	5.8
Home Purchase-Conventional	1,091	88.6	\$231,734	84.2	141	11.4	\$43,407	15.8
Home Purchase-FHA	106	89.8	\$14,690	92.2	12	10.2	\$1,247	7.8
Home Purchase-VA	17	85.0	\$2,926	88.6	3	15.0	\$377	11.4
Loan Purpose Not Applicable	37	94.9	\$3,892	97.9	2	5.1	\$83	2.1
Multi-Family Housing	15	88.2	\$40,066	78.3	2	11.8	\$11,132	21.7
Refinancing	3,196	94.4	\$517,205	91.6	189	5.6	\$47,564	8.4
<b>Total HMDA related</b>	<b>5,080</b>	<b>93.0</b>	<b>\$839,073</b>	<b>88.8</b>	<b>382</b>	<b>7.0</b>	<b>\$105,555</b>	<b>11.2</b>
<b>Total Small Bus. related</b>	<b>6,005</b>	<b>64.9</b>	<b>\$698,022</b>	<b>67.9</b>	<b>3,245</b>	<b>35.1</b>	<b>\$329,600</b>	<b>32.1</b>
<b>Total Small Farm related</b>	<b>488</b>	<b>92.8</b>	<b>\$50,341</b>	<b>92.7</b>	<b>38</b>	<b>7.2</b>	<b>\$3,955</b>	<b>7.3</b>
<b>TOTAL LOANS</b>	<b>11,573</b>	<b>75.9</b>	<b>\$1,587,436</b>	<b>78.3</b>	<b>3,665</b>	<b>24.1</b>	<b>\$439,110</b>	<b>21.7</b>

## Geographic and Borrower Distribution

The geographic distribution of loans reflects excellent penetration throughout the combined assessment area that contributed to the rating. The bank had a high percentage of loan dispersion in each of the assessment areas including originations in every delineated census tract in the South Bend-Mishawaka MSA. The bank's performance overall was above or equivalent to aggregate lender performance in low- and moderate-income census tracts in both HMDA and small business lending. Please refer to the state and individual assessment area summaries for further detail.

The distribution of borrowers overall reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes in the combined assessment area. The bank's performance was equivalent to aggregate lender performance to low- and moderate-income borrowers and small businesses. Please refer to the state and individual assessment area summaries for further detail.

1<sup>st</sup> Source Bank exhibits an excellent record of serving the credit needs of highly economically disadvantaged geographies in its assessment areas, low-income individuals, or businesses with gross annual revenues of \$1 million or less, consistent with safe and sound operations.

1<sup>st</sup> Source Bank makes extensive use of innovative and flexible loan products across all branches and had continued growth and use in these products compared to the previous evaluation. Net of the Paycheck Protection Program the bank originated over 4,000 such transactions totaling over \$160 million through the programs listed below.

**SBA Loans:** 1<sup>st</sup> Source is a preferred lender with SBA, enabling it to process applications for the 7(a), 504, Express and Small Loan Advantage programs. The bank originates more SBA loans in Indiana than any other community bank. The bank's participation in this program allows borrowers who may not otherwise qualify for small business credit to obtain such financing through the bank.

**FSA/USDA Loans:** The bank offers these federally guaranteed loans to farmers and agricultural borrowers who may not otherwise qualify for credit.

**Community Development Mortgage:** This program provides credit opportunity for first time homebuyers that earn less than 80 percent or less of median family income who may not be able to demonstrate creditworthiness through traditional means, such as credit reports. The bank is not only willing to accept non-traditional proof of creditworthiness, but it also provides down payment assistance through the Federal Home Loan Bank assistance program.

**Community Homebuyers Corporation (CHC):** 1<sup>st</sup> Source closes Community Development Block Grant loans on behalf of CHC. These provide down payment and closing cost assistance to first time homebuyers in the bank's South Bend-Mishawaka, IN-MI assessment area.

Habitat for Humanity (Habitat) Mortgage Purchase Program: 1<sup>st</sup> Source purchases mortgage loans from Habitat's affiliates, providing the funds needed to build additional affordable homes across the bank's assessment areas.

Habitat for Humanity Mortgage Origination Program: The bank originates and services all of such loans originated by Habitat for Humanity to support affordable housing needs. Habitat has fewer resources available to dedicate to mortgage servicing.

Credit Builder Program: The bank provides small dollar loans, secured by certificates of deposit, to banking customers wishing to build traditional credit. This program is of particular responsiveness to non-traditional banking customers who need assistance in entering financial markets.

Pathfinder Services Auto Loan Program: In this partnership, the bank works with Indiana nonprofit Pathfinder Services to guarantee loans of up to \$5,000 to purchase used vehicles.

Federal Home Loan Bank (FHLB) of Indianapolis: 1<sup>st</sup> Source and FHLB partner on five programs to facilitate homeownership and home repair in the combined assessment area.

- Affordable Housing Program: Provides funding for borrowers purchasing, rehabilitating or constructing affordable rental housing.
- Community Investment Program: Provides the bank with borrowing opportunity to fund local economic development endeavors.
- Homeownership Opportunities Program: Provides down payment and closing cost assistance to LMI first time homebuyers.
- Neighborhood Impact Program: Provides grants of up to \$7,500 for LMI homeowners to make repairs and rehabilitate their homes.
- Accessibility Modifications Program: Provides grants of up to \$15,000 for LMI homeowners, who are also seniors or disabled, for construction of accessibility features to accommodate homeowners' physical challenges.

Healthcare Financing Program: This product is to individuals facing challenges with medical expenses. Loans cover the costs of co-pays and other out-of-pocket medical fees.

Unsecured Home Improvement Loans: Flexible loan which carries an interest rate below that of standard unsecured loans and allows for the use of non-traditional credit for underwriting purposes.

Loan Reclamation Program: The bank offers loan restructuring program discussions for all customers whose loan payments are 15 or more days in arrears.

Paycheck Protection Program: Made available through the existing U.S. Small Business Administration (SBA) 7(a) lending program to provide forgivable loans to help small businesses maintain payrolls during the coronavirus pandemic.

The table below presents the bank’s innovative and flexible lending (including renewals) within the bank’s assessment area during the period of 2019-2020:

<b>Innovative and Flexible Lending Programs</b>		
<b>Program</b>	<b>Number of Loans</b>	<b>\$ of Loans</b>
Small Business Administration Programs	519	121,190,990
Farm Service Agency/USDA Guaranteed Farm Loans	22	4,328,335
Community Development Mortgage	73	6,283,320
Community Homebuyers Corporation	37	2,780,868
Habitat for Humanity Mortgage Purchase Program	33	2,225,293
Habitat for Humanity Mortgage Origination Program	36	4,091,838
Credit Builder Program	1,523	6,755,282
Pathfinder Services Auto Loan Program	24	153,794
Federal Home Loan Bank of Indianapolis Program	133	2,440,339
Healthcare Financing Program	992	5,031,390
Unsecured Home Improvement Loans	770	4,396,777
Loan Reclamation Program	138	1,944,771
Paycheck Protection Program	3,201	481,126,173
Totals	7,501	642,749,170

## COMMUNITY DEVELOPMENT LENDING

1<sup>st</sup> Source Bank is a leader in making community development loans. During the evaluation period the bank originated 374 loans totaling \$709.1 million throughout its combined assessment area. When compared to the previous evaluation of 198 loans totaling \$341.3 million, the bank increased the number of loans by 88.9 percent and the dollar volume by 107.8 percent; however, a difference in review time periods also needs to be considered. When comparing loans by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation, the increase in dollar volume by monthly average was 61.5 percent. Of the community development loans originated during this evaluation period, 90 loans for \$85.3 million were originated as part of the Paycheck Protection Program in response to the COVID-19 pandemic. A number of loans were made to non-profits involved in work force development as well as to affordable housing organizations. Not accounting for loans through PPP, the majority of the bank’s community development loans by dollar went towards economic development and revitalization/stabilization projects.



The following table presents the bank’s community development loans in the assessment area during the review period.

<b>Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021</b>										
AA Name	Affordable Housing		Community Services		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
South Bend-Mishawaka, IN-MI MSA	48	6,180	19	14,022	9	14,342	72	159,190	148	193,735
Fort Wayne, IN MSA	6	17,860	7	8,250	8	7,525	18	14,834	39	48,469
Gary, IN MD	5	2,124	6	2,213	1	64	19	31,392	31	35,792
Kalamazoo-Portage, MI MSA	0	0	11	8,305	0	0	16	56,330	27	64,635
North Port-Sarasota-Bradenton, FL MSA	0	0	0	0	0	0	2	735	2	735
Elkhart-Goshen, IN MSA	1	240	7	8,275	0	0	45	129,805	53	138,320
Michigan City-LaPorte, IN MSA	0	0	0	0	4	12,000	13	39,161	17	51,161
Lafayette-West Lafayette, IN MSA	0	0	0	0	0	0	10	33,781	10	33,781
Eastern, IN Non-MSA	0	0	3	8,250	0	0	2	6,590	5	14,840
Northeastern, IN Non-MSA	0	0	0	0	0	0	0	0	0	0
Western, IN Non-MSA	0	0	5	2,364	10	52,894	13	29,251	28	84,510
Niles, MI MSA	0	0	2	30	0	0	9	11,634	11	11,664
Statewide IN – Outside AA	0	0	0	0	1	18,000	1	5,012	2	23,012
Statewide MI - Outside AA	0	0	0	0	0	0	1	8,400,000	1	8,400
<b>Total</b>	<b>60</b>	<b>26,404</b>	<b>60</b>	<b>52,948</b>	<b>33</b>	<b>105,500</b>	<b>221</b>	<b>537,069</b>	<b>374</b>	<b>709,052</b>

*Note: Dollar amounts are rounded and not reflective of exact figures.*

## INVESTMENT TEST

1<sup>st</sup> Source Bank’s record of performance relative to the Investment Test is High Satisfactory based on an adequate use of qualified investments in the assessment area, particularly those that are not routinely provided by private investors, although rarely in a leadership position. These investments demonstrate the significant use of innovative or complex qualified investments and provide excellent responsiveness to the credit and community development needs of the assessment area.

During the evaluation period, the bank originated \$33.4 million in current period investments. The majority of the bank's current period investments were directed towards investing in mortgage-backed securities for affordable home loan financing and community service municipal bonds. Complex and innovative investments include Low-Income Housing Tax Credits which benefit low-and moderate-income individuals. In addition to current period investments, the bank maintained \$58.6 million in prior period investments and maintained \$5.1 million in total unfunded investments. Overall, the bank originated a total of \$97.1 million in current and prior period investments across its combined assessment area, an increase to its performance at the previous evaluation during which time it originated \$86.7 million in current and prior period investments. This represents a 12.0 percent increase by dollar volume compared to the previous evaluation; when comparing investments by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation there was an actual decrease of 12.9 percent.

The following table presents the bank's community development investments throughout its combined assessment area during the review period:

<b>Qualified Community Development Investments by Purpose</b> <b>June 19, 2018 - June 7, 2021</b>										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
South Bend-Mishawaka, IN-MI MSA – <b>Current Period</b>	44	4,925	1	3,240	0	0	0	0	48	8,165
South Bend-Mishawaka, IN-MI MSA - <b>Prior</b>	7	10,538	0	0	2	3,363	0	0	9	13,901
South Bend-Mishawaka, IN-MI MSA – <b>Undisbursed</b>	1	850	0	0	0	0	0	0	1	850
Fort Wayne, IN MSA – <b>Current Period</b>	33	4,045	0	0	0	0	0	0	33	4,045
Fort Wayne, IN MSA - <b>Prior</b>	6	13,078	0	0	0	0	0	0	6	13,078
Fort Wayne, IN MSA - <b>Undisbursed</b>	1	1,223	0	0	0	0	0	0	1	1,223
Gary, IN MD – <b>Current Period</b>	15	2,808	0	0	0	0	0	0	15	2,808
Gary, IN MD – <b>Prior</b>	2	8,756	1	38	0	0	0	0	3	8,794
Kalamazoo-Portage, MI MSA – <b>Current Period</b>	26	3,468	0	0	0	0	0	0	26	3,468
Kalamazoo-Portage, MI MSA – <b>Prior</b>	3	6,029	0	0	0	0	0	0	3	6,029
Kalamazoo-Portage, MI MSA- <b>Undisbursed</b>	1	97	0	0	0	0	0	0	1	97

North Port-Sarasota-Bradenton, FL MSA – <b>Current Period</b>	21	3,581	0	0	0	0	0	0	21	3,581
North Port-Sarasota-Bradenton, FL MSA - <b>Prior</b>	1	1,207	0	0	0	0	0	0	1	1,207
Full Review AAs – <b>Current Period TOTALS</b>	139	18,828	1	3,240	0	0	0	0	143	22,068
Full Review AAs - <b>Prior Period TOTALS</b>	19	40,899	1	38	2	3,363	0	0	20	43,008
Full Review AAs – Undisbursed <b>Totals</b>	3	2,170	0	0	0	0	0	0	3	2,170
Limited Review AAs – <b>Current Period</b>	91	11,043	0	0	0	0	0	0	91	11,043
Limited Review AAs - <b>Prior Period</b>	13	14,778	0	0	1	250	1	315	16	15,593
Limited Review AAs – <b>Undisbursed</b>	2	2,939	0	0	0	0	0	0	2	2,939
Statewide MI - Outside AA – <b>Current Period</b>	0	0	0	0	1	265	0	0	1	265
<b>Total – Current Period</b>	230	29,862	1	3,240	1	265	0	0	232	33,376
<b>Total - Prior Period</b>	30	54,638	1	38	3	3,613	1	315	36	58,603
<b>Total- Undisbursed</b>	5	5,110	0	0	0	0	0	0	5	5,110
<b>Total</b>	<b>264</b>	<b>89,366</b>	<b>2</b>	<b>3,278</b>	<b>4</b>	<b>4,128</b>	<b>1</b>	<b>315</b>	<b>271</b>	<b>97,087</b>

*Note: Dollar amounts are rounded and not reflective of exact figures.*

In addition, 1<sup>st</sup> Source Bank distributed a total of \$3.8 million in qualified grants and donations in the current evaluation period. The donations were made to organizations who serve a variety of purposes including those focused on affordable housing, community service, economic development, and revitalization/stabilization. When compared to the previous evaluation of \$1.4 million in qualified donations, the bank made a notable increase of 171.4 percent by dollar amount during this evaluation period; with comparing grants and donations by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the increase by monthly average was 111.1 percent. An analysis of the increase in donations and grants displayed the bank’s responsiveness to the COVID-19 crisis as it provided significant additional funding to community organizations which were providing assistance to those most affected by the pandemic. Please refer to the individual assessment area sections of the performance evaluation for additional detail on community development investments and grants/donations.

<b>Qualified Community Development Donations by Purpose</b> <b>June 19, 2018 - June 7, 2021</b>										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize /Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
South Bend-Mishawaka, IN-MI MSA	12	58,787	78	784,578	108	758,878	2	12,500	200	1,614,743
Fort Wayne, IN MSA	4	27,500	40	260,402	31	98,800	0	0	75	386,702
Gary, IN MD	2	16,250	43	154,736	62	119,091	0	0	107	290,077
Kalamazoo-Portage, MI MSA	5	6,000	15	66,698	3	2,500	1	2,500	24	77,698
North Port-Sarasota-Bradenton, FL MSA	2	4,500	5	980	0	0	0	0	7	5,480
Elkhart-Goshen, IN MSA	12	36,390	71	343,843	49	189,310	0	0	132	569,543
Michigan City-LaPorte, IN MSA	3	18,550	29	120,996	18	46,842	0	0	50	186,388
Lafayette-West Lafayette, IN MSA	6	13,650	33	65,294	5	5,350	0	0	44	84,294
Eastern, IN Non-MSA	0	0	7	15,489	5	3,378	1	5,000	13	23,867
Northeastern, IN Non-MSA	0	0	2	2,500	2	1,575	0	0	4	4,075
Western, IN Non-MSA	1	25,000	65	213,786	42	62,204	2	50,000	110	350,990
Niles, MI MSA	0	0	19	118,806	24	53,822	0	0	43	172,628
<b>Total</b>	<b>47</b>	<b>206,627</b>	<b>407</b>	<b>2,148,108</b>	<b>349</b>	<b>1,341,750</b>	<b>6</b>	<b>70,000</b>	<b>809</b>	<b>3,766,485</b>

*Note: Dollar amounts are rounded and not reflective of exact figures.*

## SERVICE TEST

1<sup>st</sup> Source Bank’s performance relative to the Service Test is rated High Satisfactory based on the following major factors in the assessment areas that contributed to the rating: delivery systems are accessible to the bank’s geographies and individuals of different income levels in the combined assessment area; the bank’s record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and individuals; services do not vary in a way that inconveniences the assessment area, particularly LMI geographies and individuals, and the bank provides a relatively high level of community development services.

## Retail Services

The bank’s retail delivery services are accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals.

Its services (including, where appropriate, business hours) do not vary in a way that inconvenient its assessment area(s), particularly low- or moderate-income geographies or low- or moderate-income individuals.

The bank offers a number of alternative retail delivery services, including mobile banking, internet banking and automated teller machines (ATMs) through the Cirrus and Accel networks. The bank's website, [www.1stsource.com](http://www.1stsource.com), provides customers with the ability to open a variety of products online: personal loans, home equity lines of credit (HELOCs), home equity loans, home improvement loans, credit cards, as well as deposit and checking accounts. Further, the bank's online banking and bill pay features include traditional online and mobile banking applications as well as bank-to-bank transfers; Popmoney allowing transfers between individuals or businesses; Mobile Wallet payment allowing tap-and-pay functionality with participating merchants; and Card Valet allowing customers to set controls over their debit card use.

### **Community Development Services**

1<sup>st</sup> Source Bank provides a relatively high level of community development services. During the review period, the bank provided 7,760 hours of community development service hours, below its performance at the previous evaluation during which time it provided 8,492 community development service hours. When compared to the previous evaluation the bank decreased the number of hours by 8.6 percent; when comparing service hours by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the decrease was 28.9 percent. The bank's performance during the current evaluation was impacted by the COVID-19 pandemic which temporarily limited the bank's ability to provide financial service activities to the communities it serves. The bank's services were highly responsive to assessment area needs, with a large portion supporting financial education benefiting low- and moderate-income individuals, geographies, as well as small businesses.

The following table presents the bank's community development services throughout its combined assessment area during the review period:

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize (R/S)	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
South Bend-Mishawaka, IN-MI MSA	151	1,670	481	0	2,302	29.7
Fort Wayne, IN MSA	30	540	125	0	695	9.0
Gary, IN MD	10	286	318	0	614	7.9
Kalamazoo-Portage, MI MSA	48	170	33	0	251	3.2
North Port-Sarasota-Bradenton, FL MSA	0	0	0	0	0	0.0
Elkhart-Goshen, IN MSA	1	641	141	0	783	10.1
Michigan City-LaPorte, IN MSA	156	450	80	0	686	8.8
Lafayette-West Lafayette, IN MSA	80	262	12	0	354	4.6
Eastern, IN Non-MSA	6	19	73	0	98	1.3
Northeastern, IN Non-MSA	0	42	12	0	54	0.7
Western, IN Non-MSA	45	678	312	0	1,035	13.3
Niles, MI MSA	0	425	463	0	888	11.4
<b>Total</b>	527	5,183	2,050	0	7,760	100.0

## COMMUNITY REPRESENTATIVES

A total of eight community representatives were contacted in the full-scope assessment areas located in Indiana and Michigan. Five of the eight were with organizations which primarily focused on economic development and the other three were involved in affordable housing. Representatives indicated that in general, their communities had been able to maintain economic viability through the COVID-19 pandemic period due to the presence of large corporate organizations and institutions of higher learning and therefore had experienced minimal economic erosion of the significant economic growth that had preceded its onset. The one segment of the employment market which was the most negatively affected was service workers as even the Paycheck Protection Program (PPP) often did not completely cover the loss of wages. Affordable housing is a growing issue as price escalation has not only driven up purchase demand but has also increased rents. 1<sup>st</sup> Source Bank was mentioned by a few of the representatives as being responsive to community needs.

## FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

## **SOUTH BEND - MISHAWAKA, IN-MI MSA**

### **CRA RATING FOR South Bend -Mishawaka, IN-MI MSA: OUTSTANDING**

**The Lending Test is rated: Outstanding**

**The Investment Test is rated: High Satisfactory**

**The Service Test is rated: High Satisfactory**

1<sup>st</sup> Source's overall performance in the South Bend-Mishawaka IN-MI MSA (South Bend-Mishawaka MSA) is Outstanding. The bank's performance on the Lending Test is Outstanding. The bank displays an excellent geographic distribution of loans in its assessment area. The bank demonstrates good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank. The bank exhibits an excellent record of serving the credit needs of highly economically disadvantaged areas in the assessment area, as well as low-income individuals consistent with safe and sound operations. The bank demonstrates an extensive use of innovative and flexible practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies. The bank is a leader in making community development loans.

1<sup>st</sup> Source Bank's record of performance relative to the Investment Test in the South Bend-Mishawaka MSA is High Satisfactory based on an adequate level of qualified community development investments and grants, particularly those that are not routinely provided by private investors, occasionally in a leadership position. These investments demonstrate the extensive use of innovative or complex qualified investments and provide excellent responsiveness to the credit and community development needs of the assessment area.

1<sup>st</sup> Source Bank's performance relative to the Service Test is High Satisfactory based on the following factors: delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area; services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals; record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and low- and moderate-income individuals; and the bank provides a relatively high level of community development services.

### **SCOPE OF EXAMINATION**

1<sup>st</sup> Source Bank's operations in the South Bend-Mishawaka MSA received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

## DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE SOUTH BEND -MISHAWAKA MSA

The South Bend-Mishawaka MSA consists of St. Joseph County in Indiana and Cass County in Michigan in their entireties which is unchanged from the previous evaluation. There is a total of 86 census tracts comprised of 11 low-, 19 moderate-, 37 middle-, and 19 upper-income census tracts. This represents a change from the previous evaluation due to census tract designation changes where the assessment area contained eight low-income census tracts, 27 moderate-income census tracts, 31 middle-income census tracts and 20 upper-income census tracts.

1<sup>st</sup> Source Bank maintains its main office and 23 branches in the assessment area, as well as 38 ATMs, 26 of which are full-service and 12 of which are cash-only. The main office and two branches are located in low-income census tracts, as are two full-service ATMs and one cash-only ATM. Two branches are in moderate-income census tracts, as well as five ATMs, three of which are full-service and two that are cash-only. The bank maintains 11 branches in middle-income census tracts, each of which has a full-service ATM. It also operates one full-service stand-alone ATM and three which are cash-only. The remaining eight branches are in upper-income census tracts as well as nine full-service and six cash-only ATMs. The bank opened one branch without an ATM in a low-income census tract and a cash-only ATM in an upper-income census tract. Two cash-only ATMs were closed in upper-income census tracts.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranked the bank as the leader in the market, being first among 16 institutions serving the assessment area, with 51.4 percent of the market share which reflects a 10 percent increase since the FDIC's 2017 report. This is substantially higher than the number two market share holder, Lake City Bank, which holds 9.2 percent of the market share and PNC Bank, N.A. which has 7.9 percent. Deposits in this assessment area represent 45.2 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank performed commensurate with its market share ranking in 2019 as it was first overall by number in total HMDA originations within the MSA among 321 HMDA reporters. It was the leader in both refinance transactions and home improvement loans among all lenders and ranked second among FDIC insured institutions which had branch locations within the assessment area in home purchase originations. The bank ranked second among 81 CRA reporters in originations to small businesses and in small business loans to small businesses. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:



Assessment Area: 2019 South Bend-Mishawaka, IN-MI MSA 43780								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	11	12.8	4,872	6.2	2,020	41.5	17,024	21.5
Moderate-income	19	22.1	10,535	13.3	2,738	26.0	13,650	17.3
Middle-income	37	43.0	42,390	53.6	4,417	10.4	16,133	20.4
Upper-income	19	22.1	21,331	27.0	891	4.2	32,321	40.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>86</b>	<b>100.0</b>	<b>79,128</b>	<b>100.0</b>	<b>10,066</b>	<b>12.7</b>	<b>79,128</b>	<b>100.0</b>
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>						
		<b>Owner-Occupied</b>			<b>Rental</b>		<b>Vacant</b>	
		#	%	%	#	%	#	%
Low-income	12,448	3,415	4.0	27.4	6,391	51.3	2,642	21.2
Moderate-income	21,354	10,478	12.1	49.1	7,220	33.8	3,656	17.1
Middle-income	77,808	47,647	55.1	61.2	18,938	24.3	11,223	14.4
Upper-income	29,650	24,908	28.8	84.0	3,109	10.5	1,633	5.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>141,260</b>	<b>86,448</b>	<b>100.0</b>	<b>61.2</b>	<b>35,658</b>	<b>25.2</b>	<b>19,154</b>	<b>13.6</b>
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#
Low-income	1,177	9.6	1,049	9.6	117	10.4	11	9.0
Moderate-income	1,734	14.2	1,519	13.8	200	17.9	15	12.3
Middle-income	6,181	50.6	5,518	50.3	604	53.9	59	48.4
Upper-income	3,126	25.6	2,890	26.3	199	17.8	37	30.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>12,218</b>	<b>100.0</b>	<b>10,976</b>	<b>100.0</b>	<b>1,120</b>	<b>100.0</b>	<b>122</b>	<b>100.0</b>
	<b>Percentage of Total Businesses:</b>			<b>89.8</b>		<b>9.2</b>		<b>1.0</b>
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
#		%	#	%	#	%	#	%
Low-income	4	1.1	4	1.2	0	0.0	0	0.0
Moderate-income	6	1.7	6	1.7	0	0.0	0	0.0
Middle-income	249	69.6	242	69.9	6	60.0	1	50.0
Upper-income	99	27.7	94	27.2	4	40.0	1	50.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>358</b>	<b>100.0</b>	<b>346</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>			<b>96.6</b>		<b>2.8</b>		<b>0.6</b>	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

## Population Characteristics

Official population statistics from the U.S. Census Bureau for the 2020 census were not available as the date of the evaluation. As indicated by the 2011-2015 U.S. Census Bureau, the following table shows St. Joseph County having an extremely modest increase in population whereas Cass County experienced a decline in population, equating to virtually no population growth within the MSA. Both counties were also below the population growth in their respective states. Community representatives have stated that the South Bend area has experienced slow population growth resulting from a lack of major industries further resulting in student graduates migrating to the Chicago area in search of broader employment opportunities.

Population Change			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
St. Joseph County, IN	266,931	267,246	0.1
Cass County, MI	52,293	51,952	-0.7
South Bend - Mishawaka, IN-MI	319,224	319,198	0.0
State of Indiana	6,483,802	6,568,645	1.3
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010 - U.S. Census Bureau: Decennial Census                      2011-2015 - U.S. Census Bureau: Decennial Census: American Community Survey</i>			

## Income Characteristics

Based on 2011-2015 American Survey data, the median family income for St. Joseph and Cass counties were \$58,116 and \$56,206, respectively. Both counties experienced mild increases of 1.1 percent and 2.5 percent, respectively, which were below the Consumer Price Index of 7.4 percent for the period of 2011-2015. The increases in each county were below their respective states of location. Community representatives stated that wages were on the rise in the area as residents of Elkhart County were commuting to St. Joseph County enticed by the higher wages.

The following table presents income characteristics between 2010 and 2011-2015 in the individual counties and the South Bend-Mishawaka, IN-MI MSA:

<b>Median Family Income Change</b>			
<b>Area</b>	<b>2006-2010 Median Family Income (In 2010 Dollars - \$)</b>	<b>2011-2015 Median Family Income (In 2015 Dollars - \$)</b>	<b>Percentage Change (%)</b>
St. Joseph County, IN	57,510	58,116	1.1
Cass County, MI	54,813	56,206	2.5
South Bend - Mishawaka, IN-MI MSA	57,040	57,692	1.1
State of Indiana	58,944	61,119	3.7
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey                      2011-2015 – U.S. Census Bureau: American Community Survey</i>			

### Housing Characteristics

The following table presents recent housing cost trends within St. Joseph and Cass Counties, the South Bend-Mishawaka, IN-MI MSA and the states of Indiana and Michigan. The assessment area includes 141,260 housing units; the majority are owner-occupied, representing 61.2 percent of the units, followed by 25.2 percent rental units and 13.6 percent vacant housing units.

Overall, median housing values decreased between the 2010 Census and the 2011-2015 American Community Survey. Cass County and the state of Michigan experienced the largest decreases at 8.2 and 15.1 percent respectively. Meanwhile St. Joseph County had a modest decrease of 1.3 percent in median housing values, which was below the state of Indiana with a 1.0 percent increase. In contrast gross rents in St. Joseph County increased 5.3 percent from 2010 to 2011-2015 while Cass County also experienced increases in rents at 10.1 percent. The rate of rent increases in St. Joseph County was below that of the state of Indiana; however, Cass County was above that of the state of Michigan. A community representative stated that South Bend has long suffered from a lack of affordable housing options with most of the current affordable housing being antiquated and generally located within blighted parts of town.

Housing Costs Trends						
Area	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)
St. Joseph County, IN	116,300	114,800	-1.3	683	719	5.3
Cass County, MI	133,700	122,800	-8.2	634	698	10.1
South Bend - Mishawaka, IN-MI MSA	119,169	116,103	-2.6	678	717	5.8
State of Indiana	123,000	124,200	1.0	683	745	9.1
State of Michigan	144,200	122,400	-15.1	723	783	8.3
<i>Source: 2006-2010 - U.S. Census Bureau: American Community Survey 2011-2015 - U.S. Census Bureau: American Community Survey</i>						

### Employment Conditions

The following table presents unemployment characteristics between 2016 and 2019 in each county as well as the states of Indiana and Michigan. Overall, all the regions experienced decreases in unemployment rates from 2016 to 2018 with rates stabilizing in 2019. Community representatives claimed that unemployment rates are closely tied to the University of Notre Dame, especially its football program, upon which tourism and many local businesses rely.

Recent Unemployment Rates (%)				
Area	2016	2017	2018	2019
St. Joseph County, IN	4.5	3.6	3.6	3.6
Cass County, MI	4.6	4.5	4.1	4.3
South Bend - Mishawaka, IN-MI MSA	4.5	3.7	3.6	3.7
State of Indiana	4.4	3.6	3.4	3.3
State of Michigan	4.9	4.6	4.1	4.1
<i>Source: Bureau of Labor Statistics: Local Area Unemployment Statistics (LAUS)</i>				

The following table presents the largest employers operating in the assessment area counties with four of the top six employers engaged in the health care industry. Per the Bureau of Labor Statistics May 2020 report, within the MSA the following three employment categories contain the highest number of employees with Office and Administrative Support Occupations at 16,530, Sales and Related Occupations at 12,680, and Food Preparation / Serving Related Occupations at 11,920. Per the Bureau of Economic Analysis, all industry total GDP grew 2.5 percent in the MSA from

2018 to 2019 which was above the 1.6 percent in the state of Indiana and the 0.8 percent for the state of Michigan.

Largest Employers in the Assessment Area			
Company Name	Primary SIC Description	Area	Number of Employees
Notre Dame Alumni Association	Universities/Colleges-Alumni Assn/Club	St. Joseph	5,000
University of Notre Dame	Schools-Universities & Colleges Academic	St. Joseph	4,000
Memorial Hospital- South Bend	Hospitals	St. Joseph	2,227
University-Notre Dame-Harper	Cancer Research Centers	St. Joseph	2,000
St. Joseph Regional Medical Center	Hospitals	St. Joseph	1,339
Memorial Midwifery Centered Center	Physicians & Surgeons	St. Joseph	611
South Bend Tribune	Newspapers (Publishers/Manufacturers)	St. Joseph	500
Performance Co	Cleaning Services-Industrial	St. Joseph	500
Meijer	Grocers-Retail	St. Joseph	500
Itr Concession Co LLC	Transportation Services	St. Joseph	500

*Source: Business information provided by Infogroup®, Omaha, NE*

### Community Representatives

Two community representatives with a focus on affordable housing and economic development were contacted to increase understanding of the credit needs and market conditions within the assessment area. Representatives stated that the population growth has been slow due to student graduate migration to cities such as Chicago, while affordable housing availability has long been an issue in the area stemming from a general lack of housing supply. The University of Notre Dame plays a large role in the economy especially in South Bend supplying both jobs in the education industry and boosting tourism with their football program. Conversely, the COVID-19 Pandemic did affect small businesses such as restaurants, and large office buildings closed as companies lacked the technological infrastructure to effectively work remotely.

The representatives further added an increasing need for down payment assistance for mortgages to help bridge funding gaps for homeownership as well as banks considering modifying their underwriting criteria to accept borrowers with a more flawed credit history to get people into affordable housing options as South Bend has long suffered from a lack of affordable housing as developers have focused on upper- and middle-income developments. One contact estimated that as many as one in nine area residents are paying over 50% of their income for housing.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN –SOUTH BEND- MISHAWAKA, IN-MI MSA**

### **LENDING TEST**

1<sup>st</sup> Source Bank's performance relative to the Lending Test in the South-Bend Mishawaka MSA is rated Outstanding based on the following major factors: the geographic distribution of loans reflects excellent penetration throughout the assessment area; the distribution of borrowers reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes; the bank exhibits an excellent record of serving the credit needs of low-income individuals and areas and very small businesses. 1st Source Bank is a leader in making community development loans and the bank makes extensive use of innovative and flexible lending practices in serving assessment area credit needs.

The bank participates in a number of loan programs designed to assist low- and moderate-income borrowers. These include the Community Homebuyers Corporation Mortgage Loans available to first time home buyers in South Bend which provides eligible participants down payment and closing cost assistance. Portfolio lending on a fixed interest rate loan is available for buyers through the Habitat for Humanity program as well as the use of Federal Home Loan Bank programs, which also provide down payment and closing cost assistance to low- and moderate-income buyers. The bank also made over 200 Unsecured Home Improvement Loans under a program which utilizes non-traditional credit and has a minimum loan amount of \$1,000. In addition, the bank in 2019-2020 was involved in over 150 Small Business Administration (SBA) loans in the assessment area.

### **Geographic Distribution of Loans**

The bank's lending activities reflect excellent distribution throughout the assessment area. In 2019, the bank's rate of home mortgage lending within low-and moderate-income census tracts was deemed good as the bank's performance was comparable to the aggregate lenders' and below the assessment area demographics. Additionally, the bank's performance with respect to small business loans was excellent given the bank's performance within low-income census tracts was comparable to aggregate lenders and the percentage of small businesses but exceeded the aggregate of lenders and percentage of small business within moderate-income census tract.

For purposes of this analysis, small business loans were used as the primary factor for determining the rating. Additionally, 2019 figures were used to evaluate the bank's performance, while 2020 figures were used for comparison purposes. Finally, when determining performance, the comparison to aggregate lender figures was weighted more heavily than the assessment area demographics (percentage of owner-occupied housing units).

A gap analysis was completed as part of the evaluation. In 2019, by census tract, the bank originated HMDA-reportable loans in 88.4 percent of all census tracts in the assessment area with originations in 45.5 percent of all low-income census tracts and 84.2 percent of all moderate-income census tracts. The bank's performance with respect to small business originations was much stronger in low-income census tract with originations in 90.9 percent of such tracts and 84.2 percent in moderate-income census tracts. Combined, the bank had originations in 98.8 percent of all census tracts including 100.0 percent of all low-income census tracts and 100.0 percent of moderate-income census tracts.

In 2020 the bank had HMDA originations in 93.0 percent of all census tracts in the assessment area with originations in 81.8 of all low-income census tracts and 84.2 percent of all moderate-income census tracts. The bank also displayed excellent distribution in small business lending with originations in 98.8 percent of all census tracts. Such loans were made in every low-income census tract and in 94.7 percent of all moderate-income census tracts. Combined, the bank had originations in all the assessment area's census tracts. Based upon this analysis, there were no conspicuous, unexplained lending gaps in the assessment area.

### HMDA Reportable Lending

In 2019, the bank's rate of home mortgage lending was deemed good. The bank's distribution of lending across geographies of different income levels in 2019 within home mortgage loans was consistent with the distribution of loans in 2020. Due to low volume, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019, the bank did not make any loans in low-income census tracts, which was below the performance of the aggregate of lenders at 3.2 percent and the demographic of owner-occupied units in low-income census tracts at 4.0 percent. Similarly, the bank made 8.2 percent of its home purchase loans in moderate-income census tracts which was comparable to the performance of the aggregate of lenders at 10.1 percent, but below the 12.1 percent demographic of owner-occupied units in moderate-income census tracts. The bank made 58.2 percent of its home purchase loans, by number, in middle-income census tracts. This was comparable to the aggregate of lenders at 57.3 percent and above the 55.1 percent demographic of owner-occupied units in middle-income census tracts. Lastly, in 2019 the bank made 33.6 percent of its home purchase loans, by number in upper-income census tracts. This was above the aggregate of lenders at 29.3 percent of such loans by number, and the demographic of owner-occupied units in upper-income census tracts at 28.8 percent.

### *Refinance Loans*

In 2019, the bank made 1.1 percent of its refinance loans, by number, in low-income census tracts. The bank's performance was comparable to the aggregate of lenders at 1.3 percent and below the demographic of 4.0 percent of owner-occupied units in low-income census tracts. The bank made 6.8 percent of its refinance loans in moderate-income census tracts which was comparable to the performance of the aggregate of lenders at 6.2 percent and below the 12.1 percent demographic of owner-occupied units in moderate-income census tracts. In 2019 the bank made 48.4 percent of its refinance loans, by number in middle-income census tracts. This was below the aggregate of lenders at 53.7 percent and below the 55.1 percent demographic of owner-occupied units in middle-income census tracts. Also, the bank made 43.7 percent of its refinance loans, by number in upper-income census tracts. This was above the aggregate of lenders at 38.9 percent and the 28.8 percent demographic of owner-occupied units in upper-income census tracts.

### *Home Improvement Loans*

In 2019, the bank made 2.5 percent of its home improvement loans, by number, in low-income census tracts. The bank's performance was comparable to the aggregate of lenders at 2.0 percent and the demographic of 4.0 percent of owner-occupied units in low-income census tracts. The bank made 9.1 percent of its home improvement loans in moderate-income census tracts which was above the performance of the aggregate of lenders which made 5.9 percent. Its performance was below the 12.1 percent demographic of owner-occupied units in moderate-income census tracts. In 2019 the bank made 47.1 percent of its home improvement loans, by number in middle-income census tracts. This was below the aggregate of lenders which made 54.5 percent of such loans by number, in these census tracts and was also below the 55.1 percent demographic of owner-occupied units in middle-income census tracts. The bank made 41.3 percent of its home improvement loans, by number in upper-income census tracts. This was above the aggregate of lenders at 37.6 percent and the 28.8 percent demographic of owner-occupied units in upper-income census tracts.



Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 South Bend-Mishawaka, IN-MI MSA 43780								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%	%	\$ (000s)	%	\$ %	
Home Purchase	Low	0	0.0	3.2	0	0.0	1.8	4.0
	Moderate	20	8.2	10.1	3,921	7.3	6.8	12.1
	Middle	142	58.2	57.3	28,296	52.7	53.2	55.1
	Upper	82	33.6	29.3	21,519	40.0	38.3	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>244</b>	<b>100.0</b>	<b>100.0</b>	<b>53,736</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	5	1.1	1.3	187	0.3	0.5	4.0
	Moderate	30	6.8	6.2	1,997	3.2	4.1	12.1
	Middle	215	48.4	53.7	27,522	44.6	51.1	55.1
	Upper	194	43.7	38.9	31,945	51.8	44.3	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>444</b>	<b>100.0</b>	<b>100.0</b>	<b>61,651</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	3	2.5	2.0	40	0.8	1.1	4.0
	Moderate	11	9.1	5.9	163	3.4	2.8	12.1
	Middle	57	47.1	54.5	2,728	57.0	58.1	55.1
	Upper	50	41.3	37.6	1,857	38.8	38.0	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>121</b>	<b>100.0</b>	<b>100.0</b>	<b>4,788</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	22.2	0	0.0	71.3	<b>Multi-Family</b> 20.7
	Moderate	0	0.0	0.0	0	0.0	0.0	12.7
	Middle	0	0.0	66.7	0	0.0	24.5	59.2
	Upper	0	0.0	11.1	0	0.0	4.2	7.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	1.4	0	0.0	0.7	4.0
	Moderate	0	0.0	3.0	0	0.0	1.9	12.1
	Middle	0	0.0	61.1	0	0.0	58.9	55.1
	Upper	0	0.0	34.4	0	0.0	38.6	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	2.2	0	0.0	0.5	4.0
	Moderate	0	0.0	7.6	0	0.0	10.4	12.1
	Middle	0	0.0	63.2	0	0.0	65.6	55.1
	Upper	0	0.0	27.0	0	0.0	23.5	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	1	7.1	4.2	136	10.0	2.8	4.0
	Moderate	5	35.7	20.2	450	33.1	14.3	12.1
	Middle	7	50.0	55.0	687	50.5	51.4	55.1
	Upper	1	7.1	20.6	88	6.5	31.5	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>1,361</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	9	1.1	2.4	363	0.3	23.3	4.0
	Moderate	66	8.0	8.3	6,531	5.4	4.0	12.1
	Middle	421	51.2	56.2	59,233	48.7	43.9	55.1
	Upper	327	39.7	33.0	55,409	45.6	28.9	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>823</b>	<b>100.0</b>	<b>100.0</b>	<b>121,536</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

### Small Business Lending

The bank’s performance with respect to small business loans was excellent. In 2019, the bank made 7.9 percent of its small business loans, by number, in low-income census tracts, which was comparable to the aggregate of lenders at 9.0 percent and the 9.6 percentage total businesses in this assessment area located in such census tracts. The bank made 15.2 percent of its small business loans, by number, in moderate-income census tracts, which was again comparable to the aggregate of lenders at 13.1 percent of such loans in these census tracts and the 14.2 percent of total businesses that are located in such census tracts. In 2019, the bank made 46.8 percent its small business loans, by number, in middle-income census tracts, which was comparable to the aggregate of lenders which made 49.0 percent, but slightly below the 50.6 percent of total businesses that are located in such census tracts. Lastly, the bank made 30.1 percent its small business loans, by number, in upper-income census tracts. The bank’s performance was comparable to the aggregate of lenders at 27.8 percent and above the 25.6 percent of total businesses that are located in such census tracts.

The following table presents the geographic distribution of small business loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

<b>Geographic Distribution of Small Business Loans</b>								
<b>Assessment Area: 2019 South Bend-Mishawaka, IN-MI MSA 43780</b>								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses %
		2019						
		Count		Agg %	Dollar		Agg \$ %	
Bank #	%	Bank \$ (000s)	\$ %					
Small Business	Low	47	7.9	9.0	8,227	8.7	10.2	9.6
	Moderate	90	15.2	13.1	18,736	19.9	15.6	14.2
	Middle	277	46.8	49.0	43,559	46.2	51.3	50.6
	Upper	178	30.1	27.8	23,676	25.1	22.8	25.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.1			0.2	
	<b>Total</b>	<b>592</b>	<b>100.0</b>	<b>100.0</b>	<b>94,198</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

### **Lending to Borrowers of Different Income Levels and Businesses of Different Sizes**

The distribution of borrowers in 2019 reflects, given the product lines offered, good penetration among individuals of different income levels including low- and moderate-income individuals and businesses of different sizes which was weighted more heavily. In 2019, the bank’s performance relative to home mortgage loans was good given the bank’s performance amongst low-income

borrowers was comparable to the aggregate of lenders but below the assessment area demographics. Amongst moderate-income borrowers, the bank's performance was below the aggregate of lenders but comparable to the assessment area demographics. Within loans to small businesses, the bank's performance was good as the bank's lending to businesses reporting annual revenues of \$1 million or less was below the aggregate of lenders and significantly below the percentage of total businesses operating in the assessment area; however, a substantial majority of loans were made to businesses with revenues of less than \$1 million in loan sizes of less than \$100,000. Lastly, the bank's distribution of lending to borrowers of different income levels in 2019 was consistent with the distribution of loans in 2020; however, amongst small business loans, the bank's performance in 2020 exceeded figures in 2019.

### HMDA-Reportable Lending

In 2019, the bank's performance relative to home mortgage loans was good. Due to the low volume of loans, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019, the bank made 10.7 percent of its home purchase loans, by number, to low-income borrowers, which was comparable to the aggregate of lenders which made 10.3 percent of these loans but below the 21.5 percent demographic of low-income families within the assessment area. The bank made 21.7 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the aggregate of lenders which made 25.4 percent of these loans; however, was above the 17.3 percent demographic of moderate-income families within the assessment area. The bank made 19.3 percent of its home purchase loans, by number, to middle-income borrowers, which was below the aggregate of lenders which made 22.8 percent of these loans but comparable to the 20.4 demographic percent of middle-income families within the assessment area. Lastly, the bank made 41.8 percent of its home purchase loans, by number, to upper-income borrowers, which was above the aggregate of lenders which made 30.6 percent of these loans and was comparable to the 40.8 percent demographic of upper-income families within the assessment area.

#### *Refinances*

In 2019, the bank made 9.7 percent of its refinance loans, by number, to low-income borrowers, which was comparable to the aggregate of lenders which made 9.8 percent of these loans but below the 21.5 percent demographic of low-income families within the assessment area. The bank made 14.4 percent of its refinance loans, by number, to moderate-income borrowers, which was below the aggregate of lenders at 17.7 percent and also comparable to the 17.3 percent demographic of moderate-income families within the assessment area. The bank made 20.7

percent of its refinance loans, by number, to middle-income borrowers, which was comparable to that of aggregate of lenders which made 22.0 percent of these loans and to the 20.4 percent demographic of middle-income families within the assessment area. Lastly, the bank made 47.1 percent of its refinance loans, by number, to upper-income borrowers, which was above the aggregate of lenders which made 38.2 percent of these loans and was above the 40.8 percent demographic of upper-income families within the assessment area.

#### *Home Improvement Loans*

In 2019, the bank made 8.3 percent of its home improvement loans, by number, to low-income borrowers, which was comparable to the aggregate of lenders at 9.3 percent but below the 21.5 percent demographic of low-income families within the assessment area. The bank made 19.0 percent of its home improvement loans, by number, to moderate-income borrowers, which was comparable to the aggregate of lenders at 18.5 percent and the 17.3 percent demographic of moderate-income families within the assessment area. In 2019 the bank made 22.3 percent of its home improvement loans, by number, to middle-income borrowers, which was comparable to that of aggregate of lenders which made 24.2 percent and comparable to the 20.4 percent demographic of middle-income families within the assessment area. Lastly, the bank made 42.1 percent of its home improvement loans, by number, to upper-income borrowers, which was comparable to the aggregate of lenders which made 43.7 percent of these loans and was comparable to the 40.8 percent demographic of upper-income families within the assessment area.

The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 South Bend-Mishawaka, IN-MI MSA 43780								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			2019			
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	%
Home Purchase	Low	26	10.7	10.3	2,211	4.1	5.3	21.5
	Moderate	53	21.7	25.4	5,669	10.5	17.4	17.3
	Middle	47	19.3	22.8	6,504	12.1	21.6	20.4
	Upper	102	41.8	30.6	36,803	68.5	45.6	40.8
	Unknown	16	6.6	11.0	2,549	4.7	10.0	0.0
	<b>Total</b>		<b>244</b>	<b>100.0</b>	<b>100.0</b>	<b>53,736</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	43	9.7	9.8	2,158	3.5	4.6	21.5
	Moderate	64	14.4	17.7	4,027	6.5	11.7	17.3
	Middle	92	20.7	22.0	8,368	13.6	17.2	20.4
	Upper	209	47.1	38.2	42,644	69.2	52.6	40.8
	Unknown	36	8.1	12.3	4,454	7.2	13.9	0.0
	<b>Total</b>		<b>444</b>	<b>100.0</b>	<b>100.0</b>	<b>61,651</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	10	8.3	9.3	159	3.3	5.2	21.5
	Moderate	23	19.0	18.5	540	11.3	13.4	17.3
	Middle	27	22.3	24.2	915	19.1	23.1	20.4
	Upper	51	42.1	43.7	2,769	57.8	54.0	40.8
	Unknown	10	8.3	4.3	405	8.5	4.3	0.0
	<b>Total</b>		<b>121</b>	<b>100.0</b>	<b>100.0</b>	<b>4,788</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.5
	Moderate	0	0.0	0.0	0	0.0	0.0	17.3
	Middle	0	0.0	0.0	0	0.0	0.0	20.4
	Upper	0	0.0	0.0	0	0.0	0.0	40.8
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	8.2	0	0.0	4.5	21.5
	Moderate	0	0.0	14.9	0	0.0	9.4	17.3
	Middle	0	0.0	21.7	0	0.0	15.1	20.4
	Upper	0	0.0	52.0	0	0.0	69.1	40.8
	Unknown	0	0.0	3.2	0	0.0	1.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	14.1	0	0.0	8.5	21.5
	Moderate	0	0.0	22.7	0	0.0	16.3	17.3
	Middle	0	0.0	23.8	0	0.0	15.0	20.4
	Upper	0	0.0	34.6	0	0.0	52.0	40.8
	Unknown	0	0.0	4.9	0	0.0	8.2	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	21.5
	Moderate	0	0.0	0.0	0	0.0	0.0	17.3
	Middle	0	0.0	0.8	0	0.0	1.3	20.4
	Upper	0	0.0	0.8	0	0.0	1.8	40.8
	Unknown	14	100.0	98.3	1,361	100.0	96.9	0.0
	<b>Total</b>		<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>1,361</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	79	9.6	9.8	4,528	3.7	3.4	21.5
	Moderate	140	17.0	21.1	10,236	8.4	10.1	17.3
	Middle	166	20.2	22.0	15,787	13.0	13.4	20.4
	Upper	362	44.0	34.3	82,216	67.6	33.1	40.8
	Unknown	76	9.2	12.8	8,769	7.2	40.0	0.0
	<b>Total</b>		<b>823</b>	<b>100.0</b>	<b>100.0</b>	<b>121,536</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending

The bank’s performance relative to small business loans was good. In 2019, the bank made 39.9 percent of its small business loans, by number, to businesses reporting annual revenues of \$1 million or less. The bank’s performance was below the aggregate of lenders which made 44.5 percent of such loans, by number. The bank’s performance was also significantly below the percentage of businesses reporting annual revenues of \$1 million or less at 89.2 percent. However, of the small business loans, 83.9 percent were made in amounts of \$100,000 or less, which are considered most beneficial to small businesses.

The bank’s performance in small business lending in 2020 is included to highlight the bank’s involvement in the PPP program. In 2020, the bank made 31.7 percent of its small business loans, by number; however, loan origination comparisons between 2019 and 2020 cannot directly be made as originations under the Paycheck Protection Program (PPP) did not require the collection of revenue data. An illustration is represented by the dramatic increase in loan sizes of \$100,000 or less which increased from 372 in 2019 to 1,023 in 2020, or 175.0 percent, primarily due the bank’s participation in the PPP program. The following table presents the borrower distribution of small business loans in 2019. Please see Appendix A for 2020 lending tables.

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 South Bend-Mishawaka, IN-MI MSA 43780									
Product Type		Bank & Aggregate Lending Comparison							
		2019			2019		2019		Total Businesses %
Revenue	Loan Size	Count		Agg %	Dollar		Agg \$ %	Total Businesses %	
		Bank #	%		Bank \$ 000s	\$ %			
Small Business	Revenue	\$1 Million or Less	236	39.9	44.5	17,368	18.4	28.3	89.8
		Over \$1 Million	267	45.1	55.5	64,352	68.3	71.7	9.2
		Unknown	89	15.0		12,478	13.2		1.0
		<b>Total</b>	<b>592</b>	<b>100.0</b>	<b>100.0</b>	<b>94,198</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	372	62.8	87.9	17,351	18.4	24.4	
		\$100,001 - \$250,000	100	16.9	5.3	17,502	18.6	15.7	
		\$250,001 - \$1 Million	120	20.3	6.8	59,345	63.0	60.0	
		<b>Total</b>	<b>592</b>	<b>100.0</b>	<b>100.0</b>	<b>94,198</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	198	83.9		7,412	42.7		
		\$100,001 - \$250,000	24	10.2		3,896	22.4		
		\$250,001 - \$1 Million	14	5.9		6,060	34.9		
		<b>Total</b>	<b>236</b>	<b>100.0</b>		<b>17,368</b>	<b>100.0</b>		
Originations & Purchases									
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

**COMMUNITY DEVELOPMENT LENDING**

1<sup>st</sup> Source Bank is a leader in making community development loans. During the evaluation period the bank originated 148 loans totaling \$193.7 million in the assessment area. When compared to the previous evaluation of 95 loans totaling \$116.1 million, the bank increased the number of loans by 55.8 percent and the dollar volume by 66.8 percent, when comparing loans by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the increase in dollar volume by monthly average was 29.6 percent. Of the community development loans originated during this evaluation period, 32 such loans for \$26.4 million were originated as part of the Paycheck Protection Program in response to the COVID-19 pandemic in efforts to stabilize the assessment area. Loans were also extended to organizations involved in providing housing counseling assistance to low- and moderate-income individuals, workforce development, and businesses who were adding jobs for low-and moderate-income workers through expansion. Not accounting for loans through PPP, the majority of the bank’s community development loans went towards affordable housing projects and community services primarily benefiting low- and moderate-income individuals and/or geographies, as well as economic development, and revitalization/stabilization projects.

The following table presents the bank’s community development loans in the assessment area during the review period.

<b>Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021</b>										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
South Bend- Mishawaka, IN-MI MSA	48	6,180	19	14,022	9	14,342	72	159,190	148	193,735

**INVESTMENT TEST**

1<sup>st</sup> Source Bank’s record of performance relative to the Investment Test in the South Bend- Mishawaka MSA is High Satisfactory based on an adequate level of qualified community development investments and grants particularly those that are not routinely provided by private investors occasionally in a leadership position. These investments demonstrate the extensive use of innovative or complex qualified investments and provide excellent responsiveness to the credit and community development needs of the assessment area.

During the evaluation period, 1st Source Bank originated 57 qualified investments, consisting of \$8.2 million current period, \$13.9 million prior period and \$0.9 million that were committed and

undisbursed for an approximate total of \$22.9 million. This represents an increase of 12.8 percent, by dollar volume, when compared to the previous evaluation at which time the bank originated a total of \$20.3 million in qualified investments, when comparing investments by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the increase in dollar volume by monthly average was a decrease of 9.1 percent. New investments in the current evaluation period include mortgage-backed securities for affordable home loan financing as well as community service municipal bonds. The bank demonstrated extensive use of innovative or complex investment in a project eligible for Low-Income Housing Tax Credits (LIHTC) which provides affordable housing for low- and moderate-income individuals. Further, approximately \$850,000 of the LIHTC investment remains committed but undisbursed. The bank's innovative and complex investments represented by dollar 23.5 percent of its total investments in the assessment area.

The following table presents the bank's qualified community development investments during the review period:

Qualified Community Development Investments by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
South Bend-Mishawaka, IN-MI MSA - New	44	4,925	1	3,240	0	0	0	0	45	8,165
South Bend-Mishawaka, IN-MI MSA - Prior	7	10,538	0	0	2	3,363	0	0	9	13,901
South Bend-Mishawaka, IN-MI MSA - Disbursed	1	850	0	0	0	0	0	0	1	850
<b>Total</b>	<b>52</b>	<b>16,313</b>	<b>1</b>	<b>3,240</b>	<b>2</b>	<b>3,363</b>	<b>0</b>	<b>0</b>	<b>55</b>	<b>22,916</b>

1<sup>st</sup> Source Bank distributed a total of \$1.6 million in 200 qualified grants and donations in the current evaluation period. The grants and donations were made to organizations who serve a variety of purposes including those focused on affordable housing, community service, economic development, and revitalization/stabilization. When compared to the previous evaluation of 152 qualified donations totaling \$531,000, the bank increased the number of donations by 31.6 percent and the dollar amount by 204.1 percent; when comparing the dollar amount of grants and donations by the 28-month time period of the previous evaluation and the 36-month period of the current evaluation the increase by monthly average was 136.5 percent. The following table presents the bank's qualified community development donations during the review period.



Qualified Community Development Donations June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
South Bend-Mishawaka, IN-MI MSA	12	58,787	78	784,578	108	758,878	2	12,500	200	1,614,743

**SERVICE TEST**

1<sup>st</sup> Source Bank’s performance relative to the Service Test is High Satisfactory based on the following factors: delivery systems are accessible to the bank’s geographies and individuals of different income levels in the assessment area; to the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- and moderate-income individuals. Services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals; and the bank provides a relatively high level of community development services.

**Retail Services**

The bank’s retail delivery services are accessible to the geographies and individuals of different income levels in the assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- and moderate-income individuals. Services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals.

The bank operates a total of 24 branches and 38 ATMs in the assessment area. The bank has three branches and three ATMs in low-income census tracts and two branches and five ATMs in moderate-income census tracts. The remaining branches and ATMs are in middle- and upper-income census tracts. The bank opened one branch without an ATM in a low-income census tract and one cash only ATM in an upper-income census tract. During the evaluation period the bank closed two cash-only ATMs in an upper-income census tract.

Bank locations are open Monday through Friday with standard hours from 9:00 a.m. to 5:00 p.m., and open on Saturdays with limited hours, typically until noon. A number of the bank branches were affected by the COVID-19 pandemic and lobby access was restricted to an appointment only basis. All products and services are consistent among all branches. The bank offers free ATMs

through its network, internet and mobile banking, call center (Monday through Saturday), and automated telephone banking service to meet the needs of the bank’s assessment area.

**Community Development Services**

1<sup>st</sup> Source Bank provides a relatively high level of community development services. Bank employees provided 2,302 hours within this assessment area which is 29.7 percent of the total 7,760 total hours of qualified community development services. This represents a decrease of 10.5 percent compared to the previous evaluation during which time the bank provided 2,573 hours of community development service hours. When comparing service hours by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the decrease was 30.5 percent. The COVID-19 pandemic which restricted the ability of bank personnel to fully engage in community development service activities was a direct contributor to the decline in performance. The services were performed for a number of organizations primarily those who focused on affordable housing, community service, and economic development. These activities included financial literacy, serving on organization boards, and fundraising.

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
South Bend-Mishawaka, IN-MI MSA	151	1,670	481	0	2,302	29.7

## INDIANA

### **CRA RATING FOR INDIANA: SATISFACTORY**

**The Lending Test is rated: High Satisfactory**

**The Investment Test is rated: High Satisfactory**

**The Service Test is rated: High Satisfactory**

1<sup>st</sup> Source Bank's performance relative to the Lending Test in the state of Indiana is rated High Satisfactory based on the following factors as determined by the full scope assessment areas: The bank demonstrates excellent geographic distribution, particularly to low- and moderate-income geographies in its assessment area. 1<sup>st</sup> Source Bank displays a good distribution of loans among individuals of different incomes and businesses of different sizes, given the product lines offered by the bank. 1<sup>st</sup> Source exhibits a good record of serving the credit needs of highly economically disadvantaged areas in the assessment area and low-income individuals consistent with safe and sound operations. The bank demonstrates use of innovative or flexible practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies. Further, the bank makes a relatively high level of community development loans.

1<sup>st</sup> Source's performance relative to the Investment Test in the state of Indiana is rated High Satisfactory. The bank provided a significant level of investments, particularly those that are not provided by private investors, occasionally in a leadership position. The bank exhibited excellent responsiveness to credit and community development needs.

1<sup>st</sup> Source's performance relative to the Service Test in the state of Indiana is High Satisfactory based on the following factors: delivery systems are reasonably accessible to the bank's geographies and individuals of different income levels in the assessment area; services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals; and the bank provides a relatively high level of community development services.

### **SCOPE OF EXAMINATION**

The following two full-scope assessment areas contributed to the rating for Indiana: Ft. Wayne, IN MSA #23060 and Gary, IN MD #23844 with each given equal weight given the institution's branching, lending, and deposit presence in each of the assessment areas. Limited scope assessment areas included Elkhart-Goshen IN MSA; Lafayette-West Lafayette, IN MSA Michigan City-La Porte, IN MSA; Non-MSA IN Western, Non MSA IN Eastern; and Northeastern, IN Non MSA. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN INDIANA**

1<sup>st</sup> Source Bank maintains eight assessment areas in Indiana, five of which are metropolitan areas and three are non-metropolitan areas. The bank maintains a total of 46 branches in Indiana and 60 ATMs. In addition, bank clientele has ATM access through the Cirrus and Accel networks. The following are the branch and ATM locations in Indiana:

<b>Distribution of Branches Among Census Tracts INDIANA</b>										
Assessment Area	Low Income		Moderate Income		Middle Income		Upper Income		Total	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Elkhart - Goshen MSA	0	0.0	1	2.2	7	15.2	1	2.2	9	19.6
Fort Wayne IN MSA	0	0.0	0	0.0	4	8.7	3	6.5	9*	19.6
Gary IN MD	0	0.0	2	4.4	4	8.7	3	6.5	9	19.6
Michigan City - Laporte IN MSA	0	0.0	0	0.0	4	8.7	1	2.2	5	10.9
Lafayette - West Lafayette IN MSA	0	0.0	1	2.2	0	0.0	1	2.2	2	4.4
Eastern IN non-MSA	0	0.0	1	2.2	1	2.2	0	0.0	2	4.4
Northeastern IN non-MSA	0	0.0	0	0.0	1	2.2	0	0.0	1	2.2
Western IN - non MSA	0	0.0	4	8.7	5	10.9	0	0.0	9	19.6
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>9</b>	<b>19.6</b>	<b>26</b>	<b>56.5</b>	<b>9</b>	<b>19.2</b>	<b>46</b>	<b>100.0</b>

\*Two branches in the Fort Wayne MSA are located in census tracts designated as unknown

<b>Distribution of ATMs Among Census Tracts INDIANA</b>										
Assessment Area	Low Income		Moderate Income		Middle Income		Upper Income		Total	
	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Elkhart - Goshen MSA	0	0.0	1	1.9	9	16.7	1	1.9	11	20.4
Fort Wayne IN MSA	0	0.0	0	0.0	4	7.4	3	5.6	9*	16.6
Gary IN MD	0	0.0	2	3.7	4	7.4	3	5.6	9	16.7
Michigan City - Laporte IN MSA	0	0.0	0	0.0	4	7.4	1	1.9	5	9.3
Lafayette - West Lafayette IN MSA	0	0.0	1	1.9	0	0.0	1	1.9	2	3.7
Eastern IN non-MSA	0	0.0	1	1.9	1	1.9	0	0.0	2	3.7
Northeastern IN non-MSA	0	0.0	0	0.0	1	1.9	0	0.0	1	1.9
Western IN - non MSA	0	0.0	6	11.1	7	13.0	2	3.7	15	27.9
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>11</b>	<b>20.4</b>	<b>30</b>	<b>55.6</b>	<b>11</b>	<b>20.4</b>	<b>54</b>	<b>100.0</b>

\*Two ATMs in the Fort Wayne MSA are located in census tracts designated as unknown

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN INDIANA

### LENDING TEST

1<sup>st</sup> Source Bank's performance relative to the Lending Test in the state of Indiana is rated High Satisfactory based on the following factors as determined by the full scope assessment areas: The bank demonstrates excellent geographic distribution, particularly to low- and moderate-income geographies in its assessment area. 1<sup>st</sup> Source Bank displays a good distribution of loans among individuals of different incomes and businesses of different sizes, given the product lines offered by the bank. 1<sup>st</sup> Source exhibits a good record of serving the credit needs of highly economically disadvantaged geographies in the assessment area and low-income individuals consistent with safe and sound operations. The bank demonstrates use of innovative or flexible practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies. Further, the bank makes a relatively high level of community development loans.

#### **Geographic Distribution of Loans**

The bank's lending activities represent excellent distribution throughout the assessment area, particularly to low- and moderate- income geographies.

The bank's performance was excellent particularly in the Gary, IN MSA as it originated loans in all the census tracts and was comparable to aggregate lenders and assessment area demographics by percentage in moderate-income census in HMDA-reportable lending and exceeded aggregate lenders in such tracts in small business lending. The bank's performance reflected good performance in the Fort Wayne IN MSA as it was comparable to aggregate in HMDA lending, however it was below the assessment area demographic. Additionally, the bank's performance with respect to small business loans was excellent given the bank's performance exceeded the aggregate lenders and the percentage of small businesses operating in low-and moderate-income census tracts.

#### **Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes**

The bank's lending activities reflect good distribution, particularly in its assessment areas, of loans among individuals of different incomes and businesses of different sizes, given the product lines offered by the bank.

The bank demonstrated excellent penetration in the Fort Wayne MSA as its performance among low- and moderate-income borrowers exceeded that of aggregate lenders among low- and moderate-income individuals and the percentage of families by family income. However, the bank's performance in lending to small businesses with revenues of \$1 million or less was comparable to aggregate lenders, but less than the percentage of businesses operating in the

assessment area. In the Gary MD, the bank's performance relative to home mortgage loans was good given the bank's performance amongst low-income borrowers was comparable to aggregate of lenders; however, was below the assessment area demographic. With respect to moderate-income borrowers, the bank's performance was above aggregate lenders and assessment area demographics. Within loans to small businesses, the bank's performance was good as the bank's lending to businesses reporting annual revenues of \$1 million or less was below the aggregate of lenders and the percentage of total businesses operating in the assessment area; however, a substantial majority of loans were made to businesses with revenues of less than \$1 million and loans sizes of less than \$100,000.

The bank exhibits a good record of serving the credit needs of highly economically disadvantaged areas, low-income individuals, or businesses with gross annual revenues of \$1 million or less, consistent with safe and sound operations. The bank makes use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- or moderate-income individuals or geographies. These are exhibited by the bank's effective use of a number of products including SBA Loans, FSA/USDA, Federal Home Loan Bank Programs, Credit Builder Programs, Pathfinder Services Auto Program, Healthcare Financing, Loan Reclamation Program, and the Paycheck Protection Program.

### **Community Development Lending**

The bank made a relatively high level of community development loans in the state of Indiana. Specifically, the bank originated 157 qualified community development loans totaling \$429.9 million. Within the Fort Wayne MSA and Gary MD, the bank originated 70 qualified community development loans totaling \$84.3 million, which represents 19.6 percent of all community development lending in the state. Of this total, the bank originated 48 loans \$44.2 million in the Paycheck Protection Program with 22 such loans for \$19.6 million within the Fort Wayne MSA and the Gary MD in response to the COVID-19 pandemic. There were an additional two community development loans made within the Broader Statewide or Regional Area. Not accounting for loans through PPP, the majority of the bank's community development loans by dollar went towards affordable housing and revitalization/stabilization projects.

Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Fort Wayne IN MSA	6	17,860	7	8,250	8	7,525	18	14,834	39	48,469
Gary IN MD	5	2,124	6	2,213	1	64	19	31,392	31	35,791
Limited Review AA	1	240	15	18,889	14	64,894	83	238,588	113	322,611
Broader State-wide Area	0	0	0	0	1	18,000	1	5,012	2	23,012
Total	12	20,224	28	29,352	24	90,483	121	289,826	185	429,883

1<sup>st</sup> Source’s performance relative to the Investment Test in the state of Indiana is rated High Satisfactory. The bank provided a significant level of investments, particularly those that are not provided by private investors, occasionally in a leadership position. The bank exhibited excellent responsiveness to credit and community development needs.

In the state of Indiana, the bank had \$56.2 million in investments with \$29.9 million or 53.2 percent within the Fort Wayne MSA and the Gary MD primarily for the purpose of affordable housing. These investments included Low Income Housing Tax Certificates which are complex investments designed to encourage the development of affordable housing. The bank also demonstrated significant responsiveness to the COVID-19 pandemic by dramatically increasing contributions to organizations who were directly involved in providing assistance to those who were affected particularly low- and moderate-income individuals. Cumulatively, in the Fort Wayne MSA and the Gary MD the bank had \$676,779 in contributions. Which represented 37.1 percent of total Indiana donations which amounted to \$1,145,340.

Qualified Community Development Investments by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Fort Wayne IN MSA	40	18,347	0	0	0	0	0	0	40	18,347
Gary IN MD	17	11,563	1	38	0	0	0	0	18	11,601
Indiana Limited Review AA	95	25,667	0	0	1	250	1	315	97	26,232
Total	152	55,577	1	38	1	250	1	315	155	56,180

Qualified Community Development Donations by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Fort Wayne IN MSA	4	27,500	40	260,402	31	98,800	0	0	75	386,702
Gary IN MD	2	16,250	43	154,736	62	119,091	0	0	107	290,077
Indiana Limited Review AA	22	93,590	207	761,908	121	308,299	3	55,000	353	1,218,797
Total	28	137,340	290	1,177,046	214	526,190	3	55,000	535	1,895,576

## SERVICE TEST

1<sup>st</sup> Source’s performance relative to the Service Test in the state of Indiana is High Satisfactory based on the following factors: delivery systems are reasonably accessible to the bank’s geographies and individuals of different income levels in the assessment area; services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals; and the bank provides a relatively high level of community development services.

## Retail Services

1<sup>st</sup> Source’s delivery systems are reasonably accessible to the bank’s geographies and individuals of different income levels in the assessment area. There are a total of 18 branches and ATMs between the two assessment areas and services do not vary in a way that inconveniences the needs of its assessment area particularly low- and moderate-income geographies and/or low- and moderate-income individuals. Additional ATM access was available through the Cirrus and Accel network. The bank has two branches with full-service ATMs in the sole moderate-income census tract in the Gary MD. There are eight branches in middle-income census tracts and six in upper-income census tracts. There are an additional two branch locations in highly commercialized areas of Fort Wayne whose census tracts have been designated as unknown. The bank did not open or close any branches or ATMs during the evaluation period. All product offerings by the bank were available through each of the branches. The bank provides standard hours of operation, although due to the COVID-19 Pandemic, restricted access was instituted.

## Community Development Services

The bank performed at a relatively high level of community development services. The bank provided 1,309 hours of qualified services in the two assessment areas which represented 30.5 percent of the 4,283 cumulative hours of such services in the state by the bank. Services primarily



involved financial literacy, serving on the board of an organization, or fundraising.

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total/Indiana
	# Hours	# Hours	# Hours	# Hours		
Fort Wayne, IN MSA	30	540	125	0	695	16.2
Gary MD	10	286	318	0	614	14.3
Indiana Limited Review AA	282	2,062	630	0	2,974	69.5
Total	322	2,888	1,073	0	4,283	100.0

## **FORT WAYNE, IN MSA - Full Review**

### **SCOPE OF THE EXAMINATION**

1<sup>st</sup> Source's operations in the Fort Wayne MSA received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE FORT WAYNE MSA**

The Fort Wayne MSA consists of Allen and Whitley counties in their entirety. This reflects a change from the previous evaluation period as the Office of Management and Budget (OMB) revised the Fort Wayne, IN MSA to exclude Wells County effective in 2019 whereupon Wells County became part of the Non-MSA. The assessment area consists of a total of 103 census tracts comprised of 12 low-, 24 moderate-, 42 middle-, 22 upper-income census tracts and three unknown-income census tracts. This represents a change from the previous evaluation where the assessment area contained 13 low-income census tracts, 30 moderate-income census tracts, 41 middle-income census tracts, 25 upper-income census tracts, and one unknown-census tract.

1<sup>st</sup> Source maintains nine branches in the assessment area each of which contains a full-service ATM. Four branches are in middle-income census tracts, three are in upper-income census tracts, and two in census tracts that are heavily commercialized and designated as unknown-income. There were no opening or closings of either branches or ATMs during the evaluation period.

The Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, as of June 30, 2020, ranks the bank seventh in the market among 22 institutions serving the assessment area, with 5.6 percent of the market share. The three institutions with the largest market share of deposits are JPMorgan Chase Bank N.A., Lake City Bank, and PNC Bank N.A. with 21.3 percent, 14.0 percent, and 11.2 percent respectively. Deposits in this assessment area represent 7.3 percent of the bank's overall deposit totals.

In 2019, 1<sup>st</sup> Source Bank was ranked 20<sup>th</sup> in the total number of HMDA originations within the MSA amongst 328 HMDA reporters. The bank ranked seventh in total HMDA originations among FDIC-insured institutions which had branch locations within the assessment area. The bank ranked 10<sup>th</sup> among 89 CRA reporters in originations to small businesses including small business loans to small businesses. 1<sup>st</sup> Source was ranked fourth in total CRA originations among FDIC insured institutions which had branch locations within the assessment area and in the number of small business loans to small businesses. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Fort Wayne, IN MSA 23060								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	12	11.7	8,400	8.3	3,304	39.3	20,271	20.0
Moderate-income	24	23.3	16,032	15.8	3,710	23.1	18,291	18.0
Middle-income	42	40.8	45,894	45.2	3,463	7.5	22,375	22.0
Upper-income	22	21.4	30,987	30.5	1,003	3.2	40,586	40.0
Unknown-income	3	2.9	210	0.2	77	36.7	0	0.0
<b>Total Assessment Area</b>	<b>103</b>	<b>100.0</b>	<b>101,523</b>	<b>100.0</b>	<b>11,557</b>	<b>11.4</b>	<b>101,523</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	17,420	6,511	6.1	37.4	7,774	44.6	3,135	18.0
Moderate-income	33,082	14,630	13.6	44.2	13,845	41.9	4,607	13.9
Middle-income	74,091	51,446	47.8	69.4	17,662	23.8	4,983	6.7
Upper-income	42,919	34,901	32.4	81.3	6,290	14.7	1,728	4.0
Unknown-income	769	109	0.1	14.2	520	67.6	140	18.2
<b>Total Assessment Area</b>	<b>168,281</b>	<b>107,597</b>	<b>100.0</b>	<b>63.9</b>	<b>46,091</b>	<b>27.4</b>	<b>14,593</b>	<b>8.7</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1,054	6.4	898	6.2	153	9.0	3	2.0
Moderate-income	2,948	17.9	2,557	17.5	370	21.9	21	14.1
Middle-income	6,629	40.3	5,908	40.5	656	38.7	65	43.6
Upper-income	5,077	30.9	4,678	32.1	347	20.5	52	34.9
Unknown-income	726	4.4	551	3.8	167	9.9	8	5.4
<b>Total Assessment Area</b>	<b>16,434</b>	<b>100.0</b>	<b>14,592</b>	<b>100.0</b>	<b>1,693</b>	<b>100.0</b>	<b>149</b>	<b>100.0</b>
Percentage of Total Businesses:			88.8		10.3		0.9	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	2	0.4	2	0.4	0	0.0	0	0.0
Moderate-income	10	2.1	9	1.9	1	20.0	0	0.0
Middle-income	340	70.4	336	70.3	4	80.0	0	0.0
Upper-income	130	26.9	130	27.2	0	0.0	0	0.0
Unknown-income	1	0.2	1	0.2	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>483</b>	<b>100.0</b>	<b>478</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Percentage of Total Farms:			99.0		1.0		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

## Population Characteristics

As indicated by the 2011-2015 U.S. Census Bureau, the following table shows the two counties of Allen and Whitley experiencing modest gains in population of 2.3 and 0.1 percent, respectively. According to a community representative, Fort Wayne is the second most populous city in Indiana attracting talent from surrounding counties thereby fostering the population growth. This growth is consistent with population growth occurring throughout the state of Indiana at 1.3 percent during the same period. Conversely, the Fort Wayne, IN MSA experienced a decrease at 4.7 percent which is attributable to the removal of Wells County from the MSA.

Population Change			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Allen County, IN	355,329	363,453	2.3
Whitley County, IN	33,292	33,330	0.1
Fort Wayne, IN MSA	416,257	396,783	-4.7
State of Indiana	6,483,802	6,568,645	1.3
<i>Source: 2010– U.S. Census Bureau: Decennial Census 2011– 2015 U.S. Census Bureau: American Community Survey</i>			

## Income Characteristics

Based on 2011-2015 American Survey data, the median family income for Allen and Whitley counties were \$60,421 and \$63,755, respectively with both counties undergoing mild increases of 0.4 percent from 2010. The rate of increase within the two counties was comparable to the Fort Wayne, IN MSA at 0.7 percent, but lower than the state of Indiana which experienced a 3.7 percent increase over the same period. The indicated increases were below 7.4 percent increase in the Consumer Price Index for the period of 2011-2015.

Based upon 2015 FFIEC Census Data, Allen County had the higher household poverty level at 14.3 percent, which primarily includes the City of Fort Wayne, while neighboring Whitley County had a household poverty level at 8.1 percent. Allen County constitutes 140,536 of the assessment area's 153,688 households, or 91.4 percent, thereby driving the overall poverty level in the assessment area to 13.7 percent. Overall, of the 153,688 households in the assessment area, 39.7 percent are low- and moderate-income, 2.4 percent receive public assistance, and 12.5 percent have rent costs greater than 30.0 percent of their monthly income. The following table presents income characteristics between 2010 and 2011-2015 in the individual counties, the Fort Wayne, IN MSA, and the state of Indiana.

Median Family Income Change			
Area	2006-2010 Median Family Income (In 2010 Dollars - \$)	2011-2015 Median Family Income (In 2015 Dollars - \$)	Percentage Change (%)
Allen County, IN	60,184	60,421	0.4
Whitley County, IN	63,487	63,755	0.4
Fort Wayne, IN MSA	60,235	60,681	0.7
State of Indiana	58,944	61,119	3.7
<i>Source: 2006-2010—U.S. Census Bureau: American Community Survey 2011-2015—U.S. Census Bureau: American Community Survey</i>			

### Housing Characteristics

The following table presents recent housing cost trends within Allen and Whitley Counties, the Fort Wayne, IN MSA and the state of Indiana. The assessment area includes 168,281 housing units; the majority are owner-occupied, representing 63.9 percent of the units, followed by 27.4 percent rental units and 8.7 percent vacant housing units.

Overall, median housing values increased between the 2010 Census and the 2011-2015 American Community Survey, with a more substantive rise in housing values in Whitley County at 5.6 percent. Meanwhile, Allen County values grew modestly at 1.2 percent consistent with the state of Indiana at 1.0 percent and the Fort Wayne, IN MSA at 2.0 percent. More notably, median gross rents increased significantly from 2010 to 2011-2015 increasing 11.0 and 8.4 percent in Whitley and Allen Counties, respectively. Both counties were comparable to the state of Indiana and the Fort Wayne, IN MSA where rents grew by 9.1 and 9.0 percent respectively. Community representatives have stressed that there is a high demand for affordable housing which is deemed to be at a crisis level throughout the state. Additionally, renters are primarily forced to pay high rent at the expense of other necessities or to reside in substandard housing units on the verge of condemnation. The following table presents housing characteristics between 2010 and 2011-2015 in the individual counties, as well as the state of Indiana:

Housing Costs Trends						
Area	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)
Allen County, IN	113,200	114,600	1.2	629	682	8.4
Whitley County, IN	123,500	130,400	5.6	562	624	11.0
Fort Wayne, IN MSA	113,841	116,101	2.0	623	679	9.0
State of Indiana	123,000	124,200	1.0	683	745	9.1
<i>Source: 2006-2010 - U.S. Census Bureau: American Community Survey 2011-2015 - U.S. Census Bureau: American Community Survey</i>						

### Employment Conditions

The following table presents employment characteristics between 2016 and 2019 in the two counties comprising the assessment area, the Fort Wayne, IN MSA and the state of Indiana. Overall, all regions experienced decreases in unemployment rates from 2016 to 2018 with rates stabilizing in 2019. The following table presents unemployment rates between 2016 and 2019.

Recent Unemployment Rates				
Area	2016	2017	2018	2019
Allen County, IN	4.3	3.4	3.2	3.1
Whitley County, IN	3.9	2.9	2.9	2.9
Fort Wayne, IN MSA	4.2	3.3	3.1	3.1
State of Indiana	4.4	3.6	3.4	3.3
<i>Source: Bureau of Labor Statistics: Local Area Unemployment Statistics (LAUS)</i>				

The following table presents the largest employers operating in the assessment area counties with the top five employers engaged in the health care industry. Per the Bureau of Labor Statistics May 2020 report the following three employment categories contain the highest number of employees with Office and Administrative Support Occupations at 25,280, Production Occupations at 21,670, and Transportation and Material Moving Occupations at 21,130. All industry total GDP grew 2.5 percent in the MSA from 2018 to 2019 which was above the 1.6 percent in the state of Indiana. Per the Bureau of Economic Analysis, Allen County GDP grew 2.4 percent and Whitley County was 4.4 percent during the same period.

<b>Largest Employers in the Assessment Area</b>			
<b>Company Name</b>	<b>Primary SIC Description</b>	<b>Area</b>	<b>Number of Employees</b>
Parkview Birthing Center	Birth Centers	Allen County, IN	10,000
Parkview Hospital Randallia	Hospitals	Allen County, IN	4,000
Parkview Health	Health Care Management	Allen County, IN	4,000
Parkview Regional Medical Center	Hospitals	Allen County, IN	3,380
Lutheran Hospital	Hospitals	Allen County, IN	2,250
Uniroyal-Goodrich Tire Manufacturer	Tire Manufacturers	Allen County, IN	2,000
Sweetwater Sound Inc	Musical Instruments-Dealers	Allen County, IN	2,000
Shambaugh	Controls Control /Systs/Inst (Manufacturers)	Allen County, IN	2,000
Lincoln National Corp	Insurance	Allen County, IN	2,000
L3Harris	Search Detection/Nav Systs/Instr (Manufacturers)	Allen County, IN	2,000
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>			

### Community Representatives

Two community representatives with a focus on economic development and affordable housing were contacted to increase understanding of the credit needs and market conditions within the assessment area. A representative has communicated that there is a high demand for affordable housing which is deemed to be at a crisis level throughout the state, including Fort Wayne. Additionally, renters are primarily forced to pay higher rent at the expense of other necessities or to reside in substandard housing units on the verge of condemnation whereby many units are more likely to be found in the southern portions of Fort Wayne. Regarding small businesses, opportunities exist to assist women and people of color entrepreneurs, matching vacant buildings with new entrepreneurs, and longer-term relief from incremental taxes on real and personal property to help spur manufacturing innovation and investment.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FORT WAYNE IN MSA

#### LENDING TEST

The geographic distribution of loans reflects good penetration throughout the assessment area, and the distribution of borrowers reflects, given the product lines offered, excellent penetration among customers of different income levels and businesses of different sizes. The bank exhibits a good record of serving the credit needs of low-income individuals and areas and very small businesses. 1st Source makes a relatively high level of community development loans and use of innovative and flexible lending practices in serving assessment area credit needs.

The bank participates in a number of loan programs designed to assist low- and moderate-income borrowers and small businesses. These include the use of Federal Home Loan Bank programs which provide down payment and closing cost assistance to low- and moderate-income buyers. The bank also made over 90 Unsecured Home Improvement Loans under a program which utilizes non-traditional credit and has a minimum loan amount of \$1,000. The bank participates in the Title IX Fund which is a revolving loan fund created by the City of Fort Wayne which is designed to provide an incentive for industrial expansion which will create permanent private sector jobs. In addition, the bank in the period of 2019-2020 was involved in over 100 Small Business Administration (SBA) loans in the assessment area.

### **Geographic Distribution**

The bank's lending activities reflect good distribution throughout the assessment area. In 2019, the bank's rate of home mortgage lending within low-and moderate-income census tracts was deemed adequate as the bank's performance was comparable to the aggregate lenders' and slightly below the assessment area demographics. Additionally, the bank's performance with respect to small business loans was excellent given the bank's performance exceeded the aggregate lenders and the percentage of small businesses operating in low-and moderate-income census tracts.

For purposes of this analysis, small business loans received the greater weight when determining the rating. In addition, when determining performance, the comparison to aggregate lender figures was weighted more heavily than the assessment area demographics (percentage of owner-occupied housing units).

A gap analysis was completed as part of the evaluation. In 2019, the bank originated HMDA originations in 70.9 percent of all census tracts in the assessment area with originations in 16.7 percent of low-income census tracts and 54.2 percent of moderate-income census tracts. The bank's performance with respect to small business originations was similar with 68.9 percent of all census tracts, however, much stronger in low-income census tracts with respect to small business originations in low-income census tracts with 58.3 percent in such tracts and identically 58.3 percent of moderate-income census tracts. Products combined, the bank had originations in 86.4 percent of all census tracts including 66.7 percent of all low-income census tracts and 75.0 percent of moderate-income census tracts.

In 2020 the bank improved its performance compared to 2019 with HMDA originations in 71.8 percent of all census tracts in the assessment area with originations in 25.0 percent of low-income census tracts and 58.3 percent of moderate-income census tracts. The bank also displayed increased distribution in small business lending with originations in 84.5 percent of all census tracts. Such loans were made in 58.3 percent of low-income census tracts and of 79.2 percent of all moderate-income census tracts. Combined the bank had originations in 92.2



percent all the census tracts including 66.7 percent of all low-income census tracts and 91.7 percent of moderate-income census tracts. Based upon this analysis, there were no conspicuous, unexplained lending gaps in the assessment area.

### HMDA Reportable Lending

In 2019, the bank's rate of home mortgage lending was deemed adequate. The bank's distribution of lending across geographies of different income levels in 2019 within home mortgage and loans was consistent with the distribution of loans in 2020. Due to low volume, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019, the bank did not make any loans in low-income census tracts which was below the performance of the aggregate of lenders at 2.4 percent and below the 6.1 percent demographic of owner-occupied units in low-income census tracts. The bank made 9.4 percent of its home purchase loans in moderate-income census tracts which was below the performance of the aggregate of lenders at 13.3 percent of such loans by number, in these census tracts. The bank's performance was also below the 13.6 percent demographic of owner-occupied units in moderate-income census tracts. In 2019, the bank made 50.9 percent of its home purchase loans, by number, in middle-income census tracts. This was above the aggregate of lenders which made 43.0 percent of such loans in these tracts and comparable to the 47.8 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 39.6 percent of its home purchase loans, by number in upper-income census tracts. This was comparable to the aggregate of lenders which made 41.3 percent of such loans by number and above the 32.4 percent demographic of owner-occupied units in upper-income census tracts.

#### *Refinance Loans*

In 2019, the bank made 1.7 percent of its refinance loans in low-income census tracts, which was comparable to the performance of the aggregate of lenders at 1.5 percent and below the 6.1 percent demographic of owner-occupied units in low-income census tracts. The bank made 10.3 percent of its refinance loans, by number, in moderate-income census tracts which was comparable to the aggregate of lenders at 8.3 percent of such loans, by number in these census tracts; however, it was below the 13.6 percent demographic of owner-occupied units in moderate-income census tracts. In 2019, the bank made 44.8 percent of its refinance loans, by number in middle-income census tracts. This was comparable to the aggregate of lenders at 42.8 percent and below the 47.8 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 42.2 percent of its refinance loans, by number, in upper-income census tracts which was below the 47.3 percent of such loans by the aggregate of lenders. However, the bank's performance was above the demographic tracts of owner-occupied units in

upper-income census tracts at 32.4 percent.

*Home Improvement Loans*

In 2019, the bank did not make any home improvement loans in low-income census tracts which was below the performance of the aggregate of lenders at 2.9 percent and below the 6.1 percent demographic of owner-occupied units in low-income census tracts. The bank made 11.1 percent of its home improvement loans, by number, in moderate-income census tracts which was comparable to the aggregate of lenders at 11.3 percent and comparable to the 13.6 percent demographic of owner-occupied units in moderate-income census tracts. In 2019, the bank made 61.1 percent of its home improvement loans, by number, in middle-income census tracts. This was significantly above the aggregate of lenders at 43.8 percent and above the 47.8 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 27.8 percent of its home improvement loans, by number in upper-income census tracts. This was significantly below the aggregate of lenders which made 42.0 percent of such loans by number, and below the 32.4 percent demographic of owner-occupied units in upper-income census tracts.

The following table presents the geographic distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Fort Wayne, IN MSA 23060								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	2.4	0	0.0	1.0	6.1
	Moderate	5	9.4	13.3	505	4.3	8.2	13.6
	Middle	27	50.9	43.0	4,043	34.8	36.3	47.8
	Upper	21	39.6	41.3	7,080	60.9	54.4	32.4
	Unknown	0	0.0	0.1	0	0.0	0.1	0.1
	<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>11,628</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	2	1.7	1.5	147	1.1	0.7	6.1
	Moderate	12	10.3	8.3	553	4.2	4.5	13.6
	Middle	52	44.8	42.8	4,520	34.6	36.5	47.8
	Upper	49	42.2	47.3	7,644	58.5	58.2	32.4
	Unknown	1	0.9	0.1	200	1.5	0.1	0.1
	<b>Total</b>	<b>116</b>	<b>100.0</b>	<b>100.0</b>	<b>13,064</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	2.9	0	0.0	1.5	6.1
	Moderate	2	11.1	11.3	21	4.6	9.6	13.6
	Middle	11	61.1	43.8	270	59.1	41.8	47.8
	Upper	5	27.8	42.0	166	36.3	47.1	32.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>100.0</b>	<b>457</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	23.3	0	0.0	22.9	<b>Multi-Family</b> 13.1
	Moderate	0	0.0	36.7	0	0.0	28.2	29.9
	Middle	0	0.0	28.3	0	0.0	21.8	37.8
	Upper	0	0.0	11.7	0	0.0	27.1	16.8
	Unknown	0	0.0	0.0	0	0.0	0.0	2.3
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.4	0	0.0	0.2	6.1
	Moderate	0	0.0	4.4	0	0.0	1.8	13.6
	Middle	0	0.0	46.1	0	0.0	45.3	47.8
	Upper	0	0.0	49.1	0	0.0	52.7	32.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	2.9	0	0.0	1.7	6.1
	Moderate	0	0.0	9.3	0	0.0	5.9	13.6
	Middle	0	0.0	48.9	0	0.0	44.0	47.8
	Upper	0	0.0	38.9	0	0.0	48.3	32.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	4.9	0	0.0	2.7	6.1
	Moderate	0	0.0	24.0	0	0.0	17.8	13.6
	Middle	1	100.0	48.0	50	100.0	48.6	47.8
	Upper	0	0.0	23.1	0	0.0	30.8	32.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>50</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	2	1.1	2.1	147	0.6	2.1	6.1
	Moderate	19	10.1	11.3	1,079	4.3	8.0	13.6
	Middle	91	48.4	43.2	8,883	35.3	36.1	47.8
	Upper	75	39.9	43.3	14,890	59.1	53.8	32.4
	Unknown	1	0.5	0.1	200	0.8	0.1	0.1
	<b>Total</b>	<b>188</b>	<b>100.0</b>	<b>100.0</b>	<b>25,199</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

### Small Business Lending

In 2019 assessment area did not contain any low-income census tracts.

In 2020 the assessment area did not contain any low-income census tracts.

In 2019 the bank made 8.7 percent its small business loans, by number, in moderate-income census tracts, which was above the aggregate of lenders which made 4.1 percent of such loans in these census tracts and also above the 4.9 percent of total businesses that are located in such census tracts.

In 2020 the bank's performance was below that of 2019 with 7.6 percent of its small business loans in moderate-income census tracts. This was above the 4.8 percent of total businesses located in moderate-income census tracts within the assessment area.

In 2019 the bank made 33.0 percent its small business loans, by number, in middle-income census tracts, which was comparable to the aggregate of lenders which made 35.6 percent of such loans in these census tracts and to the 36.6 percent of total businesses that are located in such census tracts.

In 2020 the bank's performance was above that of 2019 with 37.9 percent of its small business loans in middle-income census tracts. This was also comparable to the 36.6 percent of total businesses located in moderate-income census tracts within the assessment area.

In 2019 the bank made 58.3 percent its small business loans, by number, in upper-income census tracts, which was comparable to the aggregate of lenders which made 58.8 percent of such loans in these census tracts and the 58.3 percent of total businesses that are located in such census tracts.

In 2020 the bank's performance was below that of 2019 with 54.5 percent of its small business loans in moderate-income census tracts. This was comparable to the 58.1 percent of total businesses located in upper-income census tracts within the assessment area.

The following table presents the geographic distribution of small business loans in the assessment area in 2019:

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Gary, IN MD 23844								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses %	
		2019			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	10	8.7	4.1	1,699	9.3	7.2	4.9
	Middle	38	33.0	35.6	4,496	24.6	38.4	36.6
	Upper	67	58.3	58.8	12,056	66.1	54.1	58.3
	Unknown	0	0.0	0.1	0	0.0	0.0	0.2
	Tr Unknown			1.4			0.4	
	Total		115	100.0	100.0	18,251	100.0	100.0

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

## Lending to Borrowers of Different Income Levels and Businesses of Different Sizes

### HMDA-Reportable Lending

#### *Home Purchase Loans*

In 2019 the bank made 8.7 percent of its home purchase loans, by number, to low-income borrowers, which was above the aggregate of lenders which made 5.2 percent of these loans; however, was below the 16.4 percent demographic of low-income families within the assessment area.

In 2020 the bank's performance significantly declined compared to 2019 with 2.3 percent of its home purchase loans to low-income borrowers which was significantly below the 16.4 percent demographic of low-income families within the assessment area.

In 2019 the bank made 13.0 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the aggregate of lenders which made 19.4 percent of these loans; however, was comparable to the 14.0 percent demographic of moderate-income families within the assessment area.

In 2020 the bank's performance was significantly above its 2019 performance with 25.0 percent of its home purchase loans to moderate-income borrowers which was significantly above still above the 14.0 percent demographic of moderate-income families within the assessment area. In 2019 the bank made 28.3 percent of its home purchase loans, by number, to middle-income borrowers, which was comparable to aggregate of lenders which made 25.7 percent of these

loans and above the 19.9 percent demographic of middle-income families within the assessment area.

In 2020 the bank's performance was below its 2019 performance with 22.7 percent of its home purchase loans to middle-income borrowers which was above the 19.9 percent demographic of middle-income families within the assessment area.

In 2019 the bank made 41.3 percent of its home purchase loans, by number, to upper-income borrowers, which was above the aggregate of lenders which made 34.9 percent of these loans; however, was below the 49.7 percent demographic of upper-income families within the assessment area.

In 2020 the bank's performance was above its 2019 performance with 45.9 percent of its home purchase loans to upper-income borrowers; however, was below the 49.7 percent demographic of upper-income families within the assessment area.

#### *Refinances*

In 2019 the bank made 5.0 percent of its refinance loans, by number, to low-income borrowers, which was below aggregate of lenders which made 5.9 percent of these loans and was below the 16.4 percent of low-income families within the assessment area.

In 2020 the bank's performance was below that of 2019 with 4.5 percent of its refinance loans to low-income borrowers which was significantly below the 16.4 percent demographic of low-income families within the assessment area.

In 2019 the bank made 25.0 percent of its refinance loans, by number, to moderate-income borrowers, which was significantly above aggregate of lenders which made 13.5 percent of these loans and also significantly the 14.0 percent demographic of moderate-income families within the assessment area.

In 2020 the bank's performance was significantly below that of 2019 with 15.0 percent of its refinance loans to moderate-income borrowers which was comparable to the 14.0 percent demographic of moderate-income families within the assessment area.

In 2019 the bank made 9.0 percent of its refinance loans, by number, to middle-income borrowers, which was significantly below that of aggregate of lenders which made 21.3 percent of these loans and significantly below the 19.9 percent demographic of middle-income families within the assessment area.

In 2020 the bank's performance was significantly above its 2019 performance with 22.0 percent of its refinance loans to middle-income borrowers which was above the 19.9 percent demographic of middle-income families within the assessment area.

In 2019 the bank made 56.0 percent of its refinance loans, by number, to upper-income borrowers, which was significantly above the aggregate of lenders which made 40.1 percent of these loans and was above the 49.7 percent demographic of upper-income families within the assessment area.

In 2020 the bank's performance was comparable to its 2019 performance with 54.0 percent of its home purchase loans to upper-income borrowers which was also above the 49.7 percent demographic of upper-income families within the assessment area.

#### *Home Improvement Loans*

In 2019 the bank made 6.9 percent of its home improvement loans, by number, to low-income borrowers, which was above the aggregate of lenders which made 6.1 percent of these loans and was below the 16.4 percent demographic of low-income families within the assessment area.

In 2020 the bank's performance was significantly above that of 2019 with 13.8 percent of its home improvement loans to low-income borrowers which was below the 16.4 percent demographic of low-income families within the assessment area.

In 2019 the bank made 17.2 percent of its home improvement loans, by number, to moderate-income borrowers, which was above the aggregate of lenders which made 13.9 percent of these loans and above the 14.0 percent demographic of moderate-income families within the assessment area.

In 2020 the bank's performance was significantly below its 2019 performance with 6.9 percent of its home improvement loans to moderate-income borrowers which was also below the 14.0 percent demographic of moderate-income families within the assessment area.

In 2019 the bank made 13.8 percent of its home improvement loans, by number, to middle-income borrowers, which was below that of aggregate of lenders which made 22.6 percent of these loans and comparable to the 19.9 percent demographic of middle-income families within the assessment area.

In 2020 the bank's performance was above its 2019 performance with 17.2 percent of its home improvement loans to middle-income borrowers and was below the 19.9 percent demographic of middle-income families within the assessment area.

In 2019 the bank made 58.6 percent of its home improvement loans, by number, to upper-income borrowers, which was comparable to the aggregate of lenders which made 54.1 percent of these loans and was above the 49.7 percent demographic of upper-income families within the assessment area.

In 2020 the bank's performance was below its 2019 performance with 51.7 percent of its home improvement loans to upper-income borrowers which was comparable to the 49.7 percent demographic of upper-income families within the assessment area.

The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019:



Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Gary, IN MD 23844								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	4	8.7	5.2	450	5.0	2.9	16.4
	Moderate	6	13.0	19.4	725	8.0	14.6	14.0
	Middle	13	28.3	25.7	2,048	22.6	23.7	19.9
	Upper	19	41.3	34.9	4,908	54.1	45.0	49.7
	Unknown	4	8.7	14.7	942	10.4	13.9	0.0
	<b>Total</b>		<b>46</b>	<b>100.0</b>	<b>100.0</b>	<b>9,073</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	5	5.0	5.9	205	1.4	3.1	16.4
	Moderate	25	25.0	13.5	1,844	12.5	8.9	14.0
	Middle	9	9.0	21.3	915	6.2	17.8	19.9
	Upper	56	56.0	40.1	10,763	73.1	48.4	49.7
	Unknown	5	5.0	19.2	994	6.8	21.8	0.0
	<b>Total</b>		<b>100</b>	<b>100.0</b>	<b>100.0</b>	<b>14,721</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	2	6.9	6.1	20	1.6	4.9	16.4
	Moderate	5	17.2	13.9	214	17.1	12.3	14.0
	Middle	4	13.8	22.6	230	18.4	20.5	19.9
	Upper	17	58.6	54.1	770	61.6	57.4	49.7
	Unknown	1	3.4	3.4	15	1.2	4.9	0.0
	<b>Total</b>		<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>1,249</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	16.4
	Moderate	0	0.0	0.0	0	0.0	0.0	14.0
	Middle	0	0.0	0.0	0	0.0	0.0	19.9
	Upper	0	0.0	0.0	0	0.0	0.0	49.7
	Unknown	2	100.0	100.0	1,901	100.0	100.0	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>1,901</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	2.6	0	0.0	1.3	16.4
	Moderate	0	0.0	15.8	0	0.0	8.1	14.0
	Middle	0	0.0	24.4	0	0.0	18.7	19.9
	Upper	0	0.0	55.6	0	0.0	71.5	49.7
	Unknown	0	0.0	1.7	0	0.0	0.4	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	10.1	0	0.0	6.8	16.4
	Moderate	0	0.0	13.8	0	0.0	14.5	14.0
	Middle	0	0.0	30.3	0	0.0	29.0	19.9
	Upper	0	0.0	42.2	0	0.0	39.4	49.7
	Unknown	0	0.0	3.7	0	0.0	10.2	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	16.4
	Moderate	0	0.0	0.6	0	0.0	0.4	14.0
	Middle	0	0.0	1.1	0	0.0	1.7	19.9
	Upper	0	0.0	0.0	0	0.0	0.0	49.7
	Unknown	0	0.0	98.3	0	0.0	97.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	11	6.2	5.4	675	2.5	2.8	16.4
	Moderate	36	20.3	16.3	2,783	10.3	11.3	14.0
	Middle	26	14.7	23.3	3,193	11.9	19.7	19.9
	Upper	92	52.0	37.8	16,441	61.0	43.1	49.7
	Unknown	12	6.8	17.3	3,852	14.3	23.1	0.0
	<b>Total</b>		<b>177</b>	<b>100.0</b>	<b>100.0</b>	<b>26,944</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

### Small Business Lending

In 2019 the bank made 40.0 percent of its small business loans, by number, to firms reporting annual revenues of \$1 million or less, which was below the aggregate of lenders which made 46.0 percent of such loans, by number to these firms. Businesses reporting annual revenues of \$1 million or less represent 91.7 percent of assessment area businesses.

In 2020 the bank made 31.7 percent of its small business loans, by number; however, loan origination comparisons between 2019 and 2020 cannot be directly made as loans made under the Paycheck Protection Program (PPP) where revenue collection was not required. An illustration is represented by the dramatic increase in loan sizes of \$100,000 or less which increased from 57 in 2019 to 320 in 2020 or 461.4 percent primarily due the bank’s participation in the PPP program.

The following table presents the borrower distribution of small business loans in 2019:

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Gary, IN MD 23844									
Product Type		Bank & Aggregate Lending Comparison							
		2019							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	46	40.0	46.0	3,554	19.5	28.4	91.7
		Over \$1 Million	51	44.3	54.0	12,496	68.5	71.6	7.2
		Unknown	18	15.7		2,201	12.1		1.2
		<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>18,251</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	57	49.6	91.8	2,592	14.2	32.5	
		\$100,001 - \$250,000	40	34.8	4.1	6,988	38.3	17.0	
		\$250,001 - \$1 Million	18	15.7	4.1	8,671	47.5	50.4	
		<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>18,251</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	35	76.1		1,309	36.8		
		\$100,001 - \$250,000	9	19.6		1,472	41.4		
		\$250,001 - \$1 Million	2	4.3		773	21.8		
		<b>Total</b>	<b>46</b>	<b>100.0</b>		<b>3,554</b>	<b>100.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

### Small Business Lending

The bank’s performance with respect to small business loans was excellent given the bank’s performance exceeded the aggregate of lenders and the percentage of small businesses operating in low- and moderate-income census tracts. In 2019, the bank made 10.2 percent of its small business loans, by number, in low-income census tracts, which was above the aggregate of lenders which made 6.9 percent and the 6.4 percent of total businesses in this assessment area located in such census tracts. The bank made 18.5 percent of its small business loans, by number, in moderate-income census tracts, which was comparable to the aggregate of lenders which made 17.5 percent and to the 17.9 percent of total businesses that are in such census tracts. In 2019 the bank made 37.0 percent its small business loans, by number, in middle-income census tracts, which was comparable to the aggregate of lenders which made 39.5 percent of such loans in these census tracts and to the 40.3 percent of total businesses that are in such census tracts. Lastly, the bank made 27.8 percent its small business loans, by number, in upper-income census tracts, which was slightly below the aggregate of lenders at 31.1 percent and the 30.9 percent of total businesses that are located in such census tracts.

The following table presents the geographic distribution of small business loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

<b>Geographic Distribution of Small Business Loans</b>								
<b>Assessment Area: 2019 Fort Wayne, IN MSA 23060</b>								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses %
		2019						
		Count		Agg %	Dollar		Agg \$ %	
Bank #	%	Bank \$ (000s)	\$ %					
Small Business	Low	22	10.2	6.9	2,535	8.1	9.8	6.4
	Moderate	40	18.5	17.5	4,612	14.8	18.3	17.9
	Middle	80	37.0	39.5	13,417	43.0	40.4	40.3
	Upper	60	27.8	31.1	8,604	27.6	24.8	30.9
	Unknown	14	6.5	4.0	2,007	6.4	6.4	4.4
	Tr Unknown			1.0			0.3	
	<b>Total</b>	<b>216</b>	<b>100.0</b>	<b>100.0</b>	<b>31,175</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

### Lending to Borrowers of Different Income Levels and Businesses of Different Sizes

The distribution of borrowers in 2019 reflects, given the product lines offered, excellent penetration among individuals of different income levels including low- and moderate-income individuals and businesses of different sizes. In 2019, the bank’s performance relative to home

mortgage loans was excellent given the bank's performance amongst low-and moderate-income borrowers. It exceeded aggregate lenders by percentage among low-income borrowers and exceeded both aggregate lender and families by income among moderate-income borrowers. For loans to small businesses, the bank's performance was good as the bank's lending to businesses reporting annual revenues of \$1 million or less was comparable to the aggregate of lenders but was less than the percentage of total businesses operating in the assessment area. Lastly, the bank's distribution of lending to borrowers of different income levels in 2019 was consistent with the distribution of loans in 2020.

### HMDA-Reportable Lending

In 2019, the bank's performance relative to home mortgage loans was excellent. Due to the low volume of loans, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019, the bank made 11.3 percent of its home purchase loans, by number, to low-income borrowers, which was comparable to the aggregate of lenders at 10.0 percent, however was below the 20.0 percent demographic of low-income families within the assessment area. The bank made 26.4 percent of its home purchase loans, by number, to moderate-income borrowers, which was comparable to the aggregate of lenders at 24.6 percent, but above the 18.0 percent demographic of moderate-income families within the assessment area. In 2019, the bank made 17.0 percent of its home purchase loans, by number, to middle-income borrowers, which was below the aggregate of lenders at 21.4 percent and below the 22.0 percent demographic of middle-income families within the assessment area. Lastly, the bank made 43.4 percent of its home purchase loans, by number, to upper-income borrowers, which was significantly above the aggregate of lenders at 31.0 percent and comparable to the 40.0 percent demographic of upper-income families within the assessment area.

#### *Refinances*

In 2019, the bank made 10.3 percent of its refinance loans, by number, to low-income borrowers, which was above the aggregate of lenders at 7.5 percent but below the 20.0 percent demographic of low-income families within the assessment area. The bank made 19.8 percent of its refinance loans, by number, to moderate-income borrowers, which was above the aggregate of lenders at 17.8 percent and the 18.0 percent demographic of moderate-income families within the assessment area. The bank made 22.4 percent of its refinance loans, by number, to middle-income borrowers, which was comparable to that of aggregate of lenders which made 20.9 percent of these loans and comparable to the 22.0 percent demographic of middle-income families within the assessment area. Lastly, the bank made 42.2 percent of its refinance loans, by number, to upper-income borrowers, which was above the aggregate of lenders at 38.7 percent

and the 40.0 percent demographic of upper-income families within the assessment area.

#### *Home Improvement Loans*

In 2019, the bank made 16.7 percent of its home improvement loans, by number, to low-income borrowers, which was above the aggregate of lenders which made 10.2 percent of these loans, however was below the 20.0 percent demographic of low-income families within the assessment area. The bank made 38.9 percent of its home improvement loans, by number, to moderate-income borrowers, which was significantly above aggregate of lenders which made 17.8 percent of these loans and significantly above the 18.0 percent of moderate-income families within the assessment area. In 2019, the bank made 11.1 percent of its home improvement loans, by number, to middle-income borrowers, which was below that of aggregate of lenders which made 22.5 percent and below the 22.0 percent demographic of middle-income families within the assessment area. Lastly, the bank made 27.8 percent of its home improvement loans, by number, to upper-income borrowers, which was significantly below the aggregate of lenders which made 46.9 percent of these loans and significantly below the 40.0 percent demographic of upper-income families within the assessment area.

Overall, the bank's performance by percentage in low- and moderate-income in 2020 was below that of 2019. The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Fort Wayne, IN MSA 23060								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	6	11.3	10.0	513	4.4	5.6	20.0
	Moderate	14	26.4	24.6	1,621	13.9	18.0	18.0
	Middle	9	17.0	21.4	1,355	11.7	20.2	22.0
	Upper	23	43.4	31.0	8,067	69.4	44.7	40.0
	Unknown	1	1.9	13.0	72	0.6	11.5	0.0
	<b>Total</b>		<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>11,628</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	12	10.3	7.5	599	4.6	3.7	20.0
	Moderate	23	19.8	17.8	1,854	14.2	11.9	18.0
	Middle	26	22.4	20.9	1,927	14.8	17.4	22.0
	Upper	49	42.2	38.7	8,093	61.9	49.4	40.0
	Unknown	6	5.2	15.1	591	4.5	17.6	0.0
	<b>Total</b>		<b>116</b>	<b>100.0</b>	<b>100.0</b>	<b>13,064</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	3	16.7	10.2	50	10.9	7.5	20.0
	Moderate	7	38.9	17.8	186	40.7	16.2	18.0
	Middle	2	11.1	22.5	35	7.7	18.9	22.0
	Upper	5	27.8	46.9	176	38.5	54.7	40.0
	Unknown	1	5.6	2.7	10	2.2	2.8	0.0
	<b>Total</b>		<b>18</b>	<b>100.0</b>	<b>100.0</b>	<b>457</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	20.0
	Moderate	0	0.0	0.0	0	0.0	0.0	18.0
	Middle	0	0.0	0.0	0	0.0	0.0	22.0
	Upper	0	0.0	8.3	0	0.0	1.2	40.0
	Unknown	0	0.0	91.7	0	0.0	98.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	6.9	0	0.0	2.8	20.0
	Moderate	0	0.0	15.5	0	0.0	9.7	18.0
	Middle	0	0.0	18.8	0	0.0	13.3	22.0
	Upper	0	0.0	56.1	0	0.0	71.8	40.0
	Unknown	0	0.0	2.8	0	0.0	2.4	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	13.2	0	0.0	11.0	20.0
	Moderate	0	0.0	24.6	0	0.0	19.1	18.0
	Middle	0	0.0	21.1	0	0.0	20.7	22.0
	Upper	0	0.0	36.4	0	0.0	42.8	40.0
	Unknown	0	0.0	4.6	0	0.0	6.4	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.3	0	0.0	0.2	20.0
	Moderate	0	0.0	0.0	0	0.0	0.0	18.0
	Middle	0	0.0	0.3	0	0.0	0.4	22.0
	Upper	0	0.0	0.6	0	0.0	1.9	40.0
	Unknown	1	100.0	98.8	50	100.0	97.5	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>50</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	21	11.2	8.8	1,162	4.6	4.6	20.0
	Moderate	44	23.4	20.9	3,661	14.5	14.6	18.0
	Middle	37	19.7	20.7	3,317	13.2	17.8	22.0
	Upper	77	41.0	34.8	16,336	64.8	44.3	40.0
	Unknown	9	4.8	14.8	723	2.9	18.8	0.0
	<b>Total</b>		<b>188</b>	<b>100.0</b>	<b>100.0</b>	<b>25,199</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

### Small Business Lending

In 2019 the bank made 39.9 percent of its small business loans, by number, to firms reporting annual revenues of \$1 million or less, which was below the aggregate of lenders which made 44.5 percent of such loans, by number to these firms. Businesses reporting annual revenues of \$1 million or less represent 89.2 percent of assessment area businesses.

In 2020 the bank made 31.7 percent of its small business loans, by number; however, loan origination comparisons between 2019 and 2020 cannot be directly made as loans made under the Paycheck Protection Program (PPP) where revenue collection was not required. An illustration is represented by the dramatic increase in loan sizes of \$100,000 or less which increased from 372 in 2019 to 1,023 in 2020 or 175 percent due the bank’s participation in the PPP program.

The following table presents the borrower distribution of small business loans in 2019:

<b>Small Business Lending By Revenue &amp; Loan Size</b>									
<b>Assessment Area: 2019 South Bend-Mishawaka, IN-MI MSA 43780</b>									
Product Type			Bank & Aggregate Lending Comparison						
			2019			Dollar		Total Businesses	
			Count		Agg %	Bank			Agg \$ %
			#	%		\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	236	39.9	44.5	17,368	18.4	28.3	89.8
		Over \$1 Million	267	45.1	55.5	64,352	68.3	71.7	9.2
		Unknown	89	15.0		12,478	13.2		1.0
		<b>Total</b>	<b>592</b>	<b>100.0</b>	<b>100.0</b>	<b>94,198</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	372	62.8	87.9	17,351	18.4	24.4	
		\$100,001 - \$250,000	100	16.9	5.3	17,502	18.6	15.7	
		\$250,001 - \$1 Million	120	20.3	6.8	59,345	63.0	60.0	
		<b>Total</b>	<b>592</b>	<b>100.0</b>	<b>100.0</b>	<b>94,198</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	198	83.9		7,412	42.7		
		\$100,001 - \$250,000	24	10.2		3,896	22.4		
		\$250,001 - \$1 Million	14	5.9		6,060	34.9		
		<b>Total</b>	<b>236</b>	<b>100.0</b>		<b>17,368</b>	<b>100.0</b>		
Originations & Purchases									
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Small Business Lending

The bank’s performance relative to small business loans was good. In 2019 the bank made 43.5 percent of its small business loans, by number, to businesses reporting annual revenues of \$1 million or less, which was comparable to the aggregate of lenders at 44.9 percent of such loans, by number. The bank’s performance was below the percentage of businesses reporting annual revenues of \$1 million or less at 88.8 percent. However, of the small business loans, 77.7 percent were made in amounts of \$100,000 or less, which are considered most beneficial to small businesses.

The bank’s performance in small business lending in 2020 is included to highlight the bank’s involvement in the PPP program. In 2020 the bank made 32.7 percent of its small business loans, by number; however, loan origination comparisons between 2019 and 2020 cannot directly be made as originations under the Paycheck Protection Program (PPP) did not require the collection of revenue data. An illustration is represented by the dramatic increase in loan sizes of \$100,000 or less which increased from 127 in 2019 to 353 in 2020 or 178.0 percent primarily due the bank’s participation in the PPP program.

The following table presents the borrower distribution of small business loans in 2019. Please see Appendix A for 2020 lending tables.

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Fort Wayne, IN MSA 23060									
Product Type		Bank & Aggregate Lending Comparison							
		2019							
		Count		Dollar			Total		
	Revenue	Bank	Agg	Bank	Agg	Agg	Total		
		#	%	%	\$ %	\$ %		%	
Small Business	Revenue	\$1 Million or Less	94	43.5	44.9	7,660	24.6	27.9	88.8
		Over \$1 Million	104	48.1	55.1	19,406	62.2	72.1	10.3
		Unknown	18	8.3		4,109	13.2		0.9
		<b>Total</b>	<b>216</b>	<b>100.0</b>	<b>100.0</b>	<b>31,175</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	127	58.8	87.4	5,504	17.7	23.3	
		\$100,001 - \$250,000	56	25.9	6.0	9,668	31.0	17.1	
		\$250,001 - \$1 Million	33	15.3	6.6	16,003	51.3	59.6	
		<b>Total</b>	<b>216</b>	<b>100.0</b>	<b>100.0</b>	<b>31,175</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	73	77.7		2,694	35.2		
		\$100,001 - \$250,000	15	16.0		2,364	30.9		
		\$250,001 - \$1 Million	6	6.4		2,602	34.0		
		<b>Total</b>	<b>94</b>	<b>100.0</b>		<b>7,660</b>	<b>100.0</b>		
Originations & Purchases									
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									



## COMMUNITY DEVELOPMENT LENDING

1<sup>st</sup> Source Bank makes a relatively high level of community development loans. During the evaluation period the bank originated 39 loans totaling \$48.5 million in the assessment area. When compared to the previous evaluation of 17 loans totaling \$21.4 million, the bank increased the number of loans by 129.4 percent and the dollar volume by 126.5 percent. When comparing loans by the 28-month time period of the previous evaluation and the 36-month period of the current evaluation, the increase in dollar volume by monthly average was 76.2 percent. Of the community development loans originated during this evaluation period, nine such loans for \$5.1 million were originated as part of the Paycheck Protection Program in response to the COVID-19 pandemic in effort to stabilize the assessment area. Not accounting for loans through PPP, the majority of the bank’s community development loans went towards affordable housing projects and community services primarily benefiting low- and moderate-income individuals and/or geographies, as well as economic development, and revitalization/stabilization projects. These included organizations which provided housing to homeless individuals and lines of working capital to facilitate small businesses who employed low- and moderate-income individuals in their day -to- day operations.

The following table presents the bank’s community development loans in the assessment area during the review period:

Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Fort Wayne, IN MSA	6	17,860	7	8,250	8	7,525	18	14,834	39	48,469

## INVESTMENT TEST

1<sup>st</sup> Source Bank’s performance relative to the Investment Test in the Fort Wayne MSA is rated High Satisfactory as it made a significant level of qualified investments in the assessment area, particularly those that are not routinely provided by private investors, although rarely in a leadership position. These investments demonstrate the significant use of innovative or complex qualified investments and provide excellent responsiveness to the credit and community development needs of the assessment area.

During the evaluation period, 1<sup>st</sup> Source originated 40 qualified investments, consisting of \$4.0 million current period, \$13.1 million prior period and \$1.2 million of undisbursed committed funds for an approximate total \$18.3 million. This represents a decrease of 4.7 percent, by dollar volume, when compared to the previous evaluation at which time the bank originated a total of \$19.2 million in qualified investments, when comparing loans by the 28-month time period of

the previous evaluation period and the 36-month period of the current evaluation the decrease in dollar volume 25.9 percent. New investments in the current evaluation period include mortgage-backed securities for affordable home loan financing, as well as investment in projects eligible for Low-Income Housing Tax Credits. The table below presents the bank’s qualified community development investments during the review period. Further, a total of approximately \$1.2 million remains committed but undisbursed to multiple projects eligible for Low-Income Housing Tax Credits. The bank’s innovative and complex investments represented by dollar 28.7 percent of its total investments in the assessment area.

The table below presents the bank’s qualified community development investments during the review period.

Qualified Community Development Investments by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Fort Wayne, IN MSA - New	33	4,045	0	0	0	0	0	0	33	4,045
Fort Wayne, IN MSA - Prior	6	13,078	0	0	0	0	0	0	6	13,078
Fort Wayne, IN MSA - Undisbursed	1	1,223	0	0	0	0	0	0	1	1,223
<b>Total</b>	<b>40</b>	<b>18,346</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>18,346</b>

1<sup>st</sup> Source Bank distributed a total of \$386,702 in qualified grants and donations in the current evaluation period. The donations were made to organizations who serve a variety of purposes including those focused on affordable housing, community service, and economic development. When compared to the previous evaluation of 36 qualified donations totaling \$113,000, the bank increased the number of donations by 102.8 percent and the dollar amount by 241.0 percent; however, when comparing loans by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the increase in dollar volume was 165.2 percent. The following table below presents the bank’s qualified community development donations during the review period.

Qualified Community Development Donations by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Fort Wayne, IN MSA	4	27,500	40	260,402	31	98,800	0	0	75	386,702

## SERVICE TEST

1<sup>st</sup> Source’s performance relative to the Service Test in the Fort Wayne MSA is rated High Satisfactory based on the following factors: delivery systems are reasonably accessible to the bank’s geographies and individuals of different income levels in the assessment area; services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals; and the bank provides a relatively high level of community development services.

The bank did not open or close any branches or ATMs in the assessment area during the evaluation period.

## Retail Services

The bank operates a total of nine branches and nine ATMs in the assessment area. The bank does not have branches or ATMs in low- or moderate-income census tracts. There are four branches and ATMs located in middle-income census tracts and three branches and ATMs in upper-income census tracts. The two remaining branches are located in high density commercial census tracts which are designated as unknown.

Bank locations are open Monday through Friday with standard hours from 9:00 a.m. to 5:00 p.m., and open on Saturdays with limited hours, typically until noon. A number of the bank branches were affected by the COVID-19 pandemic and lobby access was restricted to an appointment only basis. All products and services are consistent among all branches. The bank offers free ATMs, internet and mobile banking, call center (Monday through Saturday), and automated telephone banking service to meet the needs of the bank’s assessment area.

## Community Development Services

1<sup>st</sup> Source Bank provides a relatively high level of community development services. Bank employees provided 695 hours, or 9.0 percent, of the total 7,760 total hours of qualified community development services. This represents a decrease of 28.1 percent compared to the previous evaluation period of 967 hours when comparing community development service activities by the 28-month time period of the previous evaluation period and the 36-month

period of the current evaluation the decrease was 44.1 percent. The COVID-19 pandemic which restricted the ability of bank personnel to fully engage in community development service activities was a direct contributor to the decline in performance. The services were performed for a number of organizations primarily those who focused on affordable housing, community service, and economic development.

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Fort Wayne, IN MSA	30	540	125	0	695	9.1

## GARY, IN MD - Full Review

### SCOPE OF THE EXAMINATION

1<sup>st</sup> Source's operations in the Gary, IN MD received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE GARY, IN MD

The Gary MD consists of Porter County, Indiana in its entirety. Excluded were Jasper, Lake, and Newton counties which are also part of the MD. The assessment area consists of a total of 33 census tracts comprised of one moderate-, 14 middle-, 15 upper-income census tracts and three unknown-income census tracts. The three unknown tracts are areas bordering Lake Michigan consisting of very sparsely populated areas. This represents a change from the previous evaluation where the assessment area contained three moderate-, 18 middle-, nine upper-, and three unknown-census tracts.

1<sup>st</sup> Source maintains nine branches in the assessment area each of which contains a full-service ATM. Two branches are located in moderate-income census tracts, four branches are in middle-income census tracts and three are in upper-income census tracts. There were no openings or closings of either branches or ATMs during the evaluation period.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank third in the market among 11 institutions serving the assessment area, with 19.9 percent of the market share. The two institutions with the largest market share of deposits are Centier Bank and JPMorgan Chase Bank N.A. with 24.0 percent and 22.6 respectively. Deposits in this assessment area represent 12.0 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank was listed ninth in 2019 total HMDA originations within the MSA among 314 HMDA reporters and fifth in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank ranked fifth among 73 CRA reporters in originations to small businesses and second in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Gary, IN MD 23844								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	7,251	16.4
Moderate-income	1	3.0	460	1.0	57	12.4	6,216	14.0
Middle-income	14	42.4	19,219	43.4	2,277	11.8	8,811	19.9
Upper-income	15	45.5	24,652	55.6	1,634	6.6	22,053	49.7
Unknown-income	3	9.1	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>33</b>	<b>100.0</b>	<b>44,331</b>	<b>100.0</b>	<b>3,968</b>	<b>9.0</b>	<b>44,331</b>	<b>100.0</b>
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>						
		<b>Owner-Occupied</b>			<b>Rental</b>		<b>Vacant</b>	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,222	370	0.8	30.3	605	49.5	247	20.2
Middle-income	31,169	19,947	41.7	64.0	9,063	29.1	2,159	6.9
Upper-income	34,395	27,492	57.5	79.9	4,626	13.4	2,277	6.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>66,786</b>	<b>47,809</b>	<b>100.0</b>	<b>71.6</b>	<b>14,294</b>	<b>21.4</b>	<b>4,683</b>	<b>7.0</b>
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	373	4.9	333	4.7	34	6.2	6	6.7
Middle-income	2,804	36.6	2,550	36.4	227	41.4	27	30.0
Upper-income	4,460	58.3	4,121	58.8	282	51.5	57	63.3
Unknown-income	14	0.2	9	0.1	5	0.9	0	0.0
<b>Total Assessment Area</b>	<b>7,651</b>	<b>100.0</b>	<b>7,013</b>	<b>100.0</b>	<b>548</b>	<b>100.0</b>	<b>90</b>	<b>100.0</b>
	<b>Percentage of Total Businesses:</b>			<b>91.7</b>		<b>7.2</b>		<b>1.2</b>
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	3	1.7	3	1.8	0	0.0	0	0.0
Middle-income	69	40.1	68	40.0	1	50.0	0	0.0
Upper-income	100	58.1	99	58.2	1	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>172</b>	<b>100.0</b>	<b>170</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	<b>Percentage of Total Farms:</b>			<b>98.8</b>		<b>1.2</b>		<b>0.0</b>
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

## Population Characteristics

As indicated by the 2011-2015 U.S. Census Bureau, the following table shows the county’s population growth was comparable to that of the state of Indiana and above the Gary MD in general. A community representative stated that pre-pandemic, population had been somewhat stable. However, the pandemic triggered population shifts due to remote work as workers from more expensive, urban areas have come to the area seeking larger living spaces and lower taxes. The school system has also attracted families or couples looking to start a family.

Population Change			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Porter County, IN	164,343	166,570	1.4
Gary, IN MD	708,070	705,671	-0.3
State of Indiana	6,483,802	6,568,645	1.3
<i>Source: 2010– U.S. Census Bureau: Decennial Census                      2011– U.S. Census Bureau: American Community Survey</i>			

## Income Characteristics

Based on 2011-2015 American Survey data, the median family income for Porter County was \$76,486 displaying an increase of 4.7 percent which was below the 7.4 percent increase in the Consumer Price Index for the period of 2011-2015. However, both the median family income and the percentage of increase were above both the MD and the state. A community representative stated that incomes did not experience much of a negative impact from the COVID-19 pandemic, and Porter County has remained a relatively wealthy area. The representative further added that a shortage of labor has put pressure on businesses to increase wages and offer additional incentives for people to come back to work with employers at the lower end of the wage spectrum putting emphasis on increasing wages.

<b>Median Family Income Change</b>			
<b>Area</b>	<b>2006-2010 Median Family Income (In 2010 Dollars - \$)</b>	<b>2011-2015 Median Family Income (In 2015 Dollars - \$)</b>	<b>Percentage Change (%)</b>
Porter County, IN	73,065	76,486	4.7
Gary, IN MD	62,512	64,075	2.5
State of Indiana	58,944	61,119	3.7
<i>Source: 2006–2010—U.S. Census Bureau: American Community Survey 2011-2015 –U.S. Census Bureau: American Community Survey</i>			

### Housing Characteristics

The assessment area includes 66,786 housing units; the majority are owner-occupied, representing 71.6 percent of the units, followed by 21.4 percent rental units and 7.0 percent vacant housing units.

Median housing values increased 0.6 percent between the 2010 Census and the 2011-2015 American Community Survey which was one-half of the 1.2 percent growth of the Gary MD and below the 1.0 percent of the state of Indiana. However, rent increases in Porter County, the Gary MD, and the State of Indiana were comparable, and at 9.0 percent, 9.5 percent, and 9.1 percent respectively, were significantly greater than the increase in median housing values. A community representative observed increased scarcity in rental units in the area, and that Porter County tends to skew more towards homeownership. The more likely residents to rent apartments are students from Valparaiso University or senior citizens. Lastly, the representative observed a decrease in housing availability during the evaluation period, further exacerbated by the pandemic and raw material price increases. The area’s school system has also attracted families to the area, putting additional pressure on housing prices. The following table presents housing characteristics between 2010 and 2011-2015 in the individual counties, as well as the state of Indiana.



Housing Costs Trends						
Area	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)
Porter County, IN	164,500	165,500	0.6	791	862	9.0
Gary, IN MD	142,862	144,588	1.2	751	822	9.5
State of Indiana	123,000	124,200	1.0	683	745	9.1
<i>Source: 2006-2010 - U.S. Census Bureau: American Community Survey 2011-2015 - U.S. Census Bureau: American Community Survey</i>						

### Employment Conditions

The following table presents employment characteristics between 2016 and 2019 in the county as well as the MD and the state of Indiana. Overall, all the region experienced decreases in unemployment rates from 2016- 2018 with rates stabilizing in 2019. Community representatives stated that Porter County has generally seen low unemployment, and especially recently, as small businesses are looking for labor. One representative said that Porter County has had a more resilient economy in comparison to the rest of Northwest Indiana as a more diverse mix of firms has helped it withstand many negative economic effects as no single employer dominates the local economy. The following table presents unemployment rates between 2016 and 2019:

Recent Unemployment Rates				
Area	2016	2017	2018	2019
Porter County, IN	5.1	4.1	3.8	3.7
Gary, IN MD	6.0	4.8	4.6	4.5
State of Indiana	4.4	3.6	3.4	3.3
<i>Source: Bureau of Labor Statistics: Local Area Unemployment Statistics (LAUS)</i>				

The following table presents the largest employers operating in the assessment area with seven of the ten largest employers engaged in manufacturing or manufacturing-related industries. Per the Bureau of Labor Statistics, in 2018 within the MSA the following three employment categories contain the highest number of employees with Office and Administrative Support Occupations at 8,481, Management Occupations at 8,442 and Sales and Related Occupations 7,830. Per the Bureau of Economic Analysis, all industry total GDP grew 3.1 percent from 2018 to 2019 which was above the 1.6 percent growth in the state of Indiana.

Community representatives confirmed that the work distribution throughout the area is 43.0 percent manufacturing related and 56.0 percent professional office positions with the positions largely concentrated in the health care, social services, and manufacturing industries.

<b>Largest Employers in the Assessment Area</b>			
<b>Company Name</b>	<b>Primary SIC Description</b>	<b>Area</b>	<b>Number of Employees</b>
Arcelormittal	Steel Mills (Manufacturers)	Porter	3,301
Porter Regional Hospital	Hospitals	Porter	2,000
US Steel Corp	Steel Mills (Manufacturers)	Porter	1,550
St. Mary Med Ctr Wound Clinic	Clinics	Porter	1,100
Regal Power Trans Solutions	Bearings (Wholesale)	Porter	500
NITCO	Material Handling Equipment (Wholesale)	Porter	500
Jlc Enterprises Inc	Automobile Repairing & Service	Porter	401
Urschel International LTD	Manufacturers	Porter	400
Pratt Industries	Paper-Corrugated (Manufacturers)	Porter	350
Ivy Tech Community College	Junior-Community College-Tech Institutes	Porter	350
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>			

### **Community Contacts**

Two community representatives with a focus on economic development were contacted to increase understanding of the credit needs and market conditions within the assessment area. The representatives noted Porter County to be a prosperous county relative to surrounding counties with a diverse economy as there are a lot of small businesses and no single employer dominates the local economy. Businesses such as restaurants, catering, bars, and event spaces were the most affected by the pandemic. Low-taxes and the area’s school system has been an attraction creating a strong demand for housing especially among Illinois residents which is driving up housing prices and affecting affordability.

### **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE GARY MD**

#### **LENDING TEST**

The geographic distribution of loans reflects excellent penetration throughout the assessment area; the distribution of borrowers reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes. The bank exhibits a good record of serving the credit needs of low-income individuals and very small businesses. 1st

Source makes a relatively high level of community development loans, and the bank makes use of innovative and flexible lending practices in serving assessment area credit needs.

The bank participates in a number of loan programs designed to assist low- and moderate-income borrowers and small businesses. The bank has the availability Federal Home Loan Bank funds to assist eligible low- and moderate-income buyers in providing them with down payment and closing cost assistance. The bank also made over 50 Unsecured Home Improvement Loans under a program which utilizes non-traditional credit and has a minimum loan amount of \$1,000. During the period of 2019-2020 was involved in over 75 Small Business Administration (SBA) loans in the assessment area.

### **Geographic Distribution**

The bank's lending activities reflect excellent distribution throughout the assessment area. In 2019, the bank's rate of home mortgage lending within moderate-income census tracts was deemed good as the bank's performance was comparable to the aggregate lenders and the assessment area demographics. Additionally, the bank's performance with respect to small business loans was excellent given the bank's performance within moderate-income census tracts exceeded the aggregate lenders and the percentage of small businesses.

For purposes of this analysis, it should be noted that the assessment area does not include any low-income census tracts. Also, small business loans received the greatest weight determining the rating. When determining performance, the comparison to aggregate lender's data was weighted more heavily than the assessment area demographics (percentage of owner-occupied housing units).

A gap analysis was completed as part of the evaluation. In 2019 by census tract the bank originated HMDA reportable loans in 100.0 percent of all census tracts in the assessment area when not taking into account the three unknown-census tracts in the assessment area. The bank's performance with respect to small business originations was not as strong overall with originations in 83.3 percent of all census tracts. However, the bank did originate small business loans in the sole moderate-income census tract.

In 2020 the bank performance was slightly below that of 2019 HMDA originations in 96.7 percent of the assessment area's 30 census tracts with originations in the sole moderate-income census tract. The bank displayed increased distribution in small business lending with originations in 100.0 percent of all such tracts. Based upon this analysis, there were no conspicuous, unexplained lending gaps in the assessment area.

## HMDA Reportable Lending

In 2019, the bank's rate of home mortgage lending was deemed excellent. The bank's distribution of lending across geographies of different income levels in 2019 within home mortgage loans was consistent with the distribution of loans in 2020. Due to low volume, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

### *Home Purchase Loans*

In 2019, the assessment area contained one moderate-income census tract in which the bank did not originate any home purchase loans. The bank's performance was consistent with the performance of the aggregate of lenders at 0.8 percent of such loans by number in these census tracts. The bank's performance was also consistent with the 0.8 percent demographic of owner-occupied units within the assessment area. Within middle-income census tracts, the bank made 32.6 percent of its home purchase loans, by number, which was below the aggregate of lenders at 41.4 percent and the 41.7 percent demographic of owner-occupied units in middle-income census tracts. Lastly, in 2019 the bank made 67.4 percent of its home purchase loans, by number in upper-income census tracts. This was above the aggregate of lenders which made 57.8 percent of such loans by number in these census tracts and the 57.5 percent demographic of owner-occupied units in upper-income census tracts.

### *Refinance Loans*

In 2019, the bank made 1.0 percent of its refinance loans, by number, in moderate-income census tracts which was comparable to the aggregate of lenders at 0.6 percent of such loans, by number, and the 0.8 percent demographic of owner-occupied units in moderate-income census tracts. Within middle-income census tracts, the bank made 32.0 percent of its refinance loans, by number. This was below the aggregate of lenders at 35.6 percent of such loans by number and the 41.7 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 67.0 percent of its refinance loans, by number in upper-income census tracts which was above the 63.8 percent of such loans by the aggregate of lenders, by number and above the 57.5 percent demographic tracts of owner-occupied units in upper-income census tracts.

### *Home Improvement Loans*

In 2019, the assessment area contained one moderate-income census tract in which the bank did not make any home improvement loans. The bank's performance was consistent with the performance of the aggregate of lenders at 0.2 percent, by number, and the 0.8 percent demographic of owner-occupied units within the assessment area. Within middle-income census tract, the bank made 41.4 percent of its home improvement loans, by number, which was above the aggregate of lenders at 31.3 percent and comparable to the 41.7 percent demographic of

owner-occupied units in middle-income census tracts. Lastly, the bank made 58.6 percent of its home improvement loans, by number, in upper-income census tracts. This was below the aggregate of lenders at 68.5 percent and comparable to 57.5 percent demographic of owner-occupied units in upper-income census tracts.

The following table presents the geographic distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Gary, IN MD 23844							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019					
		Count Bank		Dollar Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.8	0	0.0	0.6
	Middle	15	32.6	41.4	2,837	31.3	35.0
	Upper	31	67.4	57.8	6,236	68.7	64.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>46</b>	<b>100.0</b>	<b>100.0</b>	<b>9,073</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	1	1.0	0.6	27	0.2	0.5
	Middle	32	32.0	35.6	3,176	21.6	28.8
	Upper	67	67.0	63.8	11,518	78.2	70.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>100</b>	<b>100.0</b>	<b>100.0</b>	<b>14,721</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.2	0	0.0	0.1
	Middle	12	41.4	31.3	444	35.5	25.1
	Upper	17	58.6	68.5	805	64.5	74.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>1,249</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	6.3	0	0.0	0.5
	Middle	2	100.0	56.3	1,901	100.0	11.4
	Upper	0	0.0	37.5	0	0.0	88.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>1,901</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.9	0	0.0	1.3
	Middle	0	0.0	32.5	0	0.0	21.5
	Upper	0	0.0	66.7	0	0.0	77.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.9	0	0.0	0.3
	Middle	0	0.0	36.7	0	0.0	31.9
	Upper	0	0.0	62.4	0	0.0	67.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.6	0	0.0	0.5
	Middle	0	0.0	48.6	0	0.0	41.6
	Upper	0	0.0	50.8	0	0.0	58.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	1	0.6	0.7	27	0.1	0.5
	Middle	61	34.5	38.6	8,358	31.0	31.1
	Upper	115	65.0	60.7	18,559	68.9	68.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>177</b>	<b>100.0</b>	<b>100.0</b>	<b>26,944</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

### Small Business Lending

The bank’s performance with respect to small business loans was excellent. In 2019 the bank made 8.7 percent of its small business loans, by number, in moderate-income census tracts, which was above the aggregate of lenders at 4.1 percent and also above the 4.9 percent of total businesses that are located in such census tracts. Within middle-income census tracts, the bank made 33.0 percent of its small business loans which was comparable to the aggregate of lenders at 35.6 percent and slightly below the 36.6 percent of total businesses that are located in such census tracts. Lastly, the bank made 58.3 percent of its small business loans, by number, in upper-income census tracts, which was comparable to the aggregate of lenders at 58.8 percent and identical to the 58.3 percent of total businesses that are located in such census tracts.

The following table presents the geographic distribution of small business loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

<b>Geographic Distribution of Small Business Loans</b>								
<b>Assessment Area: 2019 Gary, IN MD 23844</b>								
	<b>Tract Income Levels</b>	<b>Bank &amp; Aggregate Lending Comparison</b>						<b>Total Businesses</b>
		<b>2019</b>						
		<b>Count</b>		<b>Dollar</b>				
		<b>Bank</b>	<b>Agg</b>	<b>Bank</b>	<b>Agg</b>			
		<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	10	8.7	4.1	1,699	9.3	7.2	4.9
	Middle	38	33.0	35.6	4,496	24.6	38.4	36.6
	Upper	67	58.3	58.8	12,056	66.1	54.1	58.3
	Unknown	0	0.0	0.1	0	0.0	0.0	0.2
	Tr Unknown			1.4			0.4	
	<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>18,251</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

### **Lending to Borrowers of Different Income Levels and Businesses of Different Sizes**

The distribution of borrowers in 2019 reflects, given the product lines offered, good penetration among individuals of different income levels including low- and moderate-income individuals and businesses of different sizes.

In 2019, the bank’s performance relative to home mortgage loans was good given the bank’s performance amongst low-income borrowers was comparable to the aggregate of lenders but below the assessment area demographics. Amongst moderate-income borrowers, the bank’s performance was above the aggregate of lenders and the assessment area demographics.

Within loans to small businesses, the bank's performance was good as the bank's lending to businesses reporting annual revenues of \$1 million or less was below the aggregate of lenders and the percentage of total businesses operating in the assessment area; however, a substantial majority of loans were made to businesses with revenues of less than \$1 million and loans sizes of less than \$100,000. Lastly, the bank's distribution of lending to borrowers of different income levels and business of different revenue sizes in 2019 was consistent with the distribution of loans in 2020.

### HMDA-Reportable Lending

In 2019, the bank's performance relative to home mortgage loans was good. Due to the low volume of loans, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019 the bank made 8.7 percent of its home purchase loans, by number, to low-income borrowers, which was above the aggregate of lenders which made 5.2 percent of these loans; however, was below the 16.4 percent demographic of low-income families within the assessment area. The bank made 13.0 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the aggregate of lenders which made 19.4 percent of these loans; however, was comparable to the 14.0 percent demographic of moderate-income families within the assessment area. Amongst middle-income borrowers, the bank made 28.3 percent of its home purchase loans, by number, which was comparable to aggregate of lenders at 25.7 percent and above the 19.9 percent demographic of middle-income families within the assessment area. Lastly, the bank made 41.3 percent of its home purchase loans, by number, to upper-income borrowers, which was above the aggregate of lenders at 34.9 percent; however, was below the 49.7 percent demographic of upper-income families within the assessment area.

#### *Refinances*

In 2019 the bank made 5.0 percent of its refinance loans, by number, to low-income borrowers, which was comparable to the aggregate of lenders at 5.9 percent of these loans but below the 16.4 percent of low-income families within the assessment area. To moderate-income borrowers, the bank made 25.0 percent of its refinance loans, by number, which was significantly above aggregate of lenders at 13.5 percent of these loans and also above the 14.0 percent demographic of moderate-income families within the assessment area. Within middle-income borrowers, the bank made 9.0 percent of its refinance loans, by number, which was significantly below that of aggregate of lenders which made 21.3 percent and significantly below the 19.9 percent demographic of middle-income families within the assessment area. Lastly, the bank made 56.0 percent of its refinance loans, by number, to upper-income borrowers, which was significantly above the aggregate of lenders at 40.1 percent and above the 49.7 percent demographic of upper-income families within the assessment area.



### *Home Improvement Loans*

In 2019, the bank made 6.9 percent of its home improvement loans, by number, to low-income borrowers, which was comparable to the aggregate of lenders at 6.1 percent and was below the 16.4 percent demographic of low-income families within the assessment area. The bank made 17.2 percent of its home improvement loans, by number, to moderate-income borrowers, which was above the aggregate of lenders at 13.9 percent and above the 14.0 percent demographic of moderate-income families within the assessment area. Within middle-income borrowers, the bank made 13.8 percent of its home improvement loans, by number, which was below that of aggregate of lenders which made 22.6 percent and the 19.9 percent demographic of middle-income families within the assessment area. Lastly, the bank made 58.6 percent of its home improvement loans, by number, to upper-income borrowers, which was above the aggregate of lenders which made 54.1 percent and above the 49.7 percent demographic of upper-income families within the assessment area.

Overall, the bank's performance by percentage in 2020 was comparable to that of 2019. The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Gary, IN MD 23844								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			Dollar			
		Count Bank		Agg %	Bank		Agg \$ %	
		#	%	%	\$(000s)	\$ %	\$ %	%
Home Purchase	Low	4	8.7	5.2	450	5.0	2.9	16.4
	Moderate	6	13.0	19.4	725	8.0	14.6	14.0
	Middle	13	28.3	25.7	2,048	22.6	23.7	19.9
	Upper	19	41.3	34.9	4,908	54.1	45.0	49.7
	Unknown	4	8.7	14.7	942	10.4	13.9	0.0
	<b>Total</b>		<b>46</b>	<b>100.0</b>	<b>100.0</b>	<b>9,073</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	5	5.0	5.9	205	1.4	3.1	16.4
	Moderate	25	25.0	13.5	1,844	12.5	8.9	14.0
	Middle	9	9.0	21.3	915	6.2	17.8	19.9
	Upper	56	56.0	40.1	10,763	73.1	48.4	49.7
	Unknown	5	5.0	19.2	994	6.8	21.8	0.0
	<b>Total</b>		<b>100</b>	<b>100.0</b>	<b>100.0</b>	<b>14,721</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	2	6.9	6.1	20	1.6	4.9	16.4
	Moderate	5	17.2	13.9	214	17.1	12.3	14.0
	Middle	4	13.8	22.6	230	18.4	20.5	19.9
	Upper	17	58.6	54.1	770	61.6	57.4	49.7
	Unknown	1	3.4	3.4	15	1.2	4.9	0.0
	<b>Total</b>		<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>1,249</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	16.4
	Moderate	0	0.0	0.0	0	0.0	0.0	14.0
	Middle	0	0.0	0.0	0	0.0	0.0	19.9
	Upper	0	0.0	0.0	0	0.0	0.0	49.7
	Unknown	2	100.0	100.0	1,901	100.0	100.0	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>1,901</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	2.6	0	0.0	1.3	16.4
	Moderate	0	0.0	15.8	0	0.0	8.1	14.0
	Middle	0	0.0	24.4	0	0.0	18.7	19.9
	Upper	0	0.0	55.6	0	0.0	71.5	49.7
	Unknown	0	0.0	1.7	0	0.0	0.4	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	10.1	0	0.0	6.8	16.4
	Moderate	0	0.0	13.8	0	0.0	14.5	14.0
	Middle	0	0.0	30.3	0	0.0	29.0	19.9
	Upper	0	0.0	42.2	0	0.0	39.4	49.7
	Unknown	0	0.0	3.7	0	0.0	10.2	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	16.4
	Moderate	0	0.0	0.6	0	0.0	0.4	14.0
	Middle	0	0.0	1.1	0	0.0	1.7	19.9
	Upper	0	0.0	0.0	0	0.0	0.0	49.7
	Unknown	0	0.0	98.3	0	0.0	97.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	11	6.2	5.4	675	2.5	2.8	16.4
	Moderate	36	20.3	16.3	2,783	10.3	11.3	14.0
	Middle	26	14.7	23.3	3,193	11.9	19.7	19.9
	Upper	92	52.0	37.8	16,441	61.0	43.1	49.7
	Unknown	12	6.8	17.3	3,852	14.3	23.1	0.0
	<b>Total</b>		<b>177</b>	<b>100.0</b>	<b>100.0</b>	<b>26,944</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending

The bank’s performance relative to small business loans was good. In 2019 the bank made 40.0 percent of its small business loans, by number, to firms reporting annual revenues of \$1 million or less, which was below the aggregate of lenders which made 46.0 percent of such loans, by number to these firms. Businesses reporting annual revenues of \$1 million or less represent 91.7 percent of assessment area businesses. However, of the small business loans, 76.1 percent were made in amounts of \$100,000 or less, which are considered most beneficial to small businesses.

The bank’s performance in small business lending in 2020 is included to highlight the bank’s involvement in the PPP program. In 2020 the bank made 31.7 percent of its small business loans, by number; however, loan origination comparisons between 2019 and 2020 cannot be directly be made as originations under the Paycheck Protection Program (PPP) did not require the collection of revenue data. An illustration is represented by the dramatic increase in loan sizes of \$100,000 or less which increased from 57 in 2019 to 320 in 2020 or 461.4 percent primarily due the bank’s participation in the PPP program.

The following table presents the borrower distribution of small business loans in 2019. Please see Appendix A for 2020 lending tables.

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Gary, IN MD 23844									
Product Type		Bank & Aggregate Lending Comparison							
		2019							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %		\$ %			
Small Business	Revenue	\$1 Million or Less	46	40.0	46.0	3,554	19.5	28.4	91.7
		Over \$1 Million	51	44.3	54.0	12,496	68.5	71.6	7.2
		Unknown	18	15.7		2,201	12.1		1.2
		<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>18,251</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	57	49.6	91.8	2,592	14.2	32.5	
		\$100,001 - \$250,000	40	34.8	4.1	6,988	38.3	17.0	
		\$250,001 - \$1 Million	18	15.7	4.1	8,671	47.5	50.4	
		<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>18,251</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	35	76.1		1,309	36.8		
		\$100,001 - \$250,000	9	19.6		1,472	41.4		
		\$250,001 - \$1 Million	2	4.3		773	21.8		
		<b>Total</b>	<b>46</b>	<b>100.0</b>		<b>3,554</b>	<b>100.0</b>		
Originations & Purchases									
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

## COMMUNITY DEVELOPMENT LENDING

1<sup>st</sup> Source Bank makes a relatively high level of community development loans. During the evaluation period the bank originated 31 loans totaling \$35.8 million in the assessment area. When compared to the previous evaluation where 10 loans were made totaling \$14.4 million, the bank increased the number of loans by 210.0 percent and increased the dollar volume by 148.6 percent, when comparing loans by the 28-month time period of the previous evaluation and the 36-month period of the current evaluation the increase in dollar volume by monthly average was 93.4 percent. Of the community development loans originated during this evaluation period, 13 loans for \$14.5 million were originated as part of the Paycheck Protection Program in response to the COVID-19 pandemic. In efforts to stabilize the assessment area. Not accounting for loans through PPP, the majority of the bank’s community development loans went towards affordable revitalization/stabilization primarily benefiting low- and moderate-income individuals and/or geographies. These included loans to an organization involved in acquiring homes to provide affordable rentals to low- and moderate-income individuals and provide working capital to a federally qualified health center which provides services to low- and moderate-income individuals.

The following table presents the bank’s community development loans in the assessment area during the review period:

Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Gary, IN MD	5	2,124	6	2,213	1	64	19	31,392	31	35,792

## INVESTMENT TEST

1<sup>st</sup> Source Bank performance relative to the Investment Test is High Satisfactory as it makes significant use of qualified investments in the assessment area, particularly those that are not routinely provided by private investors, although rarely in a leadership position. These investments demonstrate the occasional use of innovative or complex qualified investments and provide good responsiveness to the credit and community development needs of the assessment area.

During the evaluation period, 1<sup>st</sup> Source originated 18 qualified investments, consisting of \$2.8 million current period and \$8.8 million prior period for an approximate total of \$11.6 million. This represents a decrease of 5.7 percent, by dollar volume, when compared to the previous evaluation at which time the bank originated a total of \$12.3 million in qualified investments; however, when comparing amount of dollars by the 28-month time period of the previous evaluation period and

the 36-month period of the current evaluation the decrease in dollar volume by monthly average was 26.7 percent. New investments in the current evaluation period include mortgage-backed securities for affordable home loan financing. The bank has \$1.5 million in prior outstanding balances in Low Income Housing Tax Credits. The bank’s innovative and complex investments represented 13.1 percent of the dollar amount of its total investments in the assessment area. The table below presents the bank’s qualified community development investments during the review period:

Qualified Community Development Investments by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Gary, IN MD - New	15	2,808	0	0	0	0	0	0	15	2,808
Gary, IN MD - Prior	2	8,756	1	38	0	0	0	0	3	8,794
Total	17	11,564	1	38	0	0	0	0	18	11,602

1st Source Bank distributed a total of \$290,077 in 107 qualified grants and donations in the current evaluation period. The donations were made to organizations who serve a variety of purposes including those focused on affordable housing, community service, and economic development. When compared to the previous evaluation of 53 qualified donations totaling \$91,000, the bank increased the number of donations by 101.9 percent and the dollar amount by 218.8 percent. When comparing donations by dollar the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the increase in dollar volume by monthly average was 147.9 percent. The table below presents the bank’s qualified community development donations during the review period.

Qualified Community Development Donations by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Gary, IN MD	2	16,250	43	154,736	62	119,091	0	0	107	290,077

## SERVICE TEST

1st Source’s performance relative to the Service Test is High Satisfactory as delivery systems are accessible to the bank’s geographies and individuals of different income levels in the assessment area; services do not vary in a way that inconveniences the needs of its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals. The bank provides a relatively high level of community development services.

### Retail Services

The bank operates a total of nine branches and nine ATMs in the assessment area. The bank has two branches and two ATMs in the sole moderate-income census tract in the assessment area. The remaining branches and ATMs are in middle- and upper-income census tracts. Bank locations are open Monday through Friday with standard hours from 9:00 a.m. to 5:00 p.m., and open on Saturdays with limited hours, typically until noon. A number of the bank branches were affected by the COVID-19 pandemic and lobby access was restricted to an appointment only basis. All products and services are consistent among all branches. The bank offers free ATMs, internet and mobile banking, call center (Monday through Saturday), and automated telephone banking service to meet the needs of the bank’s assessment area.

### Community Development Services

1<sup>st</sup> Source Bank provides a relatively high level of community development services. Bank employees provided 614 hours, or 7.9 percent, of the total 7,760 total hours of qualified community development services. This represents a decrease of 32.5 percent compared to the previous evaluation; when comparing community development community service hours by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the decrease by monthly average was 47.5 percent during which time the bank provided 910 hours of community development service hours. The COVID-19 pandemic which restricted the ability of bank personnel to fully engage in community development service activities was a direct contributor to the decline in performance. The services were performed at a number of organizations primarily those who focused on affordable housing, community service, and economic development. These included financial literacy, serving on the board, and fundraising.

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Gary IN MD	10	286	318	0	614	7.9

## ELKHART-GOSHEN, IN MSA - Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope of examination presented in the overall section of the performance evaluation.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN ELKHART-GOSHEN MSA

The Elkhart-Goshen, IN MSA consists of Elkhart County in its entirety. The assessment area consists of a total of 36 census tracts comprised of one low-, seven moderate-, 23 middle-, and five upper-income census tracts. This represents a change from the previous evaluation where the assessment area contained no low-income census tracts, eight moderate-income census tracts, 19 middle-income census tracts and nine upper-income census tracts. There are no majority minority tracts in the assessment area

1<sup>st</sup> Source Bank maintains nine branches in the assessment area, each of which contains a full-service ATM. In addition, there are two full-service stand-alone ATMs. One branch is located in a moderate-income census tract, seven branches are in middle-income census tracts, and one in an upper-income census tract. The bank opened two full-service ATMs in middle-income census tracts. The bank also closed one branch with a full-service ATM as well as one cash only ATM both located in middle-income census tracts during the evaluation period. There was also the relocation of a branch and associated full- service ATM within an upper-income census tract.

The Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, as of June 30, 2020, ranked the bank third in the market among 16 institutions serving the assessment area, with 11.9 percent of market share. The two institutions with the largest market share of deposits are JPMorgan Chase Bank N.A. and Lake City Bank with 27.0 percent and 22.5 respectively. Deposits in this assessment area represent 11.9 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank was third in 2019 total HMDA originations within the MSA among 238 HMDA reporters. The bank ranked fifth in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank was third among 64 CRA reporters in originations to small businesses and was ranked second in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Elkhart-Goshen, IN MSA 21140								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	2.8	456	0.9	176	38.6	9,597	19.0
Moderate-income	7	19.4	8,755	17.3	2,475	28.3	9,168	18.1
Middle-income	23	63.9	31,013	61.3	2,978	9.6	11,844	23.4
Upper-income	5	13.9	10,353	20.5	667	6.4	19,968	39.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>36</b>	<b>100.0</b>	<b>50,577</b>	<b>100.0</b>	<b>6,296</b>	<b>12.4</b>	<b>50,577</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	1,158	179	0.4	15.5	662	57.2	317	27.4
Moderate-income	14,739	6,033	12.3	40.9	6,571	44.6	2,135	14.5
Middle-income	47,480	31,163	63.7	65.6	12,190	25.7	4,127	8.7
Upper-income	14,503	11,580	23.7	79.8	2,061	14.2	862	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>77,880</b>	<b>48,955</b>	<b>100.0</b>	<b>62.9</b>	<b>21,484</b>	<b>27.6</b>	<b>7,441</b>	<b>9.6</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	85	1.1	76	1.1	9	0.9	0	0.0
Moderate-income	1,173	14.8	1,013	14.9	151	14.6	9	11.8
Middle-income	5,136	64.9	4,389	64.4	701	67.9	46	60.5
Upper-income	1,525	19.3	1,332	19.6	172	16.7	21	27.6
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>7,919</b>	<b>100.0</b>	<b>6,810</b>	<b>100.0</b>	<b>1,033</b>	<b>100.0</b>	<b>76</b>	<b>100.0</b>
	Percentage of Total Businesses:		86.0		13.0		1.0	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	6	2.1	6	2.1	0	0.0	0	0.0
Middle-income	187	64.0	184	64.6	3	50.0	0	0.0
Upper-income	99	33.9	95	33.3	3	50.0	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>292</b>	<b>100.0</b>	<b>285</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
	Percentage of Total Farms:		97.6		2.1		0.3	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								



### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Elkhart-Goshen, IN MSA 21140	Above	Consistent	Consistent

1<sup>st</sup> Source's lending performance in the area is above the institution's lending performance in the state of Indiana. The bank's performance in the assessment area was consistent in the investment and service test in the state of Indiana.

Geographic Distribution of HMDA Reportable Loans									
Assessment Area: 2019 Elkhart-Goshen, IN MSA 21140									
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units	
		Count Bank		Agg		Dollar Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %		
Home Purchase	Low	1	0.9	0.3	56	0.2	0.1	0.4	
	Moderate	7	6.1	11.8	705	3.1	8.6	12.3	
	Middle	81	70.4	64.1	15,680	69.8	61.3	63.7	
	Upper	26	22.6	23.8	6,038	26.9	29.9	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>22,479</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	
Refinance	Low	0	0.0	0.2	0	0.0	0.1	0.4	
	Moderate	16	9.5	8.7	1,789	7.6	6.0	12.3	
	Middle	101	60.1	62.8	12,974	55.2	61.4	63.7	
	Upper	51	30.4	28.3	8,750	37.2	32.5	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>168</b>	<b>100.0</b>	<b>100.0</b>	<b>23,513</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	
Home Improvement	Low	0	0.0	0.2	0	0.0	0.1	0.4	
	Moderate	2	5.6	11.2	41	2.1	8.0	12.3	
	Middle	28	77.8	59.5	1,548	79.5	57.5	63.7	
	Upper	6	16.7	29.1	357	18.3	34.5	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>36</b>	<b>100.0</b>	<b>100.0</b>	<b>1,946</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	
Multi-Family	Low	0	0.0	5.6	0	0.0	0.1	1.6	
	Moderate	0	0.0	27.8	0	0.0	18.8	28.3	
	Middle	0	0.0	61.1	0	0.0	74.9	64.1	
	Upper	0	0.0	5.6	0	0.0	6.2	6.0	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.4	
	Moderate	0	0.0	8.8	0	0.0	8.1	12.3	
	Middle	0	0.0	64.4	0	0.0	60.7	63.7	
	Upper	0	0.0	26.7	0	0.0	31.1	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.4	
	Moderate	0	0.0	5.3	0	0.0	4.5	12.3	
	Middle	0	0.0	69.7	0	0.0	74.0	63.7	
	Upper	0	0.0	25.0	0	0.0	21.5	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	
Loan Purpose Not Applicable	Low	0	0.0	1.3	0	0.0	0.7	0.4	
	Moderate	0	0.0	14.9	0	0.0	10.7	12.3	
	Middle	1	100.0	66.9	58	100.0	70.5	63.7	
	Upper	0	0.0	16.9	0	0.0	18.2	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>58</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	
HMDA Totals	Low	1	0.3	0.3	56	0.1	0.1	0.4	
	Moderate	25	7.8	10.6	2,535	5.3	8.4	12.3	
	Middle	211	65.9	63.5	30,260	63.0	62.4	63.7	
	Upper	83	25.9	25.6	15,145	31.6	29.1	23.7	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	<b>Total</b>	<b>320</b>	<b>100.0</b>	<b>100.0</b>	<b>47,996</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Elkhart-Goshen, IN MSA 21140								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses	
		2019			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	6	2.3	1.0	652	1.5	0.5	1.1
	Moderate	37	13.9	12.3	5,446	12.9	9.1	14.8
	Middle	196	73.7	65.8	31,721	75.3	72.6	64.9
	Upper	27	10.2	19.3	4,280	10.2	17.6	19.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.7			0.3	
	<b>Total</b>		<b>266</b>	<b>100.0</b>	<b>100.0</b>	<b>42,099</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2019 Elkhart-Goshen, IN MSA 21140</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg %	Dollar Bank		Agg %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	6	5.2	11.4	655	2.9	6.9	19.0
	Moderate	21	18.3	28.6	3,072	13.7	22.5	18.1
	Middle	28	24.3	24.7	4,587	20.4	24.7	23.4
	Upper	59	51.3	24.2	14,042	62.5	35.4	39.5
	Unknown	1	0.9	11.1	123	0.5	10.5	0.0
	<b>Total</b>		<b>115</b>	<b>100.0</b>	<b>100.0</b>	<b>22,479</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	10	6.0	10.2	683	2.9	5.6	19.0
	Moderate	24	14.3	19.7	1,278	5.4	14.1	18.1
	Middle	30	17.9	25.7	3,495	14.9	24.1	23.4
	Upper	98	58.3	31.9	17,283	73.5	41.8	39.5
	Unknown	6	3.6	12.4	774	3.3	14.5	0.0
	<b>Total</b>		<b>168</b>	<b>100.0</b>	<b>100.0</b>	<b>23,513</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	3	8.3	7.2	70	3.6	5.3	19.0
	Moderate	8	22.2	20.6	151	7.8	14.3	18.1
	Middle	10	27.8	29.4	330	17.0	24.5	23.4
	Upper	14	38.9	39.6	1,330	68.3	52.4	39.5
	Unknown	1	2.8	3.2	65	3.3	3.5	0.0
	<b>Total</b>		<b>36</b>	<b>100.0</b>	<b>100.0</b>	<b>1,946</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.0
	Moderate	0	0.0	0.0	0	0.0	0.0	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	23.4
	Upper	0	0.0	0.0	0	0.0	0.0	39.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	7.9	0	0.0	4.0	19.0
	Moderate	0	0.0	20.3	0	0.0	13.5	18.1
	Middle	0	0.0	29.4	0	0.0	24.7	23.4
	Upper	0	0.0	41.3	0	0.0	57.2	39.5
	Unknown	0	0.0	1.2	0	0.0	0.6	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	6.6	0	0.0	3.1	19.0
	Moderate	0	0.0	17.1	0	0.0	13.9	18.1
	Middle	0	0.0	27.6	0	0.0	25.0	23.4
	Upper	0	0.0	47.4	0	0.0	56.0	39.5
	Unknown	0	0.0	1.3	0	0.0	1.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.6	0	0.0	0.6	19.0
	Moderate	0	0.0	0.0	0	0.0	0.0	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	23.4
	Upper	0	0.0	0.0	0	0.0	0.0	39.5
	Unknown	1	100.0	99.4	58	100.0	99.4	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>58</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	19	5.9	10.3	1,408	2.9	5.8	19.0
	Moderate	53	16.6	23.8	4,501	9.4	17.4	18.1
	Middle	68	21.3	25.0	8,412	17.5	22.5	23.4
	Upper	171	53.4	28.3	32,655	68.0	35.5	39.5
	Unknown	9	2.8	12.6	1,020	2.1	18.8	0.0
	<b>Total</b>		<b>320</b>	<b>100.0</b>	<b>100.0</b>	<b>47,996</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Elkhart-Goshen, IN MSA 21140								
Product Type		Bank & Aggregate Lending Comparison						
		Count		Dollar			Total Businesses	
Revenue	Loan Size	Bank	Agg	Bank	Agg	Agg		%
		#	%	%	\$ 000s	\$ %	\$ %	
Small Business	\$1 Million or Less Over \$1 Million Unknown Total	114	42.9	37.4	9,143	21.7	27.6	86.0
		130	48.9	62.6	28,949	68.8	72.4	13.0
		22	8.3		4,007	9.5		1.0
		<b>266</b>	<b>100.0</b>	<b>100.0</b>	<b>42,099</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	\$100,000 or Less \$100,001 - \$250,000 \$250,001 - \$1 Million Total	162	60.9	87.7	7,870	18.7	22.8	
		54	20.3	5.1	9,466	22.5	14.9	
		50	18.8	7.2	24,763	58.8	62.3	
		<b>266</b>	<b>100.0</b>	<b>100.0</b>	<b>42,099</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	90	78.9		3,359	36.7	
		\$100,001 - \$250,000	17	14.9		2,952	32.3	
		\$250,001 - \$1 Million	7	6.1		2,832	31.0	
		<b>Total</b>	<b>114</b>	<b>100.0</b>		<b>9,143</b>	<b>100.0</b>	

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Elkhart-Goshen, IN MSA	1	240	7	8,275	0	0	45	129,805	53	138,320

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Elkhart-Goshen, IN MSA - New	27	3,433	0	0	0	0	0	0	27	3,433
Elkhart-Goshen, IN MSA - Prior	1	3,380	0	0	1	250	2	315	4	3,945
<b>Total</b>	<b>28</b>	<b>6,813</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>250</b>	<b>2</b>	<b>315</b>	<b>31</b>	<b>7,378</b>

<b>Qualified Community Development Donations by Purpose</b> <b>June 19, 2018 - June 7, 2021</b>										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Elkhart-Goshen, IN MSA	12	36,390	71	343,843	49	189,310	0	0	132	569,543

<b>Community Development Services</b> <b>June 19, 2018 - June 7, 2021</b>						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Elkhart-Goshen, IN MSA	1	641	141	0	783	10.1

## MICHIGAN CITY – LAPORTE, IN MSA - Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope of examination presented in the overall section of the performance evaluation.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN MICHIGAN- LAPORTE IN MSA

The Michigan City – LaPorte, IN MSA consists of LaPorte County in its entirety. The assessment area consists of a total of 29 census tracts comprised of two low-, eight moderate-, eight middle-, and 10 upper- income census tracts. There is also one unknown census tract, which consists entirely of Lake Michigan. This represents a change from the previous evaluation where the assessment area contained no low-income census tracts, eight moderate-income census tracts, 15 middle-income census tracts and five upper-income census tracts and one unknown census tract. The assessment area contains one majority-minority census tract.

1<sup>st</sup> Source Bank maintains five branches in the assessment area, each of which contains a full-service ATM. Four branches are located in middle-income census tracts and one in an upper-income census tract. The bank did not open or close any branches or ATMs during the evaluation period.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank second in the market among eight institutions serving the assessment area, with 14.8 percent of the market share. Horizon Bank is the dominant bank in the assessment area with 57.7 percent share of deposits. Deposits in this assessment area represent 5.0 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank was fourth in 2019 total HMDA originations within the MSA among 241 HMDA reporters. The bank ranked third in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank was 13th among 49 CRA reporters in originations to small businesses. 1<sup>st</sup> Source was second in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Michigan City-LaPorte, IN MSA 33140								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	6.9	1,239	4.4	480	38.7	6,105	21.7
Moderate-income	8	27.6	6,706	23.8	1,703	25.4	4,880	17.3
Middle-income	8	27.6	8,406	29.9	1,028	12.2	5,648	20.1
Upper-income	10	34.5	11,791	41.9	688	5.8	11,509	40.9
Unknown-income	1	3.4	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>29</b>	<b>100.0</b>	<b>28,142</b>	<b>100.0</b>	<b>3,899</b>	<b>13.9</b>	<b>28,142</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	2,256	888	2.9	39.4	1,017	45.1	351	15.6
Moderate-income	13,346	6,274	20.7	47.0	5,466	41.0	1,606	12.0
Middle-income	14,388	9,293	30.6	64.6	3,724	25.9	1,371	9.5
Upper-income	18,692	13,888	45.8	74.3	2,454	13.1	2,350	12.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>48,682</b>	<b>30,343</b>	<b>100.0</b>	<b>62.3</b>	<b>12,661</b>	<b>26.0</b>	<b>5,678</b>	<b>11.7</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	372	9.1	330	9.0	37	10.6	5	10.0
Moderate-income	1,153	28.2	1,016	27.6	126	36.2	11	22.0
Middle-income	1,140	27.9	1,029	27.9	101	29.0	10	20.0
Upper-income	1,419	34.7	1,311	35.6	84	24.1	24	48.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,084</b>	<b>100.0</b>	<b>3,686</b>	<b>100.0</b>	<b>348</b>	<b>100.0</b>	<b>50</b>	<b>100.0</b>
Percentage of Total Businesses:			90.3		8.5		1.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	2	0.8	2	0.9	0	0.0	0	0.0
Moderate-income	6	2.5	6	2.6	0	0.0	0	0.0
Middle-income	41	17.4	40	17.5	1	14.3	0	0.0
Upper-income	187	79.2	181	79.0	6	85.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>236</b>	<b>100.0</b>	<b>229</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Percentage of Total Farms:			97.0		3.0		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								



### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Michigan City-LaPorte, IN 33140	Consistent	Consistent	Consistent

1<sup>st</sup> Source's performance in the assessment area is consistent with the institution's lending, investment, and service performance in the state of Indiana.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Michigan City-LaPorte, IN MSA 33140								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	%	\$ %	
Home Purchase	Low	3	9.1	2.6	238	3.5	2.4	2.9
	Moderate	8	24.2	23.4	2,576	38.1	17.0	20.7
	Middle	10	30.3	34.7	2,040	30.2	30.3	30.6
	Upper	12	36.4	39.3	1,911	28.2	50.3	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>33</b>	<b>100.0</b>	<b>100.0</b>	<b>6,765</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	2	2.5	1.3	31	0.3	0.8	2.9
	Moderate	5	6.2	17.2	647	6.2	15.1	20.7
	Middle	28	34.6	30.9	3,300	31.8	24.2	30.6
	Upper	46	56.8	50.6	6,401	61.7	59.9	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>81</b>	<b>100.0</b>	<b>100.0</b>	<b>10,379</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	1.9	0	0.0	3.0	2.9
	Moderate	1	4.5	16.9	39	3.6	11.9	20.7
	Middle	8	36.4	31.9	375	35.0	27.4	30.6
	Upper	13	59.1	49.2	657	61.3	57.7	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>1,071</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	23.1	0	0.0	9.4	Multi-Family 6.5
	Moderate	0	0.0	46.2	0	0.0	16.2	41.2
	Middle	0	0.0	15.4	0	0.0	37.1	39.3
	Upper	0	0.0	15.4	0	0.0	37.3	13.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	1.7	0	0.0	3.0	2.9
	Moderate	0	0.0	12.1	0	0.0	9.0	20.7
	Middle	0	0.0	32.8	0	0.0	21.8	30.6
	Upper	0	0.0	53.4	0	0.0	66.2	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	1.2	0	0.0	0.5	2.9
	Moderate	0	0.0	14.0	0	0.0	7.7	20.7
	Middle	0	0.0	41.9	0	0.0	23.6	30.6
	Upper	0	0.0	43.0	0	0.0	68.1	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	2.3	0	0.0	1.7	2.9
	Moderate	0	0.0	33.0	0	0.0	22.6	20.7
	Middle	0	0.0	33.0	0	0.0	29.2	30.6
	Upper	0	0.0	31.8	0	0.0	46.6	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	5	3.7	2.1	269	1.5	2.1	2.9
	Moderate	14	10.3	20.4	3,262	17.9	16.0	20.7
	Middle	46	33.8	33.1	5,715	31.4	28.1	30.6
	Upper	71	52.2	44.3	8,969	49.2	53.9	45.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>136</b>	<b>100.0</b>	<b>100.0</b>	<b>18,215</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Michigan City-LaPorte, IN MSA 33140								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses	
		2019			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	5	4.6	9.9	557	3.4	9.5	9.1
	Moderate	8	7.3	26.9	1,248	7.5	27.9	28.2
	Middle	53	48.6	24.4	8,073	48.6	27.1	27.9
	Upper	43	39.4	36.7	6,735	40.5	35.2	34.7
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			2.1			0.4	
	Total		<b>109</b>	<b>100.0</b>	<b>100.0</b>	<b>16,613</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Michigan City-LaPorte, IN MSA 33140								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg %	Dollar Bank		Agg %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	4	12.1	13.6	227	3.4	7.2	21.7
	Moderate	4	12.1	25.7	389	5.8	19.2	17.3
	Middle	6	18.2	21.1	914	13.5	20.6	20.1
	Upper	16	48.5	26.4	4,901	72.4	41.0	40.9
	Unknown	3	9.1	13.1	334	4.9	12.0	0.0
	<b>Total</b>		<b>33</b>	<b>100.0</b>	<b>100.0</b>	<b>6,765</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	7	8.6	10.5	318	3.1	4.9	21.7
	Moderate	18	22.2	17.7	1,307	12.6	11.0	17.3
	Middle	17	21.0	21.9	1,722	16.6	18.3	20.1
	Upper	37	45.7	34.3	6,930	66.8	49.0	40.9
	Unknown	2	2.5	15.6	102	1.0	16.9	0.0
	<b>Total</b>		<b>81</b>	<b>100.0</b>	<b>100.0</b>	<b>10,379</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	3	13.6	10.2	204	19.0	7.7	21.7
	Moderate	3	13.6	19.2	46	4.3	15.1	17.3
	Middle	5	22.7	29.7	175	16.3	27.3	20.1
	Upper	11	50.0	39.6	646	60.3	48.5	40.9
	Unknown	0	0.0	1.3	0	0.0	1.4	0.0
	<b>Total</b>		<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>1,071</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.3
	Middle	0	0.0	0.0	0	0.0	0.0	20.1
	Upper	0	0.0	15.4	0	0.0	4.1	40.9
	Unknown	0	0.0	84.6	0	0.0	95.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	12.1	0	0.0	7.4	21.7
	Moderate	0	0.0	16.4	0	0.0	7.8	17.3
	Middle	0	0.0	19.0	0	0.0	14.8	20.1
	Upper	0	0.0	49.1	0	0.0	68.4	40.9
	Unknown	0	0.0	3.4	0	0.0	1.6	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	11.6	0	0.0	5.5	21.7
	Moderate	0	0.0	22.1	0	0.0	13.5	17.3
	Middle	0	0.0	29.1	0	0.0	16.5	20.1
	Upper	0	0.0	32.6	0	0.0	60.8	40.9
	Unknown	0	0.0	4.7	0	0.0	3.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	21.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.3
	Middle	0	0.0	0.0	0	0.0	0.0	20.1
	Upper	0	0.0	1.1	0	0.0	3.3	40.9
	Unknown	0	0.0	98.9	0	0.0	96.7	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	14	10.3	11.8	749	4.1	5.9	21.7
	Moderate	25	18.4	21.3	1,742	9.6	14.6	17.3
	Middle	28	20.6	21.6	2,811	15.4	18.5	20.1
	Upper	64	47.1	30.5	12,477	68.5	42.5	40.9
	Unknown	5	3.7	14.8	436	2.4	18.6	0.0
	<b>Total</b>		<b>136</b>	<b>100.0</b>	<b>100.0</b>	<b>18,215</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Michigan City-LaPorte, IN MSA 33140								
Product Type		Bank & Aggregate Lending Comparison						
		Count		Dollar		Total Businesses		
Revenue	Loan Size	Bank	Agg	Bank	Agg		%	
		#	%	%	\$ 000s	\$ %		\$ %
Small Business	\$1 Million or Less Over \$1 Million Unknown Total	41	37.6	42.6	4,549	27.4	33.5	90.3
		57	52.3	57.4	10,816	65.1	66.5	8.5
		11	10.1		1,248	7.5		1.2
		<b>109</b>	<b>100.0</b>	<b>100.0</b>	<b>16,613</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	\$100,000 or Less \$100,001 - \$250,000 \$250,001 - \$1 Million Total	63	57.8	87.2	2,811	16.9	27.1	
		27	24.8	7.2	4,564	27.5	21.5	
		19	17.4	5.6	9,238	55.6	51.4	
		<b>109</b>	<b>100.0</b>	<b>100.0</b>	<b>16,613</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	31	75.6		1,243	27.3	
		\$100,001 - \$250,000	6	14.6		1,035	22.8	
		\$250,001 - \$1 Million	4	9.8		2,271	49.9	
		<b>41</b>	<b>100.0</b>		<b>4,549</b>	<b>100.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Michigan City-Laporte IN MSA	0	0	0	0	4	12,000	13	39,161	17	51,161

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Michigan City-LaPorte, IN MSA - New	21	2,543	0	0	0	0	0	0	21	2,543
Michigan City-LaPorte, IN MSA - Prior	1	3,080	0	0	0	0	0	0	1	3,080
Total	22	5,622	0	0	0	0	0	0	22	5,622

Qualified Community Development Donations by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Michigan City-Laporte IN MSA	3	18,550	29	120,996	18	46,842	0	0	50	186,388

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Michigan City-Laporte IN MSA	156	450	80	0	686	8.8

## LAFAYETTE -WEST LAFAYETTE, IN MSA 29200 - Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope of examination presented in the overall section of the performance evaluation.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN LAFAYETTE - WEST LAFAYETTE IN MSA

The Lafayette - West Lafayette IN MSA consists of Tippecanoe County in its entirety. Excluded from the assessment area were the following counties of Benton, Carroll, and Warren which are also part of the MSA. The assessment area consists of a total of 37 census tracts comprised of three low-, nine moderate-, 11 middle-, 11 upper-, and three unknown-census tracts. This represents a change from the previous evaluation where the assessment area contained three low-income census tracts, 12 moderate-income census tracts, 14 middle-income census tracts, five upper-income census tracts, and two unknown census tracts. There is one majority minority tract in the assessment area.

1st Source Bank maintains two branches in the assessment area each of which contains a full-service ATM. One branch is located in a moderate-income census tract and one in an upper-income census tract. The bank did not open or close any branches or ATMs during the evaluation.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank eighth in the market among 15 institutions serving the assessment area, with 3.8 percent of the market share. JPMorgan Chase Bank N.A. and First Merchants Bank have the largest share of deposits with 31.9 percent and 23.5 percent respectively. Deposits in this assessment area represent 2.0 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank was 19<sup>th</sup> in 2019 total HMDA originations within the MSA among 251 HMDA reporters. The bank ranked sixth in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank was ninth among 65 CRA reporters in originations to small businesses. 1<sup>st</sup> Source Bank was ranked fourth in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Lafayette-West Lafayette, IN MSA 29200								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	3	8.1	1,168	3.1	506	43.3	7,786	20.6
Moderate-income	9	24.3	7,463	19.7	1,404	18.8	5,961	15.8
Middle-income	11	29.7	13,497	35.7	1,519	11.3	8,671	22.9
Upper-income	11	29.7	15,557	41.2	814	5.2	15,376	40.7
Unknown-income	3	8.1	109	0.3	22	20.2	0	0.0
<b>Total Assessment Area</b>	<b>37</b>	<b>100.0</b>	<b>37,794</b>	<b>100.0</b>	<b>4,265</b>	<b>11.3</b>	<b>37,794</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	5,131	410	1.1	8.0	4,068	79.3	653	12.7
Moderate-income	16,397	5,791	16.2	35.3	9,175	56.0	1,431	8.7
Middle-income	23,834	12,608	35.3	52.9	9,813	41.2	1,413	5.9
Upper-income	25,388	16,914	47.3	66.6	6,944	27.4	1,530	6.0
Unknown-income	2,386	43	0.1	1.8	1,990	83.4	353	14.8
<b>Total Assessment Area</b>	<b>73,136</b>	<b>35,766</b>	<b>100.0</b>	<b>48.9</b>	<b>31,990</b>	<b>43.7</b>	<b>5,380</b>	<b>7.4</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	256	4.4	227	4.2	28	6.3	1	2.2
Moderate-income	1,748	29.9	1,536	28.7	204	45.5	8	17.4
Middle-income	1,611	27.5	1,484	27.7	110	24.6	17	37.0
Upper-income	2,021	34.5	1,908	35.6	94	21.0	19	41.3
Unknown-income	217	3.7	204	3.8	12	2.7	1	2.2
<b>Total Assessment Area</b>	<b>5,853</b>	<b>100.0</b>	<b>5,359</b>	<b>100.0</b>	<b>448</b>	<b>100.0</b>	<b>46</b>	<b>100.0</b>
	Percentage of Total Businesses:			91.6		7.7		0.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	9	4.0	8	3.6	1	25.0	0	0.0
Middle-income	102	45.1	99	44.6	3	75.0	0	0.0
Upper-income	115	50.9	115	51.8	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>226</b>	<b>100.0</b>	<b>222</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:			98.2		1.8		0.0

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding



**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

Assessment Area	Lending Test	Investment Test	Service Test
Lafayette-West Lafayette, IN MSA #29200	Consistent	Consistent	Consistent

1<sup>st</sup> Source’s lending, investment, and service performance in the assessment area is consistent with the institution’s lending, investment, service performance in the state of Indiana.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Lafayette-West Lafayette, IN MSA 29200								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	1	4.3	1.3	65	1.2	0.8	1.1
	Moderate	3	13.0	14.9	346	6.3	9.8	16.2
	Middle	6	26.1	33.3	1,066	19.5	30.4	35.3
	Upper	13	56.5	50.4	3,980	72.9	58.8	47.3
	Unknown	0	0.0	0.1	0	0.0	0.2	0.1
	<b>Total</b>		<b>23</b>	<b>100.0</b>	<b>100.0</b>	<b>5,457</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.7	0	0.0	0.3	1.1
	Moderate	3	11.1	13.3	255	3.9	7.9	16.2
	Middle	6	22.2	29.9	1,147	17.4	28.4	35.3
	Upper	18	66.7	56.0	5,181	78.7	63.4	47.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>27</b>	<b>100.0</b>	<b>100.0</b>	<b>6,583</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	1.1	0	0.0	0.7	1.1
	Moderate	0	0.0	14.7	0	0.0	12.1	16.2
	Middle	2	33.3	28.4	44	16.4	22.6	35.3
	Upper	4	66.7	55.5	225	83.6	62.5	47.3
	Unknown	0	0.0	0.3	0	0.0	2.1	0.1
	<b>Total</b>		<b>6</b>	<b>100.0</b>	<b>100.0</b>	<b>269</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	5.9	0	0.0	2.7	17.4
	Moderate	0	0.0	29.4	0	0.0	29.4	27.5
	Middle	0	0.0	31.4	0	0.0	34.6	26.2
	Upper	0	0.0	17.6	0	0.0	8.8	19.2
	Unknown	0	0.0	15.7	0	0.0	24.5	9.7
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.5	0	0.0	0.6	1.1
	Moderate	0	0.0	10.6	0	0.0	7.1	16.2
	Middle	0	0.0	33.1	0	0.0	28.6	35.3
	Upper	0	0.0	55.9	0	0.0	63.7	47.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.7	0	0.0	0.3	1.1
	Moderate	0	0.0	15.1	0	0.0	9.8	16.2
	Middle	0	0.0	35.5	0	0.0	33.1	35.3
	Upper	0	0.0	48.7	0	0.0	56.7	47.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	2.1	0	0.0	1.7	1.1
	Moderate	12	92.3	32.6	706	92.7	23.6	16.2
	Middle	0	0.0	28.4	0	0.0	31.2	35.3
	Upper	1	7.7	36.8	56	7.3	43.5	47.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>13</b>	<b>100.0</b>	<b>100.0</b>	<b>762</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	1	1.4	1.1	65	0.5	0.9	1.1
	Moderate	18	26.1	14.6	1,307	10.0	12.4	16.2
	Middle	14	20.3	32.0	2,257	17.3	30.3	35.3
	Upper	36	52.2	52.1	9,442	72.2	52.6	47.3
	Unknown	0	0.0	0.2	0	0.0	3.8	0.1
	<b>Total</b>		<b>69</b>	<b>100.0</b>	<b>100.0</b>	<b>13,071</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Lafayette-West Lafayette, IN MSA 29200								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses	
		2019			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	2	3.7	2.9	219	2.7	1.9	4.4
	Moderate	18	33.3	32.0	3,003	37.5	41.2	29.9
	Middle	24	44.4	25.4	2,191	27.3	21.0	27.5
	Upper	9	16.7	36.0	2,309	28.8	32.6	34.5
	Unknown	1	1.9	2.2	296	3.7	3.0	3.7
	Tr Unknown			1.4			0.4	
	Total		<b>54</b>	<b>100.0</b>	<b>100.0</b>	<b>8,018</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases								
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Lafayette-West Lafayette, IN MSA 29200								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	3	13.0	8.5	511	9.4	5.0	20.6
	Moderate	3	13.0	24.6	235	4.3	18.8	15.8
	Middle	4	17.4	21.8	878	16.1	21.1	22.9
	Upper	12	52.2	34.2	3,734	68.4	44.9	40.7
	Unknown	1	4.3	10.8	99	1.8	10.2	0.0
	<b>Total</b>		<b>23</b>	<b>100.0</b>	<b>100.0</b>	<b>5,457</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	7.8	0	0.0	4.2	20.6
	Moderate	5	18.5	18.2	827	12.6	12.9	15.8
	Middle	2	7.4	22.2	155	2.4	18.5	22.9
	Upper	18	66.7	35.6	5,224	79.4	46.5	40.7
	Unknown	2	7.4	16.2	377	5.7	18.0	0.0
	<b>Total</b>		<b>27</b>	<b>100.0</b>	<b>100.0</b>	<b>6,583</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	6.1	0	0.0	5.5	20.6
	Moderate	1	16.7	19.2	20	7.4	12.9	15.8
	Middle	0	0.0	21.1	0	0.0	17.5	22.9
	Upper	5	83.3	50.0	249	92.6	59.1	40.7
	Unknown	0	0.0	3.7	0	0.0	5.0	0.0
	<b>Total</b>		<b>6</b>	<b>100.0</b>	<b>100.0</b>	<b>269</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	20.6
	Moderate	0	0.0	0.0	0	0.0	0.0	15.8
	Middle	0	0.0	0.0	0	0.0	0.0	22.9
	Upper	0	0.0	11.8	0	0.0	2.0	40.7
	Unknown	0	0.0	88.2	0	0.0	98.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	7.7	0	0.0	4.0	20.6
	Moderate	0	0.0	16.7	0	0.0	15.9	15.8
	Middle	0	0.0	23.2	0	0.0	19.5	22.9
	Upper	0	0.0	48.4	0	0.0	56.7	40.7
	Unknown	0	0.0	4.0	0	0.0	3.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	8.6	0	0.0	5.1	20.6
	Moderate	0	0.0	14.5	0	0.0	8.7	15.8
	Middle	0	0.0	21.1	0	0.0	14.2	22.9
	Upper	0	0.0	50.7	0	0.0	66.5	40.7
	Unknown	0	0.0	5.3	0	0.0	5.6	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	1.1	0	0.0	0.2	20.6
	Moderate	0	0.0	0.0	0	0.0	0.0	15.8
	Middle	0	0.0	0.0	0	0.0	0.0	22.9
	Upper	0	0.0	0.0	0	0.0	0.0	40.7
	Unknown	13	100.0	98.9	762	100.0	99.8	0.0
	<b>Total</b>		<b>13</b>	<b>100.0</b>	<b>100.0</b>	<b>762</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	3	4.3	7.9	511	3.9	4.0	20.6
	Moderate	9	13.0	21.1	1,082	8.3	14.0	15.8
	Middle	6	8.7	21.4	1,033	7.9	17.0	22.9
	Upper	35	50.7	36.3	9,207	70.4	39.4	40.7
	Unknown	16	23.2	13.3	1,238	9.5	25.6	0.0
	<b>Total</b>		<b>69</b>	<b>100.0</b>	<b>100.0</b>	<b>13,071</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2016 FFIEC Census Data Note: Percentages may not add to 100.0 percent due to rounding								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Lafayette-West Lafayette, IN MSA 29200									
Product Type		Bank & Aggregate Lending Comparison							
		Count		Dollar		Total Businesses			
Small Business	Revenue	Bank	Agg	Bank	Agg		%		
		#	%	%	\$ 000s	\$ %			
Small Business	Revenue	\$1 Million or Less	12	22.2	47.9	990	12.3	36.3	91.6
		Over \$1 Million	40	74.1	52.1	6,778	84.5	63.7	7.7
		Unknown	2	3.7		250	3.1		0.8
		<b>Total</b>	<b>54</b>	<b>100.0</b>	<b>100.0</b>	<b>8,018</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	31	57.4	90.1	1,082	13.5	28.6	
		\$100,001 - \$250,000	12	22.2	5.1	2,166	27.0	18.7	
		\$250,001 - \$1 Million	11	20.4	4.8	4,770	59.5	52.7	
		<b>Total</b>	<b>54</b>	<b>100.0</b>	<b>100.0</b>	<b>8,018</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	10	83.3		254	25.7		
		\$100,001 - \$250,000	0	0.0		0	0.0		
		\$250,001 - \$1 Million	2	16.7		736	74.3		
		<b>Total</b>	<b>12</b>	<b>100.0</b>		<b>990</b>	<b>100.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Lafayette-West Lafayette IN MSA	0	0	0	0	0	0	10	33,781	10	33,781

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Lafayette-West Lafayette, IN MSA - New	19	2,057	0	0	0	0	0	0	19	2,057
Lafayette-West Lafayette, IN MSA - Prior	2	3,860	0	0	0	0	0	0	2	3,860
<b>Total</b>	<b>21</b>	<b>5,918</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>5,918</b>

Qualified Community Development Donations by Purpose June 19, 2018 – June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Lafayette-West Lafayette IN MSA	6	13,650	33	65,294	5	5,350	0	0	44	84,294

Community Development Services June 19, 2018 – June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Lafayette-West Lafayette IN MSA	80	262	12	0	354	4.6

## NON MSA IN WESTERN – LIMITED REVIEW

### SCOPE OF THE EXAMINATION

1<sup>st</sup> Source's operations in the Non MSA IN Western received a limited-scope review. The scope of the examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN NON MSA IN WESTERN

The bank's assessment area consists of the following five counties: Fulton, Kosciusko, Marshall, Pulaski and Starke in their entirety. There a total of 48 census tracts comprised of no low, five moderate-, 36 middle- and seven upper-income census tracts. This represents a change from the previous evaluation where the assessment area contained four moderate-income census tracts, 35 middle-income census tracts and nine upper-income census tracts. None of the census tracts are distressed or underserved. There are no majority minority tracts in the assessment area.

1<sup>st</sup> Source Bank maintains nine branches in the assessment area. In addition, there are eight full - service and cash-only ATMs. Four branches are located in moderate-income census tracts, and five in middle-income census tracts. There were no branch or ATM openings or closings during the evaluation period.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank second in the market among 20 institutions serving the assessment area, with 18.7 percent of the market share. Lake City Bank at 34.5 percent had the largest deposit share. Deposits in this assessment area represent 11.9 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank ranked fourth in 2019 total HMDA originations within the Non MSA among 286 HMDA reporters. The bank ranked third in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank ranked third among 73 CRA reporters in originations to small businesses. 1<sup>st</sup> Source Bank was second in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Western IN Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	7,649	15.8
Moderate-income	5	10.4	4,619	9.6	863	18.7	9,050	18.7
Middle-income	36	75.0	36,270	75.1	3,113	8.6	11,558	23.9
Upper-income	7	14.6	7,389	15.3	348	4.7	20,021	41.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>48</b>	<b>100.0</b>	<b>48,278</b>	<b>100.0</b>	<b>4,324</b>	<b>9.0</b>	<b>48,278</b>	<b>100.0</b>
	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	8,792	4,579	8.6	52.1	3,071	34.9	1,142	13.0
Middle-income	63,961	40,500	76.2	63.3	11,077	17.3	12,384	19.4
Upper-income	11,304	8,093	15.2	71.6	1,526	13.5	1,685	14.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>84,057</b>	<b>53,172</b>	<b>100.0</b>	<b>63.3</b>	<b>15,674</b>	<b>18.6</b>	<b>15,211</b>	<b>18.1</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,299	17.3	1,154	17.1	131	20.9	14	10.8
Middle-income	5,207	69.5	4,682	69.5	417	66.5	108	83.1
Upper-income	986	13.2	899	13.3	79	12.6	8	6.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>7,492</b>	<b>100.0</b>	<b>6,735</b>	<b>100.0</b>	<b>627</b>	<b>100.0</b>	<b>130</b>	<b>100.0</b>
Percentage of Total Businesses:			89.9		8.4		1.7	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	8	1.0	8	1.0	0	0.0	0	0.0
Middle-income	707	87.1	687	86.7	19	100.0	1	100.0
Upper-income	97	11.9	97	12.2	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>812</b>	<b>100.0</b>	<b>792</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
Percentage of Total Farms:			97.5		2.3		0.1	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								



### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Western IN Non-MSA	Consistent	Consistent	Above

1<sup>st</sup> Source's lending and investment performance in the assessment area is consistent with the institution's performance in the state of Indiana. The bank's service test is above the institution's performance in the state of Indiana.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Western IN Non MSA								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	%	\$ %	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	7	10.4	8.5	645	6.4	5.6	8.6
	Middle	48	71.6	74.7	6,942	69.3	73.2	76.2
	Upper	12	17.9	16.8	2,434	24.3	21.2	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>67</b>	<b>100.0</b>	<b>100.0</b>	<b>10,021</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	9	5.1	5.5	768	4.2	3.2	8.6
	Middle	136	77.7	75.2	13,598	74.7	73.6	76.2
	Upper	30	17.1	19.3	3,829	21.0	23.1	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>175</b>	<b>100.0</b>	<b>100.0</b>	<b>18,195</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	5	12.8	4.9	86	5.6	2.3	8.6
	Middle	28	71.8	72.0	1,081	69.8	66.7	76.2
	Upper	6	15.4	23.2	381	24.6	31.0	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>39</b>	<b>100.0</b>	<b>100.0</b>	<b>1,548</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	2	50.0	17.9	519	9.1	8.0	28.1
	Middle	1	25.0	75.0	4,956	87.0	90.9	66.7
	Upper	1	25.0	7.1	221	3.9	1.1	5.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>5,696</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	3.7	0	0.0	2.7	8.6
	Middle	0	0.0	73.5	0	0.0	73.6	76.2
	Upper	0	0.0	22.7	0	0.0	23.7	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	7.1	0	0.0	3.4	8.6
	Middle	0	0.0	71.4	0	0.0	78.6	76.2
	Upper	0	0.0	21.4	0	0.0	18.0	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	8.3	0	0.0	3.9	8.6
	Middle	0	0.0	79.8	0	0.0	80.4	76.2
	Upper	0	0.0	11.9	0	0.0	15.7	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	23	8.1	7.0	2,018	5.7	4.6	8.6
	Middle	213	74.7	74.7	26,577	74.9	74.0	76.2
	Upper	49	17.2	18.3	6,865	19.4	21.4	15.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>285</b>	<b>100.0</b>	<b>100.0</b>	<b>35,460</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>								
<b>Assessment Area: 2019 Western IN Non MSA</b>								
	<b>Tract Income Levels</b>	<b>Bank &amp; Aggregate Lending Comparison</b>					<b>Total Businesses</b>	
		<b>2019</b>			<b>Dollar</b>			
		<b>Count</b>		<b>Agg</b>	<b>Bank</b>			<b>Agg</b>
		<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	55	20.8	14.3	6,074	19.4	15.1	17.3
	Middle	174	65.7	68.8	20,041	64.0	70.7	69.5
	Upper	36	13.6	13.8	5,202	16.6	13.6	13.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			3.2			0.6	
	<b>Total</b>		<b>265</b>	<b>100.0</b>	<b>100.0</b>	<b>31,317</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Western IN Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			Dollar			
		Count Bank	Agg	Dollar Bank	Agg			
		#	%	%	\$(000s)	\$ %	\$ %	%
Home Purchase	Low	3	4.5	6.3	198	2.0	3.3	15.8
	Moderate	17	25.4	24.1	1,463	14.6	16.7	18.7
	Middle	12	17.9	23.6	1,764	17.6	21.8	23.9
	Upper	30	44.8	34.0	5,879	58.7	46.6	41.5
	Unknown	5	7.5	12.0	717	7.2	11.6	0.0
	<b>Total</b>		<b>67</b>	<b>100.0</b>	<b>100.0</b>	<b>10,021</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	18	10.3	7.2	642	3.5	3.2	15.8
	Moderate	25	14.3	15.4	1,868	10.3	9.5	18.7
	Middle	40	22.9	22.3	2,944	16.2	16.8	23.9
	Upper	82	46.9	44.6	11,664	64.1	57.8	41.5
	Unknown	10	5.7	10.5	1,077	5.9	12.7	0.0
	<b>Total</b>		<b>175</b>	<b>100.0</b>	<b>100.0</b>	<b>18,195</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	2	5.1	9.3	87	5.6	7.2	15.8
	Moderate	5	12.8	14.2	160	10.3	11.8	18.7
	Middle	6	15.4	24.4	272	17.6	18.4	23.9
	Upper	23	59.0	46.7	887	57.3	59.0	41.5
	Unknown	3	7.7	5.3	142	9.2	3.6	0.0
	<b>Total</b>		<b>39</b>	<b>100.0</b>	<b>100.0</b>	<b>1,548</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	3.6	0	0.0	1.2	15.8
	Moderate	0	0.0	0.0	0	0.0	0.0	18.7
	Middle	0	0.0	0.0	0	0.0	0.0	23.9
	Upper	0	0.0	3.6	0	0.0	0.4	41.5
	Unknown	4	100.0	92.9	5,696	100.0	98.4	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>5,696</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	4.7	0	0.0	2.4	15.8
	Moderate	0	0.0	12.2	0	0.0	6.2	18.7
	Middle	0	0.0	26.7	0	0.0	21.0	23.9
	Upper	0	0.0	53.6	0	0.0	68.9	41.5
	Unknown	0	0.0	2.8	0	0.0	1.5	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	5.0	0	0.0	2.7	15.8
	Moderate	0	0.0	19.3	0	0.0	12.9	18.7
	Middle	0	0.0	18.6	0	0.0	14.8	23.9
	Upper	0	0.0	53.6	0	0.0	65.8	41.5
	Unknown	0	0.0	3.6	0	0.0	3.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	15.8
	Moderate	0	0.0	0.0	0	0.0	0.0	18.7
	Middle	0	0.0	0.0	0	0.0	0.0	23.9
	Upper	0	0.0	0.0	0	0.0	0.0	41.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	23	8.1	6.5	927	2.6	3.2	15.8
	Moderate	47	16.5	19.2	3,491	9.8	12.9	18.7
	Middle	58	20.4	22.8	4,980	14.0	18.8	23.9
	Upper	135	47.4	39.6	18,430	52.0	49.6	41.5
	Unknown	22	7.7	11.9	7,632	21.5	15.6	0.0
	<b>Total</b>		<b>285</b>	<b>100.0</b>	<b>100.0</b>	<b>35,460</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Western IN Non MSA									
Product Type		Bank & Aggregate Lending Comparison							
		Count		Dollar			Total Businesses		
Small Business	Revenue	#	%	Agg %	2019			%	
					Bank	Agg	Bank		Agg
		\$ 000s	\$ %	\$ %					
Small Business	Revenue	\$1 Million or Less	150	56.6	46.7	10,084	32.2	33.2	89.9
		Over \$1 Million	75	28.3	53.3	17,668	56.4	66.8	8.4
		Unknown	40	15.1		3,565	11.4		1.7
		<b>Total</b>	<b>265</b>	<b>100.0</b>	<b>100.0</b>	<b>31,317</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	187	70.6	88.2	8,551	27.3	28.3	
		\$100,001 - \$250,000	51	19.2	6.9	9,219	29.4	21.8	
		\$250,001 - \$1 Million	27	10.2	4.9	13,547	43.3	49.9	
		<b>Total</b>	<b>265</b>	<b>100.0</b>	<b>100.0</b>	<b>31,317</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	131	87.3		5,717	56.7		
		\$100,001 - \$250,000	14	9.3		2,404	23.8		
		\$250,001 - \$1 Million	5	3.3		1,963	19.5		
		<b>Total</b>	<b>150</b>	<b>100.0</b>		<b>10,084</b>	<b>100.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Western IN-Non MSA	0	0	5	2,364	10	52,894	13	29,251	28	84,510

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Western IN Non-MSA – New	14	2,133	0	0	0	0	0	0	14	2,133
Western IN Non-MSA – Prior	6	2,198	0	0	0	0	0	0	6	2,198
Western IN Non-MSA – undisbursed	2	1,787	0	0	0	0	0	0	2	1,787
<b>Total</b>	<b>22</b>	<b>6,118</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>6,118</b>

<b>Qualified Community Development Donations by Purpose</b> June 19, 2018 – June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Western IN non-MSA	1	25,000	65	213,786	42	62,204	2	50,000	110	350,990

<b>Community Development Services</b> June 19, 2018 – June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Western IN-Non MSA	45	678	312	0	1,035	13.3

## NON MSA IN EASTERN – LIMITED REVIEW

### SCOPE OF THE EXAMINATION

1<sup>st</sup> Source Bank's operations in the Non MSA IN Eastern received a limited-scope review. The scope of the examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN NON MSA IN EASTERN

The bank's assessment area consists of Huntington and Wells counties in their entirety. This is an expansion of the assessment area since the previous evaluation with the addition of Wells County which had previously been part of the Fort Wayne MSA. There a total of 16 census tracts comprised of no low-, three moderate-, nine middle- and four upper-income census tracts. There are no majority minority tracts in the assessment area. None of the census tracts are distressed or underserved.

1<sup>st</sup> Source Bank maintains two branches in the assessment area each with a full-service ATM. One bank branch is located in a moderate-income census tract and the other in a middle-income census tract. There were no branch or ATM openings or closings during the evaluation period.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank seventh in the market among 11 institutions serving the assessment area, with 1.4 percent of the market share. First Merchants Bank, First Federal Savings Bank, and PNC N.A. were the top three with 19.4 percent, 19.0 percent, and 16.2 percent share of deposits respectively. Deposits in this assessment area represent 0.4 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank ranked sixth in 2019 total HMDA originations within the Non MSA among 156 HMDA reporters. The bank ranked fourth in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank ranked 13<sup>th</sup> among 49 CRA reporters in originations to small businesses. 1<sup>st</sup> Source Bank was ranked fourth in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Eastern IN Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,705	15.5
Moderate-income	3	18.8	2,831	16.2	434	15.3	2,967	17.0
Middle-income	9	56.3	9,659	55.3	746	7.7	4,289	24.6
Upper-income	4	25.0	4,971	28.5	190	3.8	7,500	43.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>16</b>	<b>100.0</b>	<b>17,461</b>	<b>100.0</b>	<b>1,370</b>	<b>7.8</b>	<b>17,461</b>	<b>100.0</b>
	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	4,874	2,929	14.8	60.1	1,335	27.4	610	12.5
Middle-income	16,008	11,095	56.1	69.3	3,563	22.3	1,350	8.4
Upper-income	6,666	5,740	29.0	86.1	649	9.7	277	4.2
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>27,548</b>	<b>19,764</b>	<b>100.0</b>	<b>71.7</b>	<b>5,547</b>	<b>20.1</b>	<b>2,237</b>	<b>8.1</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	401	16.8	356	16.6	37	18.8	8	19.5
Middle-income	1,336	56.0	1,206	56.1	109	55.3	21	51.2
Upper-income	650	27.2	587	27.3	51	25.9	12	29.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>2,387</b>	<b>100.0</b>	<b>2,149</b>	<b>100.0</b>	<b>197</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>
	Percentage of Total Businesses:		90.0		8.3		1.7	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	2	0.7	2	0.8	0	0.0	0	0.0
Middle-income	147	54.4	146	54.9	1	25.0	0	0.0
Upper-income	121	44.8	118	44.4	3	75.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>270</b>	<b>100.0</b>	<b>266</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:		98.5		1.5		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								



### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Eastern IN Non-MSA	Consistent	Below	Consistent

1<sup>st</sup> Source's lending and service performance in the assessment area is consistent with the institution's lending and service performance in the state of Indiana. The bank's investment performance is below the institution's performance in the state of Indiana. This performance did not negatively impact the state of Indiana rating.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Eastern IN Non MSA								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	7.7	17.1	72	4.3	13.0	14.8
	Middle	7	53.8	54.1	759	45.3	51.0	56.1
	Upper	5	38.5	28.8	843	50.4	36.0	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>13</b>	<b>100.0</b>	<b>100.0</b>	<b>1,674</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	12	22.6	12.1	761	21.6	9.3	14.8
	Middle	27	50.9	53.5	1,615	45.7	50.2	56.1
	Upper	14	26.4	34.5	1,155	32.7	40.5	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>3,531</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	4	36.4	15.3	113	32.6	10.1	14.8
	Middle	3	27.3	45.8	29	8.4	49.4	56.1
	Upper	4	36.4	39.0	205	59.1	40.5	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>11</b>	<b>100.0</b>	<b>100.0</b>	<b>347</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	<b>Multi-Family</b> 0.0
	Moderate	0	0.0	50.0	0	0.0	51.7	12.8
	Middle	0	0.0	50.0	0	0.0	48.3	80.6
	Upper	0	0.0	0.0	0	0.0	0.0	6.7
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	12.2	0	0.0	5.1	14.8
	Middle	0	0.0	46.1	0	0.0	39.4	56.1
	Upper	0	0.0	41.7	0	0.0	55.5	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	8.3	0	0.0	14.0	14.8
	Middle	0	0.0	44.4	0	0.0	33.7	56.1
	Upper	0	0.0	47.2	0	0.0	52.2	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	39.5	0	0.0	32.6	14.8
	Middle	0	0.0	50.0	0	0.0	54.2	56.1
	Upper	0	0.0	10.5	0	0.0	13.2	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	17	22.1	15.2	946	17.0	11.7	14.8
	Middle	37	48.1	52.9	2,403	43.3	50.3	56.1
	Upper	23	29.9	31.9	2,203	39.7	38.0	29.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>77</b>	<b>100.0</b>	<b>100.0</b>	<b>5,552</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Eastern IN Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses	
		2019			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	3	21.4	17.2	155	7.7	13.6	16.8
	Middle	10	71.4	47.4	1,835	91.3	55.7	56.0
	Upper	1	7.1	33.1	20	1.0	29.9	27.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			2.4			0.8	
	<b>Total</b>		<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>2,010</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases								
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Eastern IN Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			Dollar			
		Count Bank	Agg %	Dollar Bank	Agg \$ %			
		#	%	\$ (000s)	\$ %	\$ %		
Home Purchase	Low	3	23.1	7.5	275	16.4	4.3	15.5
	Moderate	2	15.4	28.7	227	13.6	21.5	17.0
	Middle	3	23.1	22.3	360	21.5	22.5	24.6
	Upper	4	30.8	27.1	706	42.2	37.7	43.0
	Unknown	1	7.7	14.3	106	6.3	14.0	0.0
	<b>Total</b>		<b>13</b>	<b>100.0</b>	<b>100.0</b>	<b>1,674</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	13	24.5	8.4	577	16.3	3.6	15.5
	Moderate	7	13.2	15.2	380	10.8	9.3	17.0
	Middle	18	34.0	25.8	863	24.4	22.1	24.6
	Upper	14	26.4	36.4	1,611	45.6	44.7	43.0
	Unknown	1	1.9	14.3	100	2.8	20.2	0.0
	<b>Total</b>		<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>3,531</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	1	9.1	11.9	15	4.3	15.3	15.5
	Moderate	4	36.4	15.3	82	23.6	11.1	17.0
	Middle	0	0.0	25.4	0	0.0	20.4	24.6
	Upper	6	54.5	44.1	250	72.0	49.7	43.0
	Unknown	0	0.0	3.4	0	0.0	3.5	0.0
	<b>Total</b>		<b>11</b>	<b>100.0</b>	<b>100.0</b>	<b>347</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	15.5
	Moderate	0	0.0	0.0	0	0.0	0.0	17.0
	Middle	0	0.0	0.0	0	0.0	0.0	24.6
	Upper	0	0.0	0.0	0	0.0	0.0	43.0
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	12.2	0	0.0	5.9	15.5
	Moderate	0	0.0	15.7	0	0.0	13.7	17.0
	Middle	0	0.0	29.6	0	0.0	24.6	24.6
	Upper	0	0.0	42.6	0	0.0	55.8	43.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	5.6	0	0.0	2.1	15.5
	Moderate	0	0.0	30.6	0	0.0	29.5	17.0
	Middle	0	0.0	13.9	0	0.0	8.3	24.6
	Upper	0	0.0	50.0	0	0.0	60.1	43.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	15.5
	Moderate	0	0.0	0.0	0	0.0	0.0	17.0
	Middle	0	0.0	0.0	0	0.0	0.0	24.6
	Upper	0	0.0	0.0	0	0.0	0.0	43.0
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	17	22.1	8.1	867	15.6	4.3	15.5
	Moderate	13	16.9	22.2	689	12.4	16.3	17.0
	Middle	21	27.3	23.6	1,223	22.0	22.0	24.6
	Upper	24	31.2	31.9	2,567	46.2	40.7	43.0
	Unknown	2	2.6	14.3	206	3.7	16.7	0.0
	<b>Total</b>		<b>77</b>	<b>100.0</b>	<b>100.0</b>	<b>5,552</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending By Revenue & Loan Size											
Assessment Area: 2019 Eastern IN Non MSA											
Product Type		Bank & Aggregate Lending Comparison									
		Count		Dollar			Total Businesses				
Revenue	Loan Size	Bank	Agg	Bank	Agg	Total					
		#	%	%	\$ 000s		\$ %	\$ %			
Small Business	\$1 Million or Less	Over \$1 Million	Unknown	Total	9	64.3	48.0	310	15.4	27.1	90.0
					3	21.4	52.0	1,400	69.7	72.9	8.3
					2	14.3		300	14.9		1.7
					<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>2,010</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	\$100,000 or Less	\$100,001 - \$250,000	\$250,001 - \$1 Million	Total	11	78.6	91.7	431	21.4	32.3	
					1	7.1	4.0	229	11.4	16.4	
					2	14.3	4.3	1,350	67.2	51.2	
					<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>2,010</b>	<b>100.0</b>	<b>100.0</b>	
	\$100,000 or Less	\$100,001 - \$250,000	\$250,001 - \$1 Million	Total	9	100.0		310	100.0		
					0	0.0		0	0.0		
					0	0.0		0	0.0		
					<b>9</b>	<b>100.0</b>		<b>310</b>	<b>100.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Eastern IN Non-MSA	0	0	3	8,250	0	0	2	6,590	5	14,840

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Eastern IN Non-MSA - New	1	47	0	0	0	0	0	0	1	47
Eastern IN Non-MSA - Prior	0	0	0	0	0	0	0	0	0	0
Eastern IN Non-MSA - Undisbursed	1	1,152	0	0	0	0	0	0	1	1,152
Total	2	1,200	0	0	0	0	0	0	2	1,200

<b>Qualified Community Development Donations by Purpose</b> June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Eastern IN Non-MSA	0	0	7	15,489	5	3,378	1	5,000	13	23,867

<b>Community Development Services</b> June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Eastern IN Non-MSA	6	19	73	0	98	1.3

## NON MSA IN NORTH EASTERN - LIMITED REVIEW

### SCOPE OF THE EXAMINATION

1<sup>st</sup> Source Bank's operations in the Non MSA IN Northeastern assessment area received a limited-scope review. The scope of the examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN NON MSA IN NORTHEASTERN

The bank's assessment area consists of DeKalb County in its entirety. This is a new assessment area since the previous evaluation as the bank opened a branch in the county in February of 2020. There a total of nine census tracts comprised of eight middle- and one upper-income census tracts. None of the census tracts are distressed or underserved.

1<sup>st</sup> Source Bank maintains one branch in the assessment area with a full-service ATM located in a middle-income census tract.

The FDIC market share report, as of June 30, 2020, ranks the bank eleventh in the market among 12 institutions serving the assessment area, with 0.8 percent of the market share. Garrett State Bank, Lake City Bank, and Horizon Bank were the top three with 20.3 percent, 19.7 percent, and 16.1 percent share of deposits respectively. Deposits in this assessment area represent 0.1 percent of the bank's overall deposit totals.

No HMDA or CRA peer rankings for 2019 are available as the branch was not opened until 2020. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table for the year 2020:

Assessment Area: 2020 North Eastern IN Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	2,001	17.8	
Moderate-income	0	0.0	0	0.0	0	0.0	1,835	16.3	
Middle-income	8	88.9	9,313	82.9	1,090	11.7	2,574	22.9	
Upper-income	1	11.1	1,915	17.1	139	7.3	4,818	42.9	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>9</b>	<b>100.0</b>	<b>11,228</b>	<b>100.0</b>	<b>1,229</b>	<b>10.9</b>	<b>11,228</b>	<b>100.0</b>	
	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	14,314	10,187	81.5	71.2	2,944	20.6	1,183	8.3	
Upper-income	3,290	2,309	18.5	70.2	807	24.5	174	5.3	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>17,604</b>	<b>12,496</b>	<b>100.0</b>	<b>71.0</b>	<b>3,751</b>	<b>21.3</b>	<b>1,357</b>	<b>7.7</b>	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	%	
Low-income	0	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	0.0
Middle-income	1,379	86.9	1,213	85.9	143	95.3	23	95.8	
Upper-income	207	13.1	199	14.1	7	4.7	1	4.2	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>1,586</b>	<b>100.0</b>	<b>1,412</b>	<b>100.0</b>	<b>150</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>	
		Percentage of Total Businesses:		89.0		9.5		1.5	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	%	
Low-income	0	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	0.0
Middle-income	138	93.2	137	93.2	1	100.0	0	0.0	
Upper-income	10	6.8	10	6.8	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>148</b>	<b>100.0</b>	<b>147</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
		Percentage of Total Farms:		99.3		0.7		0.0	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									



## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Northeastern IN Non-MSA	Below	Below	Below

1<sup>st</sup> Source's lending, investment, and service performance in the assessment area is below the institution's lending, investment, and service performance in the state of Indiana. The performance in this assessment area did not negatively impact the state of Indiana rating.

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 North Eastern IN Non MSA						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Home Purchase	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	2	100.0%	124	100.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>124</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	8	57.1%	1,300	49.9%	81.5
	Upper	6	42.9%	1,304	50.1%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>14</b>	<b>100.0%</b>	<b>2,604</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	2	100.0%	82	100.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>82</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	Multi-Family 0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	50.9
	Upper	0	0.0%	0	0.0%	49.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	12	66.7%	1,506	53.6%	81.5
	Upper	6	33.3%	1,304	46.4%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>18</b>	<b>100.0%</b>	<b>2,810</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 North Eastern IN Non MSA</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	20	90.9	3,793	98.5	86.9
	Upper	2	9.1	59	1.5	13.1
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>3,852</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 North Eastern IN Non MSA</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	1	50.0%	77	62.1%	17.8
	Moderate	1	50.0%	47	37.9%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>124</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	17.8
	Moderate	2	14.3%	270	10.4%	16.3
	Middle	3	21.4%	357	13.7%	22.9
	Upper	9	64.3%	1,977	75.9%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>14</b>	<b>100.0%</b>	<b>2,604</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	17.8
	Moderate	1	50.0%	52	63.4%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	1	50.0%	30	36.6%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>82</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	1	5.6%	77	2.7%	17.8
	Moderate	4	22.2%	369	13.1%	16.3
	Middle	3	16.7%	357	12.7%	22.9
	Upper	10	55.6%	2,007	71.4%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>18</b>	<b>100.0%</b>	<b>2,810</b>	<b>100.0%</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 North Eastern IN Non MSA							
Product Type		Bank & Demographic Comparison					
		Count Bank		Dollar Bank		Total Businesses	
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	0	0.0	0	0.0	89.0
		Over \$1 Million	10	45.5	2,949	76.6	9.5
		Unknown	12	54.5	903	23.4	1.5
		<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>3,852</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	17	77.3	670	17.4	
		\$100,001 - \$250,000	1	4.5	118	3.1	
		\$250,001 - \$1 Million	4	18.2	3,064	79.5	
		<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>3,852</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Northeastern IN Non-MSA	0	0	0	0	0	0	0	0	0	0

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Northeastern IN Non-MSA	0	0	0	0	0	0	0	0	0	0

Qualified Community Development Donations by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Northeastern IN Non-MSA	0	0	2	2,500	2	1,575	0	0	4	4,075

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Northeastern IN Non-MSA	0	42	12	0	54	0.7

## MICHIGAN

### **CRA RATING: SATISFACTORY**

**The Lending Test is rated: Low Satisfactory**

**The Investment Test is rated: High Satisfactory**

**The Service Test is rated: Low Satisfactory**

1<sup>st</sup> Source Bank's performance relative to the Lending Test in the state of Michigan is rated Satisfactory based on the following factors as determined by the full scope assessment areas The geographic distribution of loans reflects adequate penetration throughout the assessment area; the distribution of borrowers reflects, given the product lines offered, poor penetration among customers of different income levels and businesses of different sizes; the bank exhibits an adequate record of serving the credit needs of low-income individuals and areas and very small businesses. 1<sup>st</sup> Source Bank is a leader in making community development loans and the bank makes use of innovative and flexible lending practices in serving assessment area credit needs.

1<sup>st</sup> Source Bank's performance relative to the Investment Test in the state of Michigan is rated High Satisfactory based on a significant use of qualified investments in the assessment area, particularly those that are not routinely provided by private investors, although rarely in a leadership position. These investments demonstrate the occasional use of innovative or complex qualified investments and provide good responsiveness to the credit and community development needs of the assessment area.

1<sup>st</sup> Source' Bank performance relative to the Service Test in the State of Michigan is rated Low Satisfactory based on delivery systems are reasonably accessible to the bank's geographies and individuals of different income levels in the assessment area, record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals and services do not vary in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and /or low- and moderate-income individuals. Lastly, the bank provides an adequate level of community development services.

### **SCOPE OF EXAMINATION**

The ratings for the state of Michigan were based on the bank's performance on a full scope review of the Kalamazoo-Portage, MI MSA. A limited scope assessment area review was conducted on the Niles, MI MSA. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN MICHIGAN**

1<sup>st</sup> Source Bank maintains two assessment areas in Michigan: the Kalamazoo-Portage, MI MSA 28020 and the Niles, MI MSA 35660. The bank maintains a total of seven branches in Michigan and eight ATMs. Individual assessment area summaries pertaining to the economic and demographic conditions can be found within the evaluation.

<b>Distribution of Branches Among Census Tracts MICHIGAN</b>										
	Low Income		Moderate Income		Middle Income		Upper Income		Total	
Assessment Area	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Niles MI MSA #35660	0	0.0	1	14.3	1	14.3	3	42.9	5	71.4
Kalamazoo - Portage MI MSA #28020	0	0.0	1	14.3	1	14.3	0	0.0	2	28.6
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>2</b>	<b>28.6</b>	<b>2</b>	<b>28.6</b>	<b>3</b>	<b>42.9</b>	<b>7</b>	<b>100.0</b>

<b>Distribution of ATMs Among Census Tracts MICHIGAN</b>										
	Low Income		Moderate Income		Middle Income		Upper Income		Total	
Assessment Area	#	% of Total	#	% of Total	#	% of Total	#	% of Total	#	% of Total
Kalamazoo - Portage MI MSA #28020	0	0.0	1	12.5	1	12.5	0	0.0	2	25.0
Niles MI MSA #35660	0	0.0	0	0.0	2	25.0	4	50.0	6	75.0
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>12.5</b>	<b>3</b>	<b>37.5</b>	<b>4</b>	<b>50.0</b>	<b>8</b>	<b>100.0</b>



## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MICHIGAN

### LENDING TEST

1<sup>st</sup> Source Bank's performance relative to the Lending Test in Michigan is rated Low Satisfactory based on the following major factors: 1<sup>st</sup> Source Bank is a leader in making community development loans and the bank makes use of innovative and flexible lending practices in serving assessment area credit needs.

#### **Geographic Distribution of Loans**

The geographic distribution of loans reflects adequate penetration throughout the assessment area. With respect to low- and moderate-income census tracts, the bank's HMDA lending in 2019 was below that of aggregate lenders as it originated no loans in low-income census tracts and had minimal activity in moderate-income census tracts. The bank's performance in small business lending in 2019 was above that of its HMDA results as it by percentage exceeded aggregate lender and total businesses in low-income census tracts.

#### **Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes**

The bank's lending activities reflect poor distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank. The bank's performance in lending in aggregate numbers by percentage in home purchase, refinances, and home improvement loans was below that of aggregate lenders among both low- and moderate-income borrowers. The bank was also below aggregate lenders by percentage in Small Business lending.

The bank makes use of innovative and flexible lending practices in a safe and sound manner serving assessment area credit needs. Available are Small Business Administration Programs, Credit Builder Programs, and Unsecured Home Improvement Loans. The bank also provided Paycheck Protection Program loans in 2020.

#### **Community Development Lending**

1<sup>st</sup> Source Bank is a leader in making community development loans in the state of Michigan. During the evaluation period the bank originated 39 loans totaling \$84.7 million in the assessment areas. Of the community development loans originated during this evaluation period, 10 such loans for \$8.7 million were originated as part of the Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. There was an additional loan for \$8.4 million outside the assessment area, but within the Broader Statewide or Regional Area (BSRA). Not accounting for loans through PPP, the majority of the bank's community development loans went towards community services primarily benefiting low- and moderate-income individuals and/or

geographies, as well as revitalization/stabilization projects.

Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Kalamazoo-Portage MI MSA	0	0	11	8,305	0	0	16	56,330	27	64,635
Niles MI MSA	0	0	2	30	0	0	9	11,634	11	11,664
Broader State-wide Area	0	0	0	0	0	0	1	8,400	1	8,400
Total	0	0	13	8,335	0	0	26	76,364	39	84,699

## INVESTMENT TEST

1<sup>st</sup> Source Bank's record of performance relative to the Investment Test in the state of Michigan is High Satisfactory based on a significant use of qualified investments in the assessment areas. During the evaluation period, 1<sup>st</sup> Source Bank originated 37 qualified investments for \$13.2 million. The majority of the investments were in the Kalamazoo-Portage MSA for \$9.6 million which represented 72.7 percent of the qualified investments consisting of \$3.5 million current period, \$6.0 million prior period and \$97 thousand in undisbursed committed funds for an approximate total of \$9.6 million. New investments in the current evaluation period include mortgage-backed securities for affordable home loan financing and investment in a project eligible for Low-Income Housing Tax Credits. There was additional \$265,000 qualified investment outside the bank's assessment area within the Broader Statewide or Regional Area. 1<sup>st</sup> Source Bank distributed a combined total of \$77,698 in qualified grants and donations in the current evaluation period in the Kalamazoo-Portage MI MSA which represented 31.0 percent of the total donations in Michigan. These contributions were made to organizations who serve a variety of purposes including those focused on affordable housing, community service, economic development, and revitalization/stabilization.

Qualified Community Development Investments by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Kalamazoo-Portage, MI MSA	28	9,595	0	0	0	0	0	0	28	9,595
Niles MI MSA	8	3,330	0	0	0	0	0	0	8	3,330
BSRA	0	0	0	0	1	265	0	0	1	265
Total	36	12,925	0	0	1	265	0	0	37	13,190

Qualified Community Development Donations by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Kalamazoo MSA	5	6,000	15	66,698	3	2,500	1	2,500	24	77,698
Niles MSA	0	0	19	118,806	24	53,822	0	0	43	172,628
Total	5	6,000	34	185,504	27	56,322	1	2,500	67	250,326

## SERVICE TEST

1<sup>st</sup> Source Bank’s performance relative to the Service Test in the state of Michigan is Low Satisfactory based on the following factors: delivery systems are reasonably accessible to the bank’s geographies and individuals of different income levels in the assessment area, and services do not vary in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and /or low- and moderate-income individuals. There was one branch closed and no opening of branches or ATMs in the assessment area. The bank provided an adequate level of community development services.

## Retail Services

The bank operates a total of seven branches and eight ATMs in the assessment areas. The bank has two branches and one ATM located in moderate-income census tract. ATM availability to bank clientele is also provided through the Cirrus and Accel networks. The bank maintains two branches and three ATMs one of which is cash only in middle-income census tracts and three branches and four ATMs in upper-income census tracts. There was one branch closing in an upper-income census tract in the Niles MI MSA.

## Community Development Services

1<sup>st</sup> Source Bank provides an adequate level of community development services. Within the state of Michigan, they were involved 1,139 hours of eligible community development service which represented 14.7 percent of the bank’s overall total of 7,760 hours. Bank employees in the Kalamazoo-Portage MSA provided 251 hours, or 3.2 percent of the bank’s overall total and 22.0 percent, of the total hours of qualified community development services in the state. The services were performed for a number of organizations primarily those who focused on affordable housing, community service, and economic development.

<b>Community Development Services</b> <b>June 19, 2018 - June 7, 2021</b>						
<b>AA Name</b>	<b>Affordable Housing</b>	<b>Community Service</b>	<b>Economic Development</b>	<b>Revitalize / Stabilize</b>	<b>Total Hours</b>	<b>% of Total</b>
	<b># Hours</b>	<b># Hours</b>	<b># Hours</b>	<b># Hours</b>		
Kalamazoo-Portage MI MSA	48	170	33	0	251	3.2
Niles MI MSA	0	425	463	0	888	11.4
Total	48	595	496	0	1,139	14.6

## KALAMAZOO-PORTAGE, MI MSA- Full Review

### SCOPE OF THE EXAMINATION

1<sup>st</sup> Source Bank's operations in the Kalamazoo-Portage MSA received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE KALAMAZOO-PORTAGE MSA

The Kalamazoo-Portage MSA consists of Kalamazoo County in its entirety which is unchanged from the previous evaluation. The assessment area consists of a total of 57 census tracts comprised of seven low-, 11 moderate-, 24 middle-, 14 upper-income census tracts and one unknown-income census tract. This represents a change from the previous evaluation where the assessment area contained seven low-income census tracts, 11 moderate-income census tracts, 26 middle-income census tracts 13 upper-income census tracts. Of the 57 census tracts four are majority minority tracts.

1<sup>st</sup> Source Bank maintains two branches in the assessment area each of which contains a full-service ATM. One is located in a moderate-income census tract and the other in a middle-income census tract. There were no opening or closings of either branches or ATMs during the evaluation period.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank 13th in the market among 15 institutions serving the assessment area, with 1.6 percent of the market share. The three institutions with the largest market share of deposits are PNC Bank N.A., Fifth Third Bank N.A. and First National Bank of Michigan with 27.1 percent, 19.0 percent, and 12.2 percent respectively. Deposits in this assessment area 1.1 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank was 40th in 2019 total HMDA originations within the MSA among 296 HMDA reporters. The bank ranked 11th in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank ranked 15th among 66 CRA reporters in originations to small businesses. 1<sup>st</sup> Source Bank was ranked seventh in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Kalamazoo-Portage, MI MSA 28020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	7	12.3	4,549	7.5	1,812	39.8	13,136	21.7
Moderate-income	11	19.3	7,582	12.5	1,342	17.7	10,337	17.1
Middle-income	24	42.1	29,446	48.7	2,718	9.2	12,245	20.3
Upper-income	14	24.6	18,759	31.0	823	4.4	24,720	40.9
Unknown-income	1	1.8	102	0.2	51	50.0	0	0.0
<b>Total Assessment Area</b>	<b>57</b>	<b>100.0</b>	<b>60,438</b>	<b>100.0</b>	<b>6,746</b>	<b>11.2</b>	<b>60,438</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	12,207	3,153	4.9	25.8	6,969	57.1	2,085	17.1
Moderate-income	17,169	7,111	11.1	41.4	8,159	47.5	1,899	11.1
Middle-income	52,290	32,604	50.7	62.4	15,645	29.9	4,041	7.7
Upper-income	28,119	21,384	33.3	76.0	4,973	17.7	1,762	6.3
Unknown-income	411	50	0.1	12.2	293	71.3	68	16.5
<b>Total Assessment Area</b>	<b>110,196</b>	<b>64,302</b>	<b>100.0</b>	<b>58.4</b>	<b>36,039</b>	<b>32.7</b>	<b>9,855</b>	<b>8.9</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	800	8.1	683	7.7	115	11.5	2	2.7
Moderate-income	1,979	20.0	1,676	19.0	287	28.7	16	21.9
Middle-income	4,575	46.2	4,120	46.6	428	42.8	27	37.0
Upper-income	2,501	25.2	2,309	26.1	164	16.4	28	38.4
Unknown-income	57	0.6	51	0.6	6	0.6	0	0.0
<b>Total Assessment Area</b>	<b>9,912</b>	<b>100.0</b>	<b>8,839</b>	<b>100.0</b>	<b>1,000</b>	<b>100.0</b>	<b>73</b>	<b>100.0</b>
Percentage of Total Businesses:			89.2		10.1		0.7	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1	0.4	1	0.5	0	0.0	0	0.0
Moderate-income	26	11.6	18	9.0	8	34.8	0	0.0
Middle-income	130	58.0	117	58.5	12	52.2	1	100.0
Upper-income	67	29.9	64	32.0	3	13.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>224</b>	<b>100.0</b>	<b>200</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
Percentage of Total Farms:			89.3		10.3		0.4	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

## Population Characteristics

As indicated by the 2011-2015 U.S. Census Bureau, the following table shows the county's population growth was above that of the state of Michigan. A community representative stated that the population continues to grow as a result of major employers in the area with a number of people moving to the area to pursue healthcare careers as well as the vast amount of manufacturing positions in the area. Also, Kalamazoo is considered more urban versus rural, drawing people to the amenities offered in larger cities, including better jobs, education, and entertainment.

Population Change			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Kalamazoo County, MI	250,331	256,752	2.6
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010 – U.S. Census Bureau: Decennial Census 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

## Income Characteristics

Based on 2011-2015 American Survey data, the median family income for Kalamazoo County was \$61,622 displaying an increase of 3.2 percent which was below the 7.4 percent increase in the Consumer Price Index for the period of 2011-2015. However, the median family income was above state of Michigan and the percentage of increase was the same as the state. A community representative has attributed the income environment to the large number of careers in healthcare that pay higher wages. Additionally, manufacturing jobs in the area also pay sustainable wages resulting in families being able to afford a good standard of living given the level of pay in relation to the cost of living in Kalamazoo.

Median Family Income Change			
Area	2006-2010 Median Family Income (In 2010 Dollars - \$)	2011-2015 Median Family Income (In 2015 Dollars - \$)	Percentage Change (%)
Kalamazoo County, MI	61,622	63,609	3.2
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

## Housing Characteristics

The following table presents recent housing cost trends within Kalamazoo County. The assessment area includes 110,196 housing units; the majority are owner-occupied, representing 58.4 percent of the units, followed by 32.7 percent rental units and 8.9 percent vacant housing units.

Median housing values decreased between the 2010 Census and the 2011-2015 American Community Survey, with Kalamazoo County having a lower loss of value than the state of Michigan with a drop of 6.0 percent compared to the state’s drop of 15.1 percent. However, median gross rents increased at a rate of 7.0 percent which was below the state of Michigan’s 8.3 percent. A community representative stated that the decrease in housing prices was prior to current demand where prices have started increasing from 8 to 10 percent annually. Overall, Kalamazoo County lacks product in every segment of the real estate market where the inventory of homes has been dropping every year, and the average time houses spend on the market has been steadily decreasing.

Housing Costs Trends						
Area	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)
Kalamazoo County, MI	145,900	137,100	-6.0	675	722	7.0
State of Michigan	144,200	122,400	-15.1	723	783	8.3
<i>Source: 2006-2010 - U.S. Census Bureau: American Community Survey 2011-2015 - U.S. Census Bureau: American Community Survey</i>						

## Employment Conditions

The following table presents employment characteristics between 2016 and 2019 in the county and the state of Michigan. Overall, both regions experienced decreases in unemployment rates from 2016 to 2018 with rates stabilizing in 2019. A community representative indicated that currently there are more jobs in Kalamazoo than employers can fill and that employers are finding it harder to match open positions with qualified applicants.



Recent Unemployment Rates (%)				
Area	2016	2017	2018	2019
Kalamazoo County, MI	3.9	4.0	3.4	3.3
State of Michigan	4.9	4.6	4.1	4.1
<i>Source: Bureau of Labor Statistics: Local Area Unemployment Statistics (LAUS)</i>				

The following table presents the largest employers operating in the assessment area with six of the top ten employers engaged in the health care industry. Per the Bureau of Labor Statistics, in May of 2020 within the MSA the following three employment categories contain the highest number of employees with Office and Administrative Support Occupations at 17,610, Product Occupations 12,380, Sales and Related Occupations at 12,130. Per the Bureau of Economic Analysis industry total Gross Domestic product (GDP) grew 1.6 percent from 2018 to 2019 which was above the 0.8 percent above the state of Michigan.

Largest Employers in the Assessment Area			
Company Name	Primary SIC Description	Area	Number of Employees
Bronson Health Group Executive	Health Care Management	Kalamazoo	8,000
Ascension Health	Health Services	Kalamazoo	5,001
Bronson Methodist Hospital	Hospitals	Kalamazoo	4,312
Western MI Univ Marketing	University-College 170Dept/Facility/Office	Kalamazoo	4,245
Western MI Univ-Southwest	Caterers	Kalamazoo	3,000
Midwest Federation	Organizations	Kalamazoo	2,348
Ascension Borgess Hospital	Hospitals	Kalamazoo	2,138
Stryker Instruments	Surgical Instruments-Manufacturers	Kalamazoo	1,500
Kalamazoo Public School	Schools	Kalamazoo	1,500
Bronson Methodist Hosp-Surgery	Surgical Centers	Kalamazoo	1,001
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>			

### Community Representatives

Two community representatives with a focus on affordable housing and economic development were contacted to increase understanding of the credit needs and market conditions within the assessment area. Community representatives expressed that Kalamazoo College, Western Michigan University, Kalamazoo Community college, and corporate employers Stryker Medical and Pfizer attract people from all over the state in providing vast amounts of employment

opportunities. The COVID-19 Pandemic did have an effect as the area did experience the loss of a number of restaurants. Affordable housing continues to be an issue as prices have risen with demand driven by the accessibility to the universities and companies in the area. The issue was exacerbated by the city of Kalamazoo tearing down a number of buildings that could have been used for affordable housing as well as a shortage of construction laborers. Housing prices have been rising at annual rate of eight to 10 percent.

## **CONCLUSIONS WITH RESPECT TO THE PERFORMANCE TESTS IN THE KALAMAZOO-PORTAGE MSA**

### **LENDING TEST**

The geographic distribution of loans reflects adequate penetration throughout the assessment area; the distribution of borrowers reflects, given the product lines offered, poor penetration among customers of different income levels and businesses of different sizes; the bank exhibits an adequate record of serving the credit needs of low-income individuals and areas and very small businesses. 1<sup>st</sup> Source Bank is a leader in making community development loans and the bank makes use of innovative and flexible lending practices in serving assessment area credit needs including small business loans and unsecured home improvement loans.

1<sup>st</sup> Source Bank had minimal HMDA originations and also a low number of small business transactions. The bank, however had a very dramatic increase in community development lending detailed in the community development section of the assessment area.

### **Geographic Distribution**

The geographic distribution of loans reflects adequate penetration throughout the assessment area. With respect to low- and moderate-income census tracts, the bank's HMDA lending in 2019 was below that of aggregate lenders as it originated no loans in low-income census tracts and had minimal activity in moderate-income census tracts. The bank's performance in small business lending in 2019 was above that of its HMDA results as it by percentage exceeded aggregate lender and total businesses in low-income census tracts.

For purposes of this analysis, small business loans were used as the primary factor for determining the rating. When determining performance, the comparison to aggregate lender figures was weighted more heavily than the assessment area demographics (percentage of owner-occupied housing units). Please see Appendix A for 2020 lending tables and exhibits.

A gap analysis was completed as part of the evaluation. In 2019, the bank made HMDA originations in 33.3 percent of all census tracts in the assessment area with no originations in the low-income census tracts and 18.2 percent in moderate-income census tracts. The bank had small

business originations of 42.9 percent in low-income census tracts and 18.2 percent in moderate-income census tracts. Combined the bank had originations in 57.9 percent of all census tracts including 42.9 percent of all low-income census tracts and 27.3 percent of moderate-income census tracts.

Although slightly above its 2019 HMDA performance by percentage with 35.1 percent, the bank did not originate any such loans in low- or moderate-income census tracts in 2020. The bank displayed increased distribution in small business lending with originations in 66.7 percent of all census tracts. The bank originated small business loans in 71.4 percent of low-income census tracts and 36.4 percent in moderate-income census tracts. Combined the bank had originations in 75.4 percent of all census tracts including 71.4 percent of all low-income census tracts and 36.4 percent of moderate-income census tracts. Based upon this analysis, there were no conspicuous, unexplained lending gaps in the assessment area.

### HMDA Reportable Lending

In 2019, the bank's rate of home mortgage lending was deemed adequate. The bank's distribution of lending across geographies of different income levels in 2019 within home mortgage loans was consistent with the distribution of loans in 2020. Due to low volume, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019, the bank did not originate any home purchase loans in low-income census tracts which was below the performance of the aggregate of lenders at 4.2 percent and the 4.9 percent demographic of owner-occupied units in low-income census tracts. Again, within moderate-income census tracts, the bank did not originate any home purchase loans in moderate-income census tracts which was below the performance of the aggregate of lenders at 12.3 percent and the 11.1 percent of the demographic of owner-occupied units in low-income census tracts. Within middle-income census tracts, the bank originated 43.9 percent of its home purchase loans, which was below the aggregate of lenders at 48.9 percent and the 50.7 percent demographic of owner-occupied units in middle-income census tracts.

Lastly, the bank made 57.1 percent of its home purchase loans, by number in upper-income census tracts. This was significantly above the aggregate of lenders at 34.4 percent of such loans by number, and the 33.3 percent demographic of owner-occupied units in upper-income census tracts.

#### *Refinance Loans*

In 2019, the bank did not originate any refinance loans in low-income census tracts which was below the performance of the aggregate of lenders which made 1.1 percent and the 4.9 percent of

the demographic of owner-occupied units in low-income census tracts. Conversely, the bank made 6.7 percent of its refinance loans in moderate-income census tracts which was comparable to the performance of the aggregate of lenders at 7.3 percent but below the 11.1 percent demographic of owner-occupied units in moderate-income census tracts. Within middle-income census tracts, the bank originated 20.0 percent of its refinance loans. This was significantly below the aggregate of lenders at 51.0 percent and significantly below the 50.7 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 73.3 percent of its refinance loans, by number in upper-income census tracts. This was significantly above the aggregate of lenders at 40.5 percent and the 33.3 percent demographic of owner-occupied units in upper-income census tracts.

#### *Home Improvement Loans*

In 2019, the bank did not make any home improvement loans in low-income census tracts which was below aggregate of lenders at 2.6 percent of such loans, by number, in these census tracts and the demographic of 4.9 percent of owner-occupied units in low-income census tracts. Similarly, the bank did not make any home improvement loans in moderate-income census tracts which was below aggregate of lenders which made 9.1 percent of such loans, by number, and the demographic of 11.1 percent of owner-occupied units in low-income census tracts. In 2019, the bank made 50.0 percent of its home improvement loans, by number in middle-income census tracts which was comparable to aggregate of lenders at 51.1 percent and was also comparable to the 50.7 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 50.0 percent of its home improvement loans, by number in upper-income census tracts. This was significantly above the aggregate of lenders which made 37.2 percent of such loans by number, and the 33.3 percent demographic of owner-occupied units in upper-income census tracts.

Overall, the bank's 2019 performance was comparable to the 2020 figures. The following table presents the geographic distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Kalamazoo-Portage, MI MSA 28020								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	4.2	0	0.0	2.0	4.9
	Moderate	0	0.0	12.3	0	0.0	8.1	11.1
	Middle	3	42.9	48.9	355	15.9	43.9	50.7
	Upper	4	57.1	34.4	1,874	84.1	45.9	33.3
	Unknown	0	0.0	0.1	0	0.0	0.1	0.1
	<b>Total</b>		<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>2,229</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	1.1	0	0.0	0.6	4.9
	Moderate	1	6.7	7.3	70	2.1	4.4	11.1
	Middle	3	20.0	51.0	634	18.7	42.8	50.7
	Upper	11	73.3	40.5	2,678	79.2	52.2	33.3
	Unknown	0	0.0	0.1	0	0.0	0.0	0.1
	<b>Total</b>		<b>15</b>	<b>100.0</b>	<b>100.0</b>	<b>3,382</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	2.6	0	0.0	1.8	4.9
	Moderate	0	0.0	9.1	0	0.0	6.6	11.1
	Middle	2	50.0	51.1	106	34.6	47.2	50.7
	Upper	2	50.0	37.2	200	65.4	44.5	33.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>306</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	17.1	0	0.0	34.5	20.2
	Moderate	2	66.7	25.7	21,900	87.8	29.6	19.0
	Middle	0	0.0	42.9	0	0.0	21.4	47.3
	Upper	1	33.3	14.3	3,040	12.2	14.5	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	1.3
	<b>Total</b>		<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>24,940</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	2.2	0	0.0	1.0	4.9
	Moderate	0	0.0	7.9	0	0.0	6.1	11.1
	Middle	0	0.0	49.6	0	0.0	47.2	50.7
	Upper	0	0.0	40.2	0	0.0	45.7	33.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	5.3	0	0.0	2.6	4.9
	Moderate	0	0.0	12.9	0	0.0	10.6	11.1
	Middle	0	0.0	50.9	0	0.0	41.9	50.7
	Upper	0	0.0	31.0	0	0.0	44.9	33.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	7.7	0	0.0	3.5	4.9
	Moderate	0	0.0	19.8	0	0.0	13.4	11.1
	Middle	0	0.0	50.5	0	0.0	41.7	50.7
	Upper	0	0.0	22.0	0	0.0	41.4	33.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	3.0	0	0.0	3.7	4.9
	Moderate	3	10.3	10.3	21,970	71.2	8.2	11.1
	Middle	8	27.6	49.9	1,095	3.5	42.1	50.7
	Upper	18	62.1	36.7	7,792	25.3	45.9	33.3
	Unknown	0	0.0	0.1	0	0.0	0.1	0.1
	<b>Total</b>		<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>30,857</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

### Small Business Lending

The bank’s performance with respect to small business loans was adequate. In 2019, the bank made 13.3 percent of its small business loans, by number, in low-income census tracts, which was above the aggregate of lenders which made 7.7 percent of such loans and also above the 8.1 percent of total businesses in this assessment area.

Conversely, the bank made 10.0 percent its small business loans, by number, in moderate-income census tracts, which was below the aggregate of lenders at 21.2 percent and also below the 20.0 percent of total businesses in the assessment area. Within middle-income census tracts, the bank made 40.0 percent its small business loans, by number, which was comparable to the aggregate of lenders at 41.4 percent and below the 46.2 percent of total businesses that are located in the assessment area. Lastly, the bank made 36.7 percent its small business loans, by number, in upper-income census tracts, which was above the aggregate of lenders which made 28.6 percent and above the 25.2 percent of total businesses that are located in the assessment area.

<b>Geographic Distribution of Small Business Loans</b>								
<b>Assessment Area: 2019 Kalamazoo-Portage, MI MSA 28020</b>								
	Tract Income Levels	<b>Bank &amp; Aggregate Lending Comparison</b>						<b>Total Businesses</b>
		<b>2019</b>						
		<b>Count</b>		<b>Agg</b>	<b>Dollar</b>		<b>Agg</b>	
		<b>Bank</b>	<b>%</b>		<b>Bank</b>	<b>%</b>		
		<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>
Small Business	Low	8	13.3	7.7	1,059	9.9	10.2	8.1
	Moderate	6	10.0	21.2	1,440	13.4	22.1	20.0
	Middle	24	40.0	41.4	5,577	52.0	45.4	46.2
	Upper	22	36.7	28.6	2,655	24.7	21.6	25.2
	Unknown	0	0.0	0.2	0	0.0	0.6	0.6
	Tr Unknown			0.8			0.2	
	<b>Total</b>		<b>60</b>	<b>100.0</b>	<b>100.0</b>	<b>10,731</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

### **Lending to Borrowers of Different Income Levels and Businesses of Different Sizes**

The bank’s lending activities reflect poor distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

The bank’s performance in lending in aggregate numbers by percentage in home purchase, refinances, and home improvement loans was below that of aggregate lenders among both low- and moderate-income borrowers. Similarly, in 2019 the bank’s performance was below that of aggregate lenders and the percentage of small businesses operating in the bank’s assessment area.

Please see Appendix A for 2020 lending tables.

### HMDA-Reportable Lending

In 2019, the bank's performance relative to home mortgage loans was poor. Due to the low volume of loans, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

#### *Home Purchase Loans*

In 2019, the bank did not make any home purchase loans to low-income borrowers which was below that of the aggregate of lenders which made 11.6 percent of these loans and significantly below the 21.7 percent demographic of low-income families within the assessment area. Amongst moderate-income borrowers, the bank made 14.3 percent of its home purchase loans, by number, which was below the aggregate of lenders at 23.5 percent of these loans and below the 17.1 percent demographic of moderate-income families within the assessment area. Within middle-income borrowers, bank did not make any home purchase loans which was significantly below that of the aggregate of lenders at 22.7 and significantly below the 20.3 percent demographic of middle-income families within the assessment area. Lastly, the bank made 85.7 percent of its home purchase loans, by number, to upper-income borrowers, which was significantly above the aggregate of lenders which made 31.8 percent of these loans and significantly above the 40.9 percent demographic of upper-income families within the assessment area.

#### *Refinances*

In 2019, the bank did not make any refinance loans to low-income borrowers which was below the aggregate of lenders at 8.2 percent and significantly below the 21.7 percent demographic of low-income families within the assessment area. Amongst moderate-income borrowers, the bank made 6.7 percent of its refinance loans, by number, which was below the aggregate of lenders at 17.5 percent and also below the 17.1 percent demographic of moderate-income families within the assessment area. The bank made 13.3 percent of its refinance loans, by number, to middle-income borrowers, which was again below the of aggregate of lenders at 22.5 percent and below the 20.3 percent of demographic of middle-income families within the assessment area. Lastly, the bank made 73.3 percent of its refinance loans, by number, to upper-income borrowers, which was significantly above the aggregate of lenders which made 39.2 percent of these loans and was significantly above the 40.9 percent demographic of upper-income families within the assessment area.

#### *Home Improvement Loans*

In 2019, the bank did not make any home improvement loans to low-income borrowers which was below that of the aggregate of lenders at 10.1 percent and significantly below the 21.7 percent

demographic of low-income families within the assessment area. Within moderate-income borrowers, the bank made 50.0 percent of its home improvement loans, by number, which was significantly above the aggregate of lenders which made 18.9 percent and significantly above the 17.1 percent demographic of moderate-income families within the assessment area. The bank did not make any home improvement loans to middle-income borrowers which was significantly below the aggregate of lenders which made 24.9 percent of these loans and significantly below the 20.3 percent demographic of middle-income families within the assessment area. Lastly, the bank made 50.0 percent of its home improvement loans, by number, to upper-income borrowers, which was above the aggregate of lenders which made 43.9 percent of these loans and was above to the 40.9 percent of upper-income families within the assessment area.



Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Kalamazoo-Portage, MI MSA 28020								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg %	Dollar Bank		Agg %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	11.6	0	0.0	6.2	21.7
	Moderate	1	14.3	23.5	99	4.4	17.5	17.1
	Middle	0	0.0	22.7	0	0.0	21.8	20.3
	Upper	6	85.7	31.8	2,130	95.6	44.3	40.9
	Unknown	0	0.0	10.4	0	0.0	10.3	0.0
	<b>Total</b>		<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>2,229</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	8.2	0	0.0	4.0	21.7
	Moderate	1	6.7	17.5	70	2.1	11.7	17.1
	Middle	2	13.3	22.5	315	9.3	18.5	20.3
	Upper	11	73.3	39.2	2,977	88.0	51.7	40.9
	Unknown	1	6.7	12.7	20	0.6	14.2	0.0
	<b>Total</b>		<b>15</b>	<b>100.0</b>	<b>100.0</b>	<b>3,382</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	10.1	0	0.0	7.2	21.7
	Moderate	2	50.0	18.9	106	34.6	16.1	17.1
	Middle	0	0.0	24.9	0	0.0	19.5	20.3
	Upper	2	50.0	43.9	200	65.4	55.8	40.9
	Unknown	0	0.0	2.2	0	0.0	1.4	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>306</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.1
	Middle	0	0.0	2.9	0	0.0	0.1	20.3
	Upper	0	0.0	2.9	0	0.0	0.1	40.9
	Unknown	3	100.0	94.3	24,940	100.0	99.7	0.0
	<b>Total</b>		<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>24,940</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	12.8	0	0.0	8.8	21.7
	Moderate	0	0.0	21.5	0	0.0	18.2	17.1
	Middle	0	0.0	23.5	0	0.0	18.8	20.3
	Upper	0	0.0	40.0	0	0.0	51.2	40.9
	Unknown	0	0.0	2.2	0	0.0	3.1	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	10.5	0	0.0	8.3	21.7
	Moderate	0	0.0	19.9	0	0.0	11.8	17.1
	Middle	0	0.0	27.5	0	0.0	21.5	20.3
	Upper	0	0.0	38.0	0	0.0	54.0	40.9
	Unknown	0	0.0	4.1	0	0.0	4.3	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	1.1	0	0.0	0.1	21.7
	Moderate	0	0.0	1.1	0	0.0	1.4	17.1
	Middle	0	0.0	2.2	0	0.0	4.0	20.3
	Upper	0	0.0	2.2	0	0.0	13.5	40.9
	Unknown	0	0.0	93.4	0	0.0	81.1	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	10.2	0	0.0	5.1	21.7
	Moderate	4	13.8	20.6	275	0.9	14.2	17.1
	Middle	2	6.9	22.7	315	1.0	19.0	20.3
	Upper	19	65.5	35.5	5,307	17.2	44.2	40.9
	Unknown	4	13.8	11.0	24,960	80.9	17.6	0.0
	<b>Total</b>		<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>30,857</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending

The bank’s performance relative to small business loans was poor. In 2019, the bank made 31.7 percent of its small business loans, by number, to businesses reporting annual revenues of \$1 million or less, which was below the aggregate of lenders at 41.7 percent. Businesses reporting annual revenues of \$1 million or less represent 89.2 percent of assessment area businesses.

The bank’s performance in small business lending in 2020 is included to highlight the bank’s involvement in the PPP program. In 2020, the bank made 33.9 percent of its small business loans, by number; however, loan origination comparisons between 2019 and 2020 cannot directly be made as originations under the Paycheck Protection Program (PPP) did not require the collection of revenue data. An illustration is represented by the dramatic increase in loan sizes of \$100,000 or less which increased from 32 in 2019 to 64 in 2020 or 100.0 percent primarily due the bank’s participation in the PPP program.

The following table presents the borrower distribution of small business loans in 2019. Please see Appendix A for 2020 lending tables.

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Kalamazoo-Portage, MI MSA 28020									
Product Type		Bank & Aggregate Lending Comparison							
		Count		Dollar			Total Businesses		
Revenue	Loan Size	Bank	Agg	Bank	Agg	Total			
		#	%	%	\$ 000s		\$ %	\$ %	
Small Business	Revenue	\$1 Million or Less	19	31.7	41.7	2,072	19.3	26.6	89.2
		Over \$1 Million	35	58.3	58.3	7,511	70.0	73.4	10.1
		Unknown	6	10.0		1,148	10.7		0.7
		<b>Total</b>	<b>60</b>	<b>100.0</b>	<b>100.0</b>	<b>10,731</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	32	53.3	88.1	1,720	16.0	23.0	
		\$100,001 - \$250,000	16	26.7	5.7	2,980	27.8	17.0	
		\$250,001 - \$1 Million	12	20.0	6.2	6,031	56.2	60.0	
		<b>Total</b>	<b>60</b>	<b>100.0</b>	<b>100.0</b>	<b>10,731</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	15	78.9		733	35.4		
		\$100,001 - \$250,000	2	10.5		275	13.3		
		\$250,001 - \$1 Million	2	10.5		1,064	51.4		
		<b>Total</b>	<b>19</b>	<b>100.0</b>		<b>2,072</b>	<b>100.0</b>		
Originations & Purchases									
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

## Community Development Lending

1<sup>st</sup> Source Bank is a leader in making community development loans. During the evaluation period the bank originated 27 loans totaling \$64.6 million in the assessment area. When compared to the previous evaluation of 5 loans totaling \$8.3 million, the bank increased the number of loans by 440.0 percent and the dollar volume by 678.1 percent. When comparing loans by the 28-month time period of the previous evaluation and the 36-month period of the current evaluation the increase in dollar volume by monthly average was 504.1 percent. Of the community development loans originated during this evaluation period, 7 loans for \$6.9 million were originated as part of the Paycheck Protection Program in response to the COVID-19 pandemic in efforts to stabilize the assessment area. Not accounting for loans through PPP, the majority of the bank’s community development loans went towards community services primarily benefiting low- and moderate-income individuals and/or geographies, as well as revitalization/stabilization projects. These included a working line of capital to a health center located in a low-income census tract and to businesses located in a designated economic redevelopment area.

The following table presents the bank’s community development loans in the assessment area during the review period:

Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Kalamazoo-Portage, MI MSA	0	0	11	8,305	0	0	16	56,330	27	64,635

## INVESTMENT TEST

1<sup>st</sup> Source Bank provides a significant use of qualified investments in the assessment area, particularly those that are not routinely provided by private investors, although rarely in a leadership position. These investments demonstrate the occasional use of innovative or complex qualified investments and provide good responsiveness to the credit and community development needs of the assessment area.

During the evaluation period, 1<sup>st</sup> Source Bank originated 30 qualified investments, consisting of \$3.5 million current period, \$6.0 million prior period and \$97,000 in undisbursed committed funds for an approximate total of \$9.6 million. This represents a decrease of 2.5 percent, by dollar volume, when compared to the previous evaluation at which time the bank originated a total of \$9.8 million in qualified investments, when comparing investments by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the decrease was 23.19 percent. New investments in the current evaluation period includes mortgage-backed

securities for affordable home loan financing, as well as for low-income housing. The bank demonstrated the occasional use of innovative or complex qualified investments through an investment in a Low-Income Housing Tax Credit which provides affordable housing for low- and moderate-income individuals. The bank’s investment represented by dollar 10.4 percent of its total investments within the assessment area.

The following table presents the bank’s qualified community development investments during the review period.

<b>Qualified Community Development Investments by Purpose</b> June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Kalamazoo-Portage, MI MSA - New	26	3,468	0	0	0	0	0	0	26	3,468
Kalamazoo-Portage, MI MSA - Prior	3	6,029	0	0	0	0	0	0	3	6,029
Kalamazoo-Portage, MI MSA - Undisbursed	1	97	0	0	0	0	0	0	1	97
<b>Total</b>	<b>30</b>	<b>9,594</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>	<b>9,594</b>

1<sup>st</sup> Source Bank distributed a total of \$77,698 in qualified grants and donations in the current evaluation period. The donations were made to organizations who serve a variety of purposes including those focused on affordable housing, community service, economic development, and revitalization/stabilization. When compared to the previous evaluation of 24 qualified donations totaling \$57,277, the bank remained consistent in the number of donations, and increased the dollar amount by 35.7 percent. When comparing investments by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the increase was 6.0 percent. The table below presents the bank’s qualified community development donations during the review period:

<b>Qualified Community Development Donations by Purpose</b> June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Kalamazoo-Portage, MI MSA	5	6,000	15	66,698	3	2,500	1	2,500	24	77,698

## SERVICE TEST

1<sup>st</sup> Source’s delivery systems are reasonably accessible to the bank’s geographies and individuals of different income levels in the assessment area, and services do not vary in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and /or low- and moderate-income individuals. There was no opening or closing of branches or ATMs in the assessment area. The bank provided an adequate level of community development services.

### Retail Services

The bank operates a total of two branches and two ATMs in the assessment area. The bank has one branch and one ATM located in moderate-income census tract. The remaining branch and ATM are located in a middle-income census tract. There were no closings of branches or ATMs during the evaluation period.

Bank locations are open Monday through Friday with standard hours from 9:00 a.m. to 5:00 p.m., and open on Saturdays with limited hours, typically until noon. Branches were affected by the COVID-19 pandemic and lobby access was restricted to an appointment only basis. All products and services are consistent among all branches. The bank offers free ATMs, internet and mobile banking, call center (Monday through Saturday), and automated telephone banking service to meet the needs of the bank’s assessment area.

### Community Development Services

1<sup>st</sup> Source Bank provides an adequate level of community development services. Bank employees provided 251 hours, or 3.2 percent, of the total 7,760 total hours of qualified community development services. This represents a decrease of 39.5 percent compared to the previous evaluation, during which the bank provided 415 hours of community development service hours; however, in comparing community service activities by the 28-month time period of the previous evaluation period and the 36-month period of the current evaluation the decrease by monthly average was 53.0 percent. The services were performed at a number of organizations primarily those who focused on affordable housing, community service, and economic development. These included financial literacy, serving on the board, and fundraising.

Community Development Services June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Kalamazoo-Portage MI MSA	48	170	33	0	251	3.2

## **NILES, MI MSA - Limited Review**

### **SCOPE OF THE EXAMINATION**

1<sup>st</sup> Source Bank's operations in the Niles, MI MSA received a limited-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NILES, MI MSA**

The Niles, MI MSA consists of Berrien County in its entirety which is unchanged from the previous evaluation. The assessment area consists of a total of 49 census tracts comprised of seven low-, seven moderate-, 22 middle-, and 12 upper-income census tracts and one unknown-income census tract comprised entirely of Lake Michigan. This represents a change from the previous evaluation where the assessment area contained six low-, six moderate-, 22 middle-, and 14 upper-income census tracts and one unknown census tract.

1<sup>st</sup> Source Bank maintains five branches in the assessment area, four of which contain a full-service ATM. One branch is located in a moderate-income census tract which does not have an ATM, one in a middle-income census tract, and three in an upper-income census tract. The bank also has one stand-alone cash only ATM in an upper-income census tract. A branch located in an upper-income census tract was closed during the evaluation period; however, a cash-only ATM remained open.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank fifth in the market among nine institutions that serve the assessment area, with 7.6 percent of the market share. The three institutions with the largest market share of deposits are TCF National Bank, Fifth Third Bank N.A. and JPMorgan Chase Bank N.A. with 28.9 percent, 27.8 percent, and 12.2 percent respectively. Deposits in this assessment area 3.0 percent of the bank's overall deposit totals.

1<sup>st</sup> Source Bank 10th in 2019 total HMDA originations within the MSA among 282 HMDA reporters. The bank ranked fourth in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. The bank ranked ninth among 63 CRA reporters in originations to small businesses. 1<sup>st</sup> Source Bank was ranked fourth in total CRA originations among FDIC insured institutions which had branch locations within the assessment area. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:

Assessment Area: 2019 Niles, MI MSA 35660									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	7	14.3	3,833	9.5	1,748	45.6	9,104	22.6	
Moderate-income	7	14.3	6,043	15.0	1,216	20.1	6,857	17.0	
Middle-income	22	44.9	18,746	46.6	1,801	9.6	7,829	19.4	
Upper-income	12	24.5	11,647	28.9	442	3.8	16,479	40.9	
Unknown-income	1	2.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>49</b>	<b>100.0</b>	<b>40,269</b>	<b>100.0</b>	<b>5,207</b>	<b>12.9</b>	<b>40,269</b>	<b>100.0</b>	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
Low-income	7,755	2,467	5.7	31.8	3,906	50.4	1,382	17.8	
Moderate-income	11,217	5,953	13.7	53.1	3,448	30.7	1,816	16.2	
Middle-income	37,822	21,467	49.5	56.8	6,487	17.2	9,868	26.1	
Upper-income	19,978	13,478	31.1	67.5	3,961	19.8	2,539	12.7	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>76,772</b>	<b>43,365</b>	<b>100.0</b>	<b>56.5</b>	<b>17,802</b>	<b>23.2</b>	<b>15,605</b>	<b>20.3</b>	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	691	10.2	607	9.9	80	13.9	4	5.6	
Moderate-income	751	11.1	668	10.9	75	13.0	8	11.1	
Middle-income	3,006	44.4	2,773	45.3	194	33.6	39	54.2	
Upper-income	2,326	34.3	2,077	33.9	228	39.5	21	29.2	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>6,774</b>	<b>100.0</b>	<b>6,125</b>	<b>100.0</b>	<b>577</b>	<b>100.0</b>	<b>72</b>	<b>100.0</b>	
Percentage of Total Businesses:			90.4		8.5		1.1		
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	1	0.3	1	0.3	0	0.0	0	0.0	
Moderate-income	17	5.3	16	5.2	1	5.9	0	0.0	
Middle-income	237	73.4	224	73.2	13	76.5	0	0.0	
Upper-income	68	21.1	65	21.2	3	17.6	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>323</b>	<b>100.0</b>	<b>306</b>	<b>100.0</b>	<b>17</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
Percentage of Total Farms:			94.7		5.3		0.0		
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Niles, MI MSA 35660	Consistent	Below	Above

1<sup>st</sup> Source's lending performance in the area is consistent with the institution's lending performance the state of Michigan. The bank's investment performance is below the institution's performance in the state of Michigan. The bank's service performance is above the institution's performance in the state of Michigan. The performance in this assessment area did not result in a change to the state of Michigan rating.



Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Niles, MI MSA 35660								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$ (000s)	%	\$ %	
Home Purchase	Low	0	0.0	1.7	0	0.0	0.6	5.7
	Moderate	2	9.1	13.6	1,023	20.6	7.7	13.7
	Middle	10	45.5	50.9	2,205	44.4	54.3	49.5
	Upper	10	45.5	33.8	1,735	35.0	37.5	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>4,963</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	2.0	1.0	55	0.8	0.4	5.7
	Moderate	5	10.2	10.7	336	5.2	7.9	13.7
	Middle	30	61.2	55.8	4,204	64.6	58.6	49.5
	Upper	13	26.5	32.5	1,908	29.3	33.1	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>49</b>	<b>100.0</b>	<b>100.0</b>	<b>6,503</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	1.3	0	0.0	0.4	5.7
	Moderate	3	23.1	12.8	75	18.6	12.1	13.7
	Middle	3	23.1	49.2	87	21.6	49.1	49.5
	Upper	7	53.8	36.7	241	59.8	38.4	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>13</b>	<b>100.0</b>	<b>100.0</b>	<b>403</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 20.4
	Moderate	0	0.0	18.8	0	0.0	36.1	23.9
	Middle	0	0.0	56.3	0	0.0	48.1	31.0
	Upper	0	0.0	25.0	0	0.0	15.8	24.7
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	1.9	0	0.0	0.9	5.7
	Moderate	0	0.0	17.6	0	0.0	8.9	13.7
	Middle	0	0.0	49.8	0	0.0	53.6	49.5
	Upper	0	0.0	30.7	0	0.0	36.6	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	1.1	0	0.0	0.3	5.7
	Moderate	0	0.0	9.7	0	0.0	4.3	13.7
	Middle	0	0.0	58.9	0	0.0	64.0	49.5
	Upper	0	0.0	30.3	0	0.0	31.4	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	7.4	0	0.0	3.0	5.7
	Moderate	0	0.0	29.4	0	0.0	15.9	13.7
	Middle	0	0.0	52.9	0	0.0	69.6	49.5
	Upper	0	0.0	10.3	0	0.0	11.4	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	1	1.2	1.5	55	0.5	0.5	5.7
	Moderate	10	11.9	12.8	1,434	12.1	8.9	13.7
	Middle	43	51.2	52.7	6,496	54.7	55.9	49.5
	Upper	30	35.7	33.0	3,884	32.7	34.7	31.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>84</b>	<b>100.0</b>	<b>100.0</b>	<b>11,869</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Niles, MI MSA 35660								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses	
		2019			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	1	1.3	8.4	20	0.2	11.8	10.2
	Moderate	17	21.5	10.1	3,429	28.2	9.5	11.1
	Middle	37	46.8	43.7	4,071	33.5	37.2	44.4
	Upper	24	30.4	35.9	4,632	38.1	41.0	34.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.9			0.5	
	Total		<b>79</b>	<b>100.0</b>	<b>100.0</b>	<b>12,152</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Niles, MI MSA 35660								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			Dollar Bank			
		Count Bank	Agg	Dollar Bank	Agg			
		#	%	%	\$(000s)	\$ %	\$ %	%
Home Purchase	Low	2	9.1	9.7	218	4.4	3.9	22.6
	Moderate	3	13.6	19.4	368	7.4	11.4	17.0
	Middle	3	13.6	19.0	456	9.2	14.4	19.4
	Upper	12	54.5	44.7	3,259	65.7	63.5	40.9
	Unknown	2	9.1	7.2	662	13.3	6.8	0.0
	<b>Total</b>		<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>4,963</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	5	10.2	7.8	230	3.5	3.1	22.6
	Moderate	11	22.4	15.7	786	12.1	8.4	17.0
	Middle	14	28.6	19.0	1,216	18.7	12.8	19.4
	Upper	16	32.7	45.8	3,860	59.4	61.9	40.9
	Unknown	3	6.1	11.7	411	6.3	13.8	0.0
	<b>Total</b>		<b>49</b>	<b>100.0</b>	<b>100.0</b>	<b>6,503</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	2	15.4	6.9	27	6.7	3.8	22.6
	Moderate	1	7.7	18.0	40	9.9	11.8	17.0
	Middle	4	30.8	25.2	124	30.8	17.2	19.4
	Upper	5	38.5	48.6	152	37.7	65.8	40.9
	Unknown	1	7.7	1.3	60	14.9	1.3	0.0
	<b>Total</b>		<b>13</b>	<b>100.0</b>	<b>100.0</b>	<b>403</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	22.6
	Moderate	0	0.0	0.0	0	0.0	0.0	17.0
	Middle	0	0.0	0.0	0	0.0	0.0	19.4
	Upper	0	0.0	6.3	0	0.0	0.3	40.9
	Unknown	0	0.0	93.8	0	0.0	99.7	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	7.9	0	0.0	5.6	22.6
	Moderate	0	0.0	21.3	0	0.0	13.2	17.0
	Middle	0	0.0	19.9	0	0.0	12.5	19.4
	Upper	0	0.0	46.4	0	0.0	64.6	40.9
	Unknown	0	0.0	4.5	0	0.0	4.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	10.3	0	0.0	3.6	22.6
	Moderate	0	0.0	19.5	0	0.0	10.3	17.0
	Middle	0	0.0	31.9	0	0.0	27.7	19.4
	Upper	0	0.0	32.4	0	0.0	41.8	40.9
	Unknown	0	0.0	5.9	0	0.0	16.6	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	22.6
	Moderate	0	0.0	0.0	0	0.0	0.0	17.0
	Middle	0	0.0	0.0	0	0.0	0.0	19.4
	Upper	0	0.0	0.0	0	0.0	0.0	40.9
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	9	10.7	8.6	475	4.0	3.4	22.6
	Moderate	15	17.9	17.8	1,194	10.1	9.8	17.0
	Middle	21	25.0	19.7	1,796	15.1	13.5	19.4
	Upper	33	39.3	44.4	7,271	61.3	59.6	40.9
	Unknown	6	7.1	9.5	1,133	9.5	13.7	0.0
	<b>Total</b>		<b>84</b>	<b>100.0</b>	<b>100.0</b>	<b>11,869</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 Niles, MI MSA 35660									
Product Type		Bank & Aggregate Lending Comparison							
		Count		Dollar		Total			
		2019							
		Bank	Agg	Bank	Agg	Businesses			
		#	%	\$ 000s	\$ %	\$ %	%		
Small Business	Revenue	\$1 Million or Less	23	29.1	44.3	2,534	20.9	28.3	90.4
		Over \$1 Million	33	41.8	55.7	8,046	66.2	71.7	8.5
		Unknown	23	29.1		1,572	12.9		1.1
		<b>Total</b>	<b>79</b>	<b>100.0</b>	<b>100.0</b>	<b>12,152</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	47	59.5	90.2	2,321	19.1	28.6	
		\$100,001 - \$250,000	17	21.5	5.0	2,999	24.7	18.4	
		\$250,001 - \$1 Million	15	19.0	4.8	6,832	56.2	52.9	
		<b>Total</b>	<b>79</b>	<b>100.0</b>	<b>100.0</b>	<b>12,152</b>	<b>100.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	14	60.9		729	28.8		
		\$100,001 - \$250,000	7	30.4		1,180	46.6		
		\$250,001 - \$1 Million	2	8.7		625	24.7		
		<b>Total</b>	<b>23</b>	<b>100.0</b>		<b>2,534</b>	<b>100.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Qualified Community Development Loans by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Niles, MI MSA	0	0	2	30	0	0	9	11,634	11	11,664

Qualified Community Development Investments by Purpose										
June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Niles, MI MSA	8	3,330	0	0	0	0	0	0	8	3,330

<b>Qualified Community Development Donations by Purpose</b> June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Niles, MI MSA	0	0	19	118,806	24	53,822	0	0	43	172,628

<b>Community Development Services</b> June 19, 2018 - June 7, 2021						
AA Name	Affordable Housing	Community Service	Economic Development	Revitalize / Stabilize	Total Hours	% of Total
	# Hours	# Hours	# Hours	# Hours		
Niles, MI MSA	0	425	463	0	888	11.4

## FLORIDA

### **CRA RATING FOR FLORIDA: SATISFACTORY**

**The Lending Test is rated: Low Satisfactory**

**The Investment Test is rated: High Satisfactory**

**The Service Test is rated: Low Satisfactory**

The bank's performance in the State of Florida is Satisfactory. The Lending Test performance rating is Low Satisfactory. Lending activity reflects adequate responsiveness to assessment area credit needs, taking into account the number and amount of home mortgage and small business loans in the assessment area. The bank demonstrates a poor geographic distribution of loans, particularly to low- or moderate-income geographies, in its assessment area

The Investment Test is rated High Satisfactory. 1<sup>st</sup> Source Bank made a significant level of qualified CD investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position. The bank makes rare use of innovative and/or complex investments to support CD initiatives and exhibits excellent responsiveness to credit and community development needs.

The Service Test is rated Low Satisfactory. The bank's retail delivery services are accessible to geographies and individuals of different income levels in its assessment areas. The bank's services do not vary in a way that inconveniences its assessment area, particularly low-or moderate-income geographies or low-or moderate-income individuals. No branches were opened or closed during the evaluation period. The bank provides few if any community development services.

### **SCOPE OF EXAMINATION**

The ratings for the state of Florida were based on the bank's performance on a full scope review of the North Port - Sarasota - Bradenton, FL MSA #35840. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN FLORIDA**

1<sup>st</sup> Source maintains one assessment area in Florida that contains one branch without an ATM that is located in moderate-income census tract in the North Port-Sarasota-Bradenton, FL MSA #35840. The branch located in Sarasota was opened on April 10, 2017.

The Federal Deposit Insurance Corporation (FDIC) market share report, as of June 30, 2020, ranks the bank 35th in the market among 35 institutions serving the assessment area, with a 0.02 percent of the market share. The three institutions with the largest market share of deposits are, Bank of

America, NA, Wells Fargo, NA, and Trust Bank with 17.1 percent, 14.8 percent, and 13.8 percent respectively. Deposits in this assessment area 0.1 percent of the bank's overall deposit totals.

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

Conclusions regarding the bank's performance in Florida with respect to the lending, investments, and service tests are based solely on the performance in the North Port-Sarasota-Bradenton FL MSA 35840 its sole assessment area in the state and is evaluated through the following summary.

## **NORTH PORT - SARASOTA - BRADENTON, FL MSA**

### **Full Review**

#### **SCOPE OF THE EXAMINATION**

1<sup>st</sup> Source's operations in the North Port-Sarasota-Bradenton MSA received a full-scope review. The scope of examination is consistent with that which was defined for the whole review; see the more detailed description of the scope contained in the introduction section.

#### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NORTH PORT - SARASOTA - BRADENTON MSA**

The North Port-Sarasota-Bradenton MSA assessment area consists of Sarasota County in its entirety. The assessment area consists of a total of 95 census tracts comprised of one low-, 20 moderate-, 48 middle-, 25 upper-income census tracts and one unknown-income census tract. Manatee County which is part of the MSA was excluded as the bank does not have any branch locations or deposit taking ATMs in the county. The assessment area was not subject to review during the previous evaluation as the sole branch facility had opened on April 10, 2017. The major consideration taken into account when evaluating the bank's performance in the North Port-Sarasota-Bradenton MSA is the relatively short time frame in which the bank has operated its sole branch within the assessment area.

1<sup>st</sup> Source maintains one branch in the assessment area located in a moderate-income census tract which does not contain an ATM. The branch was originally opened in April of 2017 which contains a limited staff. There were no opening or closings of either branches or ATMs during the evaluation period.

The FDIC market share report, as of June 30, 2020, ranks the bank 35th in the market among 35 institutions serving the assessment area, with a 0.02 percent of the market share. The three institutions with the largest market share of deposits are, Bank of America, NA, Wells Fargo, NA, and Trust Bank with 17.1 percent, 14.8 percent, and 13.8 percent respectively. Deposits in this assessment area comprise 0.1 percent of the bank's overall deposit portfolio.

1<sup>st</sup> Source Bank ranked 102nd in 2019 total HMDA originations within the MSA among 699 HMDA reporters. The bank ranked 29th in total HMDA originations among FDIC insured institutions which had branch locations within the assessment area. 1<sup>st</sup> Source did not have any reportable CRA originations in 2019. Information regarding census-related and business demographic characteristics of the assessment area is provided in the following table:



Assessment Area: 2019 North Port-Sarasota-Bradenton, FL MSA 35840								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	1.1	927	0.9	372	40.1	18,615	17.5
Moderate-income	20	21.1	18,635	17.5	2,176	11.7	20,470	19.2
Middle-income	48	50.5	59,304	55.7	3,575	6.0	23,308	21.9
Upper-income	25	26.3	27,606	25.9	1,291	4.7	44,079	41.4
Unknown-income	1	1.1	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>95</b>	<b>100.0</b>	<b>106,472</b>	<b>100.0</b>	<b>7,414</b>	<b>7.0</b>	<b>106,472</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	1,847	593	0.5	32.1	1,084	58.7	170	9.2
Moderate-income	43,106	20,540	16.1	47.6	13,544	31.4	9,022	20.9
Middle-income	117,870	71,477	55.9	60.6	23,415	19.9	22,978	19.5
Upper-income	67,327	35,354	27.6	52.5	9,178	13.6	22,795	33.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>230,150</b>	<b>127,964</b>	<b>100.0</b>	<b>55.6</b>	<b>47,221</b>	<b>20.5</b>	<b>54,965</b>	<b>23.9</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	191	0.5	176	0.5	15	0.8	0	0.0
Moderate-income	7,136	19.3	6,671	19.2	423	22.5	42	15.6
Middle-income	17,677	47.9	16,902	48.7	676	36.0	99	36.7
Upper-income	11,882	32.2	10,990	31.6	763	40.6	129	47.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>36,886</b>	<b>100.0</b>	<b>34,739</b>	<b>100.0</b>	<b>1,877</b>	<b>100.0</b>	<b>270</b>	<b>100.0</b>
Percentage of Total Businesses:			94.2		5.1		0.7	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	29	11.5	28	11.4	1	16.7	0	0.0
Middle-income	110	43.7	108	43.9	2	33.3	0	0.0
Upper-income	113	44.8	110	44.7	3	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>252</b>	<b>100.0</b>	<b>246</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Percentage of Total Farms:			97.6		2.4		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

## Population Characteristics

Official population statistics from the U.S. Census Bureau for the 2020 census were not available as of the date of the evaluation. As indicated by the 2011-2015 U.S. Census Bureau data, the following table shows Sarasota County experiencing a gain in population of 3.3 percent. This rate of growth is below that experienced within the MSA which is 4.8 percent indicating that Manatee County is growing at a much greater rate. The county's growth is also below that of the state of Florida in general which is 4.5 percent.

Population Change			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Sarasota County, FL	379,448	392,038	3.3
North Port - Sarasota - Bradenton, FL MSA	702,281	735,767	4.8
State of Florida	18,801,310	19,645,772	4.5

*Source: 2010-U.S. Census Bureau: Decennial Census  
2011-2015- U.S. Census Bureau: American Community Survey*

## Income Characteristics

Based on 2011-2015 American Survey data, the median family income for Sarasota County was \$64,449 which reflected a modest increase of 3.4 percent from 2010. Both the median family income and the rate of increase were significantly above that of the state of Florida.

Based upon 2015 FFIEC Census Data, Sarasota County's had 36.7 percent of its families by family income classified as either low- or moderate-income. Overall, of the 106,472 households in the assessment area, 39.7 percent are low- and moderate-income. The following table presents income characteristics between 2010 and 2011-2015 in the North Port - Sarasota - Bradenton, FL MSA, and the state of Florida.

Median Family Income Change			
Area	2006-2010 Median Family Income (In 2010 Dollars - \$)	2011-2015 Median Family Income (In 2015 Dollars - \$)	Percentage Change (%)
Sarasota County, FL	62,326	64,449	3.4
North Port - Sarasota - Bradenton, FL MSA	60,626	62,814	3.6
State of Florida	57,204	57,504	0.5
<i>Source: 2006-2010—U.S. Census Bureau: American Community Survey 2011-2015—U.S. Census Bureau: American Community Survey</i>			

### Housing Characteristics

The following table presents recent housing cost trends within Sarasota County, North Port - Sarasota - Bradenton, FL MSA, and the state of Florida. The assessment area includes 230,150 housing units; the majority are owner-occupied, representing 55.6 percent of the units, followed by 20.5 percent rental units and 23.9 percent vacant housing units.

Overall, median housing values decreased between the 2010 Census and the 2011-2015 American Community Survey, with decline in median housing values of 22.8 percent which was consistent with the MSA as a whole and the state of Florida. More recently, but not shown in the table below, over the past two years, per realtor data, Sarasota has experienced significant increases in housing prices with respect to both single family homes, condominiums, and town homes. Median gross rents have also displayed significant increases. The following table presents housing characteristics between 2010 and 2011-2015 in the individual counties, as well as the state of Florida:

Housing Costs Trends						
Area	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)
Sarasota County, FL	235,100	181,400	-22.8	1,004	1,023	1.9
North Port - Sarasota - Bradenton, FL MSA	226,332	175,079	-22.6	968	990	2.3
State of Florida	205,600	159,000	-22.7	957	1,002	4.7
<i>Source: 2006-2010 - U.S. Census Bureau: American Community Survey 2011-2015 - U.S. Census Bureau: American Community Survey</i>						

## Employment Conditions

The following table presents employment characteristics between 2016 and 2019 in the county, as well as the MSA and the state of Florida. Overall, all the region experienced decreases in unemployment rates from 2016 to 2018 with rates stabilizing in 2019.

Recent Unemployment Rates				
Area	2016	2017	2018	2019
Sarasota County, FL	4.6	3.9	3.4	3.1
North Port - Sarasota - Bradenton, FL MSA	4.6	4.0	3.4	3.1
State of Florida	4.9	4.2	3.6	3.1

*Source: Bureau of Labor Statistics: Local Area Unemployment Statistics (LAUS)*

The following table presents the largest employers operating in the assessment area counties with four of the top ten employers engaged in the health care industry. Per the Bureau of Labor Statistics, as of May 2020, within the MSA the following three employment categories contain the highest number of employees with office and administrative support occupations at 39,000, food preparation and serving related occupations at 32,930 and sales and related occupations at 32,870 employees. All industry total GDP grew 2.2 percent from 2018 to 2019 which was below the 3.4 percent of the entire MSA and 2.8 percent of the state of Florida.

Largest Employers in the Assessment Area			
Company Name	Primary SIC Description	Area	Number of Employees
Sarasota Memorial Health Care	Health Care Management	Sarasota	3,845
Gilbane	General Construction-Industrial Buildings & Warehouse	Sarasota	2,501
PGT Innovations Inc	Windows-Manufacturers	Sarasota	2,000
Doctors Hospital of Sarasota	Hospitals	Sarasota	2,000
Venice Regional Bayfront Health	Hospitals	Sarasota	1,100
Sarasota County Sheriff	Sheriff	Sarasota	976
Tervis Tumbler Co - Corporate Headquarters	Plastics & Plastic Products (Manufacturers)	Sarasota	800
Omega Garage Doors Inc	Metal Doors Sash Frames & Trim (Manufacturers)	Sarasota	610
FCCI Services Inc	Insurance	Sarasota	601
Take Care - Sarasota	Home Health Service	Sarasota	500
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>			

## CONCLUSIONS WITH RESPECT TO THE PERFORMANCE TESTS IN THE NORTH PORT-SARASOTA-BRADENTON MSA

### LENDING TEST

Both geographic and borrower distribution were rated poor as the bank originated a nominal number of loans in the assessment area during the evaluation period. The bank displays adequate responsiveness to credit needs in its assessment area, taking into account the number and amount of home mortgage and small business loans in its assessment area and an adequate level of community development loans. The bank did not display the use of innovative and/or flexible lending practices; however, it assisted clients of Habitat for Humanity as it provided closing cost and down payment assistance through the use of Federal Home Loan Bank programs in helping low- and moderate-income buyers in purchasing a home. In addition, the bank's purchase of approximately \$1 million dollars in mortgages from Habitat allowed the non-profit to have critical funds to continue in the construction of affordable housing in the assessment area.

### Geographic Distribution of Loans

The geographic distribution of loans reflects poor penetration throughout the assessment area. The bank had originations in 4.2 percent of the assessment area's census tracts in 2019 and in 9.5 percent of its census tracts in 2020. The assessment area has only one low-income census tract which contains less than one percent of owner-occupied units. The bank did not originate loans in

moderate-income census tracts in either 2019 or 2020. The bank did not originate small business loans in 2019 and made one such loan in a moderate-income census tract in 2020.

The bank's lending activities reflect poor distribution throughout the assessment area. In 2019, the bank's rate of home mortgage lending within low-and moderate-income census tracts was deemed poor as the bank's performance was below the aggregate lenders and the assessment area demographics. Additionally, the bank's performance with respect to small business lending was poor given the bank's performance within low-and moderate-income census tracts was below the aggregate of lenders and the percentage of small businesses.

For purposes of this analysis, small business loans were the primary, but not sole factor for determining the rating. When determining performance, the comparison to aggregate lender figures was weighted more heavily than the assessment area demographics (percentage of owner-occupied housing units).

A gap analysis was completed as part of the evaluation. In 2019 by census tract the bank originated HMDA reportable loans in 4.2 percent of all census tracts in the assessment area with no originations in the low-or moderate-income census tracts. The bank did not originate any small business loans in 2019. Combined the bank had originations in 4.2 percent of all census tracts.

Although slightly above its 2019 HMDA performance by percentage, with loans originated in 8.4 percent of census tracts, the bank did not originate any such loans in the sole low-income census tract and 10.0 percent in moderate-income census tracts. The bank displayed increased distribution in small business lending compared to 2020 with originations in 1.1 percent of all census tracts. The bank did not originate small business loans in the sole low-income census tract and 5.0 percent of moderate-income census tracts. Combined the bank had originations in 9.5 percent of all census tracts and 15.0 percent of moderate-income census tracts.

### HMDA Reportable Lending

In 2019, the bank's rate of home mortgage lending was deemed poor. The bank's distribution of lending across geographies of different income levels in 2019 within HMDA-reportable lending was consistent with the distribution of loans in 2020. Due to low volume, home improvement, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable lending.

### *Home Purchase Loans*

In 2019, the bank did not make any home purchase loans in low-income or moderate-income census tracts which was below the performance of the aggregate of lenders which made 0.2 percent and 13.8 percent respectively in each of these categories. The bank's performance was also below

the owner-occupied 0.5 percent demographic in low-income census tracts and 16.1 percent demographic in moderate-income census tracts. Within middle-income census tracts, the bank did not make any home purchase loans which was below the aggregate of lenders at 52.8 percent and the 55.9 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 100.0 percent of its home purchase loans, by number in upper-income census tracts. This was significantly above the aggregate of lenders which made 33.3 percent of such loans by number, in these census tracts and the 27.6 percent demographic of owner-occupied units in upper-income census tracts.

#### *Refinance Loans*

In 2019, the bank did not make any refinance loans in low-income census tracts. The bank's performance was comparable to the of the aggregate of lenders at 0.1 percent, but below the assessment area demographics at 13.0 percent. Within moderate-income census tracts, the bank's performance of making no loans was below the aggregate of lenders at 13.4 percentage and the assessment area demographics at 16.1 percent. The bank did not make any refinance loans in middle-income census tracts which was below the aggregate of lenders at 57.4 percent and the 55.9 percent demographic of owner-occupied units in middle-income census tracts. Lastly, the bank made 100.0 percent of its refinance loans in upper-income census tracts. This was significantly above the aggregate of lenders which made 29.5 percent of such loans by number, and the 27.6 percent demographic of owner-occupied units in upper-income census tracts.

Overall, the bank's performance in 2019 was consistent with 2020 figures. The following table presents the geographic distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 North Port-Sarasota-Bradenton, FL MSA 35840								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019						
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	0.2	0	0.0	0.1	0.5
	Moderate	0	0.0	13.8	0	0.0	10.2	16.1
	Middle	0	0.0	52.8	0	0.0	44.4	55.9
	Upper	3	100.0	33.3	1,724	100.0	45.3	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>1,724</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.1	0	0.0	0.1	0.5
	Moderate	0	0.0	13.0	0	0.0	9.1	16.1
	Middle	0	0.0	57.4	0	0.0	46.3	55.9
	Upper	1	100.0	29.5	1,260	100.0	44.5	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>1,260</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.1	0	0.0	0.0	0.5
	Moderate	0	0.0	13.1	0	0.0	10.8	16.1
	Middle	0	0.0	57.9	0	0.0	46.1	55.9
	Upper	0	0.0	29.0	0	0.0	43.1	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	<b>Multi-Family</b> 0.6
	Moderate	0	0.0	35.5	0	0.0	9.2	13.6
	Middle	0	0.0	45.2	0	0.0	45.7	38.3
	Upper	0	0.0	19.4	0	0.0	45.1	47.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.1	0	0.0	0.1	0.5
	Moderate	0	0.0	9.8	0	0.0	6.0	16.1
	Middle	0	0.0	53.9	0	0.0	38.4	55.9
	Upper	0	0.0	36.2	0	0.0	55.5	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.4	0	0.0	0.1	0.5
	Moderate	0	0.0	11.0	0	0.0	3.8	16.1
	Middle	0	0.0	52.9	0	0.0	24.0	55.9
	Upper	0	0.0	35.7	0	0.0	72.1	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	1.6	0	0.0	0.7	0.5
	Moderate	0	0.0	17.4	0	0.0	10.7	16.1
	Middle	0	0.0	56.8	0	0.0	41.6	55.9
	Upper	0	0.0	24.2	0	0.0	47.1	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.2	0	0.0	0.1	0.5
	Moderate	0	0.0	13.4	0	0.0	9.7	16.1
	Middle	0	0.0	54.4	0	0.0	44.6	55.9
	Upper	4	100.0	32.0	2,984	100.0	45.6	27.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>2,984</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								



Small Business Lending

The bank’s performance with respect to small business lending was poor. In 2019 the bank did not make any small business loans in the assessment area which was below the aggregate of lenders at 0.5 percent, 18.2 percent, 44.5 percent, and 36.3 percent, respectively in low-, moderate-, middle-, and upper-income census tracts. The bank’s performance was also below the low-income demographic of 0.5 percent, moderate-income demographic of 19.3 percent, middle-income demographic of 47.9 percent, and 32.2 percent in upper-income census tracts.

Overall, the bank’s 2019 performance was consistent with 2020 figures. The following table presents the geographic distribution of small business loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables and exhibits.

<b>Geographic Distribution of Small Business Loans</b>								
<b>Assessment Area: 2019 North Port-Sarasota-Bradenton, FL MSA 35840</b>								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses %
		2019			Dollar			
		Count		Agg	Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Small Business	Low	0	0.0	0.5	0	0.0	1.0	0.5
	Moderate	0	0.0	18.2	0	0.0	19.4	19.3
	Middle	0	0.0	44.5	0	0.0	36.6	47.9
	Upper	0	0.0	36.3	0	0.0	42.5	32.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			0.6			0.5	
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

**Lending to Borrowers of Different Income Levels and Businesses of Different Sizes**

The distribution of borrowers in 2019 reflects, given the product lines offered, poor penetration among individuals of different income levels including low- and moderate-income individuals and businesses of different sizes. The bank’s lending performance in home purchase, refinances, and home improvement was significantly below that of aggregate lenders among both low- and moderate-income borrowers and in small businesses. The bank’s distribution of lending to borrowers of different income levels and businesses of different sizes in 2019 was consistent with the distribution of loans in 2020.

### HMDA-Reportable Lending

In 2019, the bank's performance relative to HMDA-reportable loans were poor. Due to the low volume of loans, home improvement, multi-family, other loan purpose, and loan purpose not applicable loans were not considered within the analysis of HMDA-reportable

#### *Home Purchase Loans*

In 2019, the bank did not make any home purchase loans to low-income borrowers which was below the aggregate of lenders at 4.2 percent of these loans and below the 17.5 percent demographic of low-income families within the assessment area. The bank made 33.3 percent of its home purchase loans, by number, to moderate-income borrowers, which was above the aggregate of lenders at 17.9 percent and above the 19.2 percent demographic of moderate-income families within the assessment area. Amongst middle-income borrowers, the bank did not make home purchase loans, which was below the aggregate of lenders at 22.0 percent and below the 21.9 percent demographic of middle-income families in the assessment area. Lastly, the bank made 33.3 percent of its home purchase loans, by number, to upper-income borrowers, which was below the aggregate of lenders which made 46.2 percent of these loans and was below the 41.4 percent of demographic upper-income families within the assessment area.

#### *Refinances*

In 2019, the bank did not make any refinance loans to low-, moderate-, or middle-income borrowers. The bank's performance was below that of the aggregate of lenders to low-, moderate-, and middle-income borrowers which made 7.1 percent, 17.1 percent, and 19.1 percent respectively to such borrowers. The bank's performance was also below the 17.5 percent demographic of low-income families, 19.2 demographic percent of moderate-income families, and the 21.9 percent demographic of middle-income families. In 2019, the bank made one refinance loan to an upper-income borrower. The 100.0 percent of its loan origination to upper-income borrowers was significantly above the 39.0 percent of the aggregate of lenders in refinance originations to such borrowers and the 41.4 percent demographic of upper-income families within the assessment area.

In 2020 the bank's performance was comparable to that of 2019. The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. Please see Appendix A for 2020 lending tables.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 North Port-Sarasota-Bradenton, FL MSA 35840								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			Dollar			
		Count Bank		Agg %	Bank		Agg %	
		#	%	%	\$(000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0	4.2	0	0.0	2.2	17.5
	Moderate	1	33.3	17.9	100	5.8	11.8	19.2
	Middle	0	0.0	22.0	0	0.0	17.9	21.9
	Upper	1	33.3	46.2	224	13.0	58.3	41.4
	Unknown	1	33.3	9.7	1,400	81.2	9.7	0.0
	<b>Total</b>		<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>1,724</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	7.1	0	0.0	3.6	17.5
	Moderate	0	0.0	17.1	0	0.0	10.5	19.2
	Middle	0	0.0	19.1	0	0.0	14.7	21.9
	Upper	1	100.0	39.0	1,260	100.0	52.7	41.4
	Unknown	0	0.0	17.7	0	0.0	18.6	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>1,260</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	8.3	0	0.0	5.5	17.5
	Moderate	0	0.0	16.5	0	0.0	11.1	19.2
	Middle	0	0.0	26.4	0	0.0	18.9	21.9
	Upper	0	0.0	46.0	0	0.0	59.6	41.4
	Unknown	0	0.0	2.9	0	0.0	4.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	17.5
	Moderate	0	0.0	3.2	0	0.0	0.3	19.2
	Middle	0	0.0	0.0	0	0.0	0.0	21.9
	Upper	0	0.0	0.0	0	0.0	0.0	41.4
	Unknown	0	0.0	96.8	0	0.0	99.7	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	6.0	0	0.0	2.9	17.5
	Moderate	0	0.0	19.2	0	0.0	10.4	19.2
	Middle	0	0.0	24.3	0	0.0	16.9	21.9
	Upper	0	0.0	48.7	0	0.0	68.5	41.4
	Unknown	0	0.0	1.8	0	0.0	1.4	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	9.1	0	0.0	3.0	17.5
	Moderate	0	0.0	12.5	0	0.0	4.5	19.2
	Middle	0	0.0	19.4	0	0.0	9.7	21.9
	Upper	0	0.0	52.9	0	0.0	78.0	41.4
	Unknown	0	0.0	6.1	0	0.0	4.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	17.5
	Moderate	0	0.0	0.0	0	0.0	0.0	19.2
	Middle	0	0.0	0.5	0	0.0	0.7	21.9
	Upper	0	0.0	1.1	0	0.0	2.2	41.4
	Unknown	0	0.0	98.4	0	0.0	97.2	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	5.3	0	0.0	2.4	17.5
	Moderate	1	25.0	17.4	100	3.4	10.2	19.2
	Middle	0	0.0	21.2	0	0.0	15.2	21.9
	Upper	2	50.0	43.8	1,484	49.7	51.7	41.4
	Unknown	1	25.0	12.1	1,400	46.9	20.4	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>2,984</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
*Note: Percentages may not add to 100.0 percent due to rounding*

Small Business Lending

The bank’s performance relative to small business loans was poor. In 2019 the bank did not make small business loans primarily due to its limited presence in the assessment area. This performance was substantially below that of the aggregate of lenders which originated 49.5 percent to small businesses with revenues of \$1 million dollars or less and 94.2 percent of such businesses in the assessment area.

In 2020 the bank made one small business loan to an entity with revenues of \$1 million or less. The following table presents the borrower distribution of small business loans in 2019. Please see Appendix A for 2020 lending tables.

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2019 North Port-Sarasota-Bradenton, FL MSA 35840									
Product Type		Bank & Aggregate Lending Comparison							
		2019							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %		\$ %			
Small Business	Revenue	\$1 Million or Less	0	0.0	49.5	0	0.0	37.8	94.2
		Over \$1 Million	0	0.0	50.5	0	0.0	62.2	5.1
		Unknown	0	0.0		0	0.0		0.7
		<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	0	0.0	96.0	0	0.0	47.8	
		\$100,001 - \$250,000	0	0.0	2.0	0	0.0	12.8	
		\$250,001 - \$1 Million	0	0.0	2.0	0	0.0	39.4	
		<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0		0	0.0		
		\$100,001 - \$250,000	0	0.0		0	0.0		
		\$250,001 - \$1 Million	0	0.0		0	0.0		
		<b>Total</b>	<b>0</b>	<b>0.0</b>		<b>0</b>	<b>0.0</b>		

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

**COMMUNITY DEVELOPMENT LENDING**

The bank made an adequate level of community development loans with two paycheck protection loans to a non-profit affordable housing entity which constructs homes for low-and moderate-income individuals. The loan amounts totaled \$734,500.

Qualified Community Development Loans by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Service		Economic Development		Revitalize / Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
North Port-Sarasota-Bradenton FL MSA	2	735	0	0	0	0	0	0	2	735

## INVESTMENT TEST

1<sup>st</sup> Source Bank's performance relative to the Investment Test is High Satisfactory as the bank made a significant level of qualified CD investments and grants, particularly those not routinely provided by private investor, rarely in a leadership position. The bank makes rare use of innovative and/or complex investments to support CD initiatives and exhibits excellent responsiveness to credit and community development needs.

The bank made new investments worth \$3.6 million and maintained investments worth \$1.2 million. The investments in their entirety consisted of mortgage back securities which primarily consisted of mortgages to low- and moderate-income borrowers.

In addition, the bank made seven donations of \$5,480 primarily to organizations engaged in affordable housing activities.

Qualified Community Development Investments by Purpose June 19, 2018 - June 7, 2021										
AA Name	Affordable Housing		Community Services		Economic Development		Revitalization/ Stabilization		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
North Port-Sarasota-Bradenton, FL MSA - <b>New</b>	21	3,581	0	0	0	0	0	0	21	3,581
North Port-Sarasota-Bradenton, FL MSA - <b>Prior</b>	1	1,207	0	0	0	0	0	0	1	1,207
<b>Total</b>	<b>22</b>	<b>4,788</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>4,788</b>

## **SERVICE TEST**

1<sup>st</sup> Source's performance relative to the Service Test is Low Satisfactory based on the bank's retail delivery services are accessible to geographies and individuals of different income levels in its assessment areas. The bank's services do not vary in a way that inconveniences its assessment area, particularly low-or moderate-income geographies or low-or moderate-income individuals. No branches were opened or closed during the evaluation period. The bank did not perform any eligible community development services during the evaluation period.

### **Retail Services**

Delivery systems are readily accessible to the bank's geographies and individuals of different income levels in its assessment area. The bank has one branch without an ATM opened in April of 2017 which is located in a moderate-income census tract. Due to COVID-19, banking hours are restricted, and lobby access is by appointment only on Monday through Friday. The branch does not maintain evening or weekend hours. Although the bank does not have an ATM on the premises, the bank's customers through 1<sup>st</sup> Source's agreements with ATM providers Cirrus and Accel can access such services throughout the assessment area with all associated fees refunded by the bank. The bank also offers all standard products to consumers and provides mobile banking and automated telephone banking services to meet its customer's needs.

### **Community Development Services**

The bank did not provide any community development services in the assessment area.

APPENDIX A

Assessment Area: 2020 South Bend-Mishawaka, IN-MI MSA 43780									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	11	12.8	4,872	6.2	2,020	41.5	17,024	21.5	
Moderate-income	19	22.1	10,535	13.3	2,738	26.0	13,650	17.3	
Middle-income	37	43.0	42,390	53.6	4,417	10.4	16,133	20.4	
Upper-income	19	22.1	21,331	27.0	891	4.2	32,321	40.8	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>86</b>	<b>100.0</b>	<b>79,128</b>	<b>100.0</b>	<b>10,066</b>	<b>12.7</b>	<b>79,128</b>	<b>100.0</b>	
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>							
		<b>Owner-Occupied</b>		<b>Rental</b>		<b>Vacant</b>			
		#	%	%	#	%	#	%	
Low-income	12,448	3,415	4.0	27.4	6,391	51.3	2,642	21.2	
Moderate-income	21,354	10,478	12.1	49.1	7,220	33.8	3,656	17.1	
Middle-income	77,808	47,647	55.1	61.2	18,938	24.3	11,223	14.4	
Upper-income	29,650	24,908	28.8	84.0	3,109	10.5	1,633	5.5	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>141,260</b>	<b>86,448</b>	<b>100.0</b>	<b>61.2</b>	<b>35,658</b>	<b>25.2</b>	<b>19,154</b>	<b>13.6</b>	
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>			
		#	%	#	%	#	%	#	%
Low-income	1,196	9.7	1,061	9.6	123	11.2	12	9.4	
Moderate-income	1,764	14.4	1,557	14.1	192	17.4	15	11.8	
Middle-income	6,185	50.4	5,532	50.1	591	53.6	62	48.8	
Upper-income	3,132	25.5	2,897	26.2	197	17.9	38	29.9	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>12,277</b>	<b>100.0</b>	<b>11,047</b>	<b>100.0</b>	<b>1,103</b>	<b>100.0</b>	<b>127</b>	<b>100.0</b>	
		<b>Percentage of Total Businesses:</b>		<b>90.0</b>		<b>9.0</b>		<b>1.0</b>	
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>			
		#	%	#	%	#	%	#	%
Low-income	4	1.1	4	1.2	0	0.0	0	0.0	
Moderate-income	8	2.3	8	2.3	0	0.0	0	0.0	
Middle-income	245	69.4	239	69.9	5	55.6	1	50.0	
Upper-income	96	27.2	91	26.6	4	44.4	1	50.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>353</b>	<b>100.0</b>	<b>342</b>	<b>100.0</b>	<b>9</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	
		<b>Percentage of Total Farms:</b>		<b>96.9</b>		<b>2.5</b>		<b>0.6</b>	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

<b>Geographic Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 South Bend-Mishawaka, IN-MI MSA 43780</b>						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	9	3.9%	563	1.1%	4.0
	Moderate	37	16.0%	8,724	16.8%	12.1
	Middle	118	51.1%	23,849	45.9%	55.1
	Upper	67	29.0%	18,784	36.2%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>231</b>	<b>100.0%</b>	<b>51,920</b>	<b>100.0%</b>
Refinance	Low	10	1.4%	762	0.6%	4.0
	Moderate	49	6.7%	5,466	4.1%	12.1
	Middle	337	46.2%	58,569	44.1%	55.1
	Upper	333	45.7%	68,120	51.3%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>729</b>	<b>100.0%</b>	<b>132,917</b>	<b>100.0%</b>
Home Improvement	Low	4	3.4%	170	2.9%	4.0
	Moderate	7	5.9%	159	2.7%	12.1
	Middle	54	45.8%	2,563	43.6%	55.1
	Upper	53	44.9%	2,993	50.9%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>118</b>	<b>100.0%</b>	<b>5,885</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 20.7
	Moderate	0	0.0%	0	0.0%	12.7
	Middle	0	0.0%	0	0.0%	59.2
	Upper	0	0.0%	0	0.0%	7.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	4.0
	Moderate	0	0.0%	0	0.0%	12.1
	Middle	0	0.0%	0	0.0%	55.1
	Upper	0	0.0%	0	0.0%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	4.0
	Moderate	0	0.0%	0	0.0%	12.1
	Middle	0	0.0%	0	0.0%	55.1
	Upper	0	0.0%	0	0.0%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	4.0
	Moderate	0	0.0%	0	0.0%	12.1
	Middle	0	0.0%	0	0.0%	55.1
	Upper	0	0.0%	0	0.0%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	23	2.1%	1,495	0.8%	4.0
	Moderate	93	8.6%	14,349	7.5%	12.1
	Middle	509	47.2%	84,981	44.6%	55.1
	Upper	453	42.0%	89,897	47.1%	28.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>1,078</b>	<b>100.0%</b>	<b>190,722</b>	<b>100.0%</b>

Originations & Purchases  
2016 FFIEC Census Data  
*Note: Percentages may not add to 100.0 percent due to rounding*



<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 South Bend-Mishawaka, IN-MI MSA 43780</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	126	9.1	12,822	9.3	9.7
	Moderate	184	13.3	19,478	14.1	14.4
	Middle	653	47.4	71,418	51.8	50.4
	Upper	416	30.2	34,274	24.8	25.5
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>1,379</b>	<b>100.0</b>	<b>137,992</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 South Bend-Mishawaka, IN-MI MSA 43780</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	43	18.6%	3,692	7.1%	21.5
	Moderate	42	18.2%	5,063	9.8%	17.3
	Middle	33	14.3%	4,893	9.4%	20.4
	Upper	95	41.1%	35,869	69.1%	40.8
	Unknown	18	7.8%	2,403	4.6%	0.0
	<b>Total</b>		<b>231</b>	<b>100.0%</b>	<b>51,920</b>	<b>100.0%</b>
Refinance	Low	44	6.0%	2,789	2.1%	21.5
	Moderate	108	14.8%	9,662	7.3%	17.3
	Middle	129	17.7%	15,877	11.9%	20.4
	Upper	396	54.3%	96,812	72.8%	40.8
	Unknown	52	7.1%	7,777	5.9%	0.0
	<b>Total</b>		<b>729</b>	<b>100.0%</b>	<b>132,917</b>	<b>100.0%</b>
Home Improvement	Low	11	9.3%	903	15.3%	21.5
	Moderate	13	11.0%	365	6.2%	17.3
	Middle	24	20.3%	965	16.4%	20.4
	Upper	61	51.7%	3,352	57.0%	40.8
	Unknown	9	7.6%	300	5.1%	0.0
	<b>Total</b>		<b>118</b>	<b>100.0%</b>	<b>5,885</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	21.5
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.4
	Upper	0	0.0%	0	0.0%	40.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	21.5
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.4
	Upper	0	0.0%	0	0.0%	40.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	21.5
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.4
	Upper	0	0.0%	0	0.0%	40.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	21.5
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.4
	Upper	0	0.0%	0	0.0%	40.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	98	9.1%	7,384	3.9%	21.5
	Moderate	163	15.1%	15,090	7.9%	17.3
	Middle	186	17.3%	21,735	11.4%	20.4
	Upper	552	51.2%	136,033	71.3%	40.8
	Unknown	79	7.3%	10,480	5.5%	0.0
	<b>Total</b>		<b>1,078</b>	<b>100.0%</b>	<b>190,722</b>	<b>100.0%</b>
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 South Bend-Mishawaka, IN-MI MSA 43780							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses	
Revenue	Loan Size	Count Bank		Dollar Bank			%
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	437	31.7	23,508	17.0	90.0
		Over \$1 Million	413	29.9	84,961	61.6	9.0
		Unknown	529	38.4	29,523	21.4	1.0
		<b>Total</b>	<b>1,379</b>	<b>100.0</b>	<b>137,992</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	1,023	74.2	36,266	26.3	
		\$100,001 - \$250,000	201	14.6	33,164	24.0	
		\$250,001 - \$1 Million	155	11.2	68,562	49.7	
		<b>Total</b>	<b>1,379</b>	<b>100.0</b>	<b>137,992</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	392	89.7	13,676	58.2	
		\$100,001 - \$250,000	32	7.3	4,789	20.4	
		\$250,001 - \$1 Million	13	3.0	5,043	21.5	
		<b>Total</b>	<b>437</b>	<b>100.0</b>	<b>23,508</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2020 Fort Wayne, IN MSA 23060								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	12	11.7	8,400	8.3	3,304	39.3	20,271	20.0
Moderate-income	24	23.3	16,032	15.8	3,710	23.1	18,291	18.0
Middle-income	42	40.8	45,894	45.2	3,463	7.5	22,375	22.0
Upper-income	22	21.4	30,987	30.5	1,003	3.2	40,586	40.0
Unknown-income	3	2.9	210	0.2	77	36.7	0	0.0
<b>Total Assessment Area</b>	<b>103</b>	<b>100.0</b>	<b>101,523</b>	<b>100.0</b>	<b>11,557</b>	<b>11.4</b>	<b>101,523</b>	<b>100.0</b>
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>						
		<b>Owner-Occupied</b>		<b>Rental</b>		<b>Vacant</b>		
		#	%	%	#	%	#	%
Low-income	17,420	6,511	6.1	37.4	7,774	44.6	3,135	18.0
Moderate-income	33,082	14,630	13.6	44.2	13,845	41.9	4,607	13.9
Middle-income	74,091	51,446	47.8	69.4	17,662	23.8	4,983	6.7
Upper-income	42,919	34,901	32.4	81.3	6,290	14.7	1,728	4.0
Unknown-income	769	109	0.1	14.2	520	67.6	140	18.2
<b>Total Assessment Area</b>	<b>168,281</b>	<b>107,597</b>	<b>100.0</b>	<b>63.9</b>	<b>46,091</b>	<b>27.4</b>	<b>14,593</b>	<b>8.7</b>
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#
Low-income	1,103	6.6	950	6.4	149	8.9	4	2.5
Moderate-income	3,046	18.1	2,660	17.8	369	21.9	17	10.8
Middle-income	6,777	40.4	6,058	40.5	647	38.5	72	45.9
Upper-income	5,124	30.5	4,719	31.6	348	20.7	57	36.3
Unknown-income	745	4.4	569	3.8	169	10.0	7	4.5
<b>Total Assessment Area</b>	<b>16,795</b>	<b>100.0</b>	<b>14,956</b>	<b>100.0</b>	<b>1,682</b>	<b>100.0</b>	<b>157</b>	<b>100.0</b>
	<b>Percentage of Total Businesses:</b>		<b>89.1</b>		<b>10.0</b>		<b>0.9</b>	
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#
Low-income	4	0.9	4	0.9	0	0.0	0	0.0
Moderate-income	10	2.1	9	2.0	1	20.0	0	0.0
Middle-income	325	69.6	320	69.4	4	80.0	1	100.0
Upper-income	127	27.2	127	27.5	0	0.0	0	0.0
Unknown-income	1	0.2	1	0.2	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>467</b>	<b>100.0</b>	<b>461</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
	<b>Percentage of Total Farms:</b>		<b>98.7</b>		<b>1.1</b>		<b>0.2</b>	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 Fort Wayne, IN MSA 23060						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Home Purchase	Low	1	1.7%	100	1.0%	6.1
	Moderate	5	8.3%	397	4.0%	13.6
	Middle	36	60.0%	4,894	49.2%	47.8
	Upper	18	30.0%	4,561	45.8%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>60</b>	<b>100.0%</b>	<b>9,952</b>	<b>100.0%</b>
Refinance	Low	1	0.6%	24	0.1%	6.1
	Moderate	12	6.6%	667	2.3%	13.6
	Middle	88	48.6%	11,068	37.6%	47.8
	Upper	80	44.2%	17,639	60.0%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>181</b>	<b>100.0%</b>	<b>29,398</b>	<b>100.0%</b>
Home Improvement	Low	1	3.4%	10	0.9%	6.1
	Moderate	3	10.3%	129	11.8%	13.6
	Middle	16	55.2%	540	49.6%	47.8
	Upper	9	31.0%	410	37.6%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>1,089</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	Multi-Family 13.1
	Moderate	0	0.0%	0	0.0%	29.9
	Middle	0	0.0%	0	0.0%	37.8
	Upper	0	0.0%	0	0.0%	16.8
	Unknown	0	0.0%	0	0.0%	2.3
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	6.1
	Moderate	0	0.0%	0	0.0%	13.6
	Middle	0	0.0%	0	0.0%	47.8
	Upper	0	0.0%	0	0.0%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	6.1
	Moderate	0	0.0%	0	0.0%	13.6
	Middle	0	0.0%	0	0.0%	47.8
	Upper	0	0.0%	0	0.0%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	6.1
	Moderate	0	0.0%	0	0.0%	13.6
	Middle	0	0.0%	0	0.0%	47.8
	Upper	0	0.0%	0	0.0%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	3	1.1%	134	0.3%	6.1
	Moderate	20	7.4%	1,193	3.0%	13.6
	Middle	140	51.9%	16,502	40.8%	47.8
	Upper	107	39.6%	22,610	55.9%	32.4
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>270</b>	<b>100.0%</b>	<b>40,439</b>	<b>100.0%</b>

Originations & Purchases  
2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Fort Wayne, IN MSA 23060</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	29	5.7	4,270	7.7	6.6
	Moderate	79	15.5	7,803	14.1	18.1
	Middle	212	41.5	22,985	41.6	40.4
	Upper	159	31.1	16,028	29.0	30.5
	Unknown	32	6.3	4,214	7.6	4.4
	<b>Total</b>	<b>511</b>	<b>100.0</b>	<b>55,300</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Fort Wayne, IN MSA 23060</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	5	8.3%	364	3.7%	20.0
	Moderate	19	31.7%	2,263	22.7%	18.0
	Middle	13	21.7%	2,062	20.7%	22.0
	Upper	19	31.7%	4,748	47.7%	40.0
	Unknown	4	6.7%	515	5.2%	0.0
	<b>Total</b>		<b>60</b>	<b>100.0%</b>	<b>9,952</b>	<b>100.0%</b>
Refinance	Low	16	8.8%	900	3.1%	20.0
	Moderate	33	18.2%	3,019	10.3%	18.0
	Middle	36	19.9%	4,343	14.8%	22.0
	Upper	88	48.6%	19,953	67.9%	40.0
	Unknown	8	4.4%	1,183	4.0%	0.0
	<b>Total</b>		<b>181</b>	<b>100.0%</b>	<b>29,398</b>	<b>100.0%</b>
Home Improvement	Low	3	10.3%	69	6.3%	20.0
	Moderate	3	10.3%	95	8.7%	18.0
	Middle	8	27.6%	415	38.1%	22.0
	Upper	14	48.3%	490	45.0%	40.0
	Unknown	1	3.4%	20	1.8%	0.0
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>1,089</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	20.0
	Moderate	0	0.0%	0	0.0%	18.0
	Middle	0	0.0%	0	0.0%	22.0
	Upper	0	0.0%	0	0.0%	40.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	20.0
	Moderate	0	0.0%	0	0.0%	18.0
	Middle	0	0.0%	0	0.0%	22.0
	Upper	0	0.0%	0	0.0%	40.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	20.0
	Moderate	0	0.0%	0	0.0%	18.0
	Middle	0	0.0%	0	0.0%	22.0
	Upper	0	0.0%	0	0.0%	40.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	20.0
	Moderate	0	0.0%	0	0.0%	18.0
	Middle	0	0.0%	0	0.0%	22.0
	Upper	0	0.0%	0	0.0%	40.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	24	8.9%	1,333	3.3%	20.0
	Moderate	55	20.4%	5,377	13.3%	18.0
	Middle	57	21.1%	6,820	16.9%	22.0
	Upper	121	44.8%	25,191	62.3%	40.0
	Unknown	13	4.8%	1,718	4.2%	0.0
	<b>Total</b>		<b>270</b>	<b>100.0%</b>	<b>40,439</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Fort Wayne, IN MSA 23060							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	167	32.7	10,836	19.6	89.1
		Over \$1 Million	178	34.8	35,187	63.6	10.0
		Unknown	166	32.5	9,277	16.8	0.9
		<b>Total</b>	<b>511</b>	<b>100.0</b>	<b>55,300</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	353	69.1	12,066	21.8	
		\$100,001 - \$250,000	94	18.4	15,535	28.1	
		\$250,001 - \$1 Million	64	12.5	27,699	50.1	
		<b>Total</b>	<b>511</b>	<b>100.0</b>	<b>55,300</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	140	83.8	4,839	44.7	
		\$100,001 - \$250,000	20	12.0	2,962	27.3	
		\$250,001 - \$1 Million	7	4.2	3,035	28.0	
		<b>Total</b>	<b>167</b>	<b>100.0</b>	<b>10,836</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							



Assessment Area: 2020 Gary, IN MD 23844								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	7,251	16.4
Moderate-income	1	3.0	460	1.0	57	12.4	6,216	14.0
Middle-income	14	42.4	19,219	43.4	2,277	11.8	8,811	19.9
Upper-income	15	45.5	24,652	55.6	1,634	6.6	22,053	49.7
Unknown-income	3	9.1	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>33</b>	<b>100.0</b>	<b>44,331</b>	<b>100.0</b>	<b>3,968</b>	<b>9.0</b>	<b>44,331</b>	<b>100.0</b>
	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	1,222	370	0.8	30.3	605	49.5	247	20.2
Middle-income	31,169	19,947	41.7	64.0	9,063	29.1	2,159	6.9
Upper-income	34,395	27,492	57.5	79.9	4,626	13.4	2,277	6.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>66,786</b>	<b>47,809</b>	<b>100.0</b>	<b>71.6</b>	<b>14,294</b>	<b>21.4</b>	<b>4,683</b>	<b>7.0</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	385	4.8	345	4.7	34	6.2	6	6.7
Middle-income	2,950	36.9	2,700	36.7	225	41.0	25	28.1
Upper-income	4,650	58.1	4,307	58.5	285	51.9	58	65.2
Unknown-income	14	0.2	9	0.1	5	0.9	0	0.0
<b>Total Assessment Area</b>	<b>7,999</b>	<b>100.0</b>	<b>7,361</b>	<b>100.0</b>	<b>549</b>	<b>100.0</b>	<b>89</b>	<b>100.0</b>
	Percentage of Total Businesses:		92.0		6.9		1.1	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	3	1.7	3	1.7	0	0.0	0	0.0
Middle-income	72	40.0	71	39.9	1	50.0	0	0.0
Upper-income	105	58.3	104	58.4	1	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>180</b>	<b>100.0</b>	<b>178</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:		98.9		1.1		0.0	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 Gary, IN MD 23844						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.8
	Middle	21	47.7%	3,479	39.7%	41.7
	Upper	23	52.3%	5,287	60.3%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>44</b>	<b>100.0%</b>	<b>8,766</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.0
	Moderate	2	1.0%	220	0.6%	0.8
	Middle	63	31.5%	9,933	25.7%	41.7
	Upper	135	67.5%	28,474	73.7%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>200</b>	<b>100.0%</b>	<b>38,627</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.0
	Moderate	1	3.4%	30	1.7%	0.8
	Middle	9	31.0%	640	36.4%	41.7
	Upper	19	65.5%	1,090	61.9%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>1,760</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	Multi-Family 0.0
	Moderate	0	0.0%	0	0.0%	4.6
	Middle	0	0.0%	0	0.0%	69.5
	Upper	0	0.0%	0	0.0%	25.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.8
	Middle	0	0.0%	0	0.0%	41.7
	Upper	0	0.0%	0	0.0%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.8
	Middle	0	0.0%	0	0.0%	41.7
	Upper	0	0.0%	0	0.0%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.8
	Middle	0	0.0%	0	0.0%	41.7
	Upper	0	0.0%	0	0.0%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.0
	Moderate	3	1.1%	250	0.5%	0.8
	Middle	93	34.1%	14,052	28.6%	41.7
	Upper	177	64.8%	34,851	70.9%	57.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>273</b>	<b>100.0%</b>	<b>49,153</b>	<b>100.0%</b>

Originations & Purchases  
2016 FFIEC Census Data  
*Note: Percentages may not add to 100.0 percent due to rounding*

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Gary, IN MD 23844</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0	0.0	0.0
	Moderate	32	7.6	2,225	6.3	4.8
	Middle	159	37.9	12,148	34.6	36.9
	Upper	229	54.5	20,728	59.1	58.1
	Unknown	0	0.0	0	0.0	0.2
	<b>Total</b>	<b>420</b>	<b>100.0</b>	<b>35,101</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Gary, IN MD 23844</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank	%	Dollar Bank	%	
		#	%	\$(000s)	\$ %	
Home Purchase	Low	1	2.3%	140	1.6%	16.4
	Moderate	11	25.0%	1,679	19.2%	14.0
	Middle	10	22.7%	1,542	17.6%	19.9
	Upper	20	45.5%	5,072	57.9%	49.7
	Unknown	2	4.5%	333	3.8%	0.0
	<b>Total</b>		<b>44</b>	<b>100.0%</b>	<b>8,766</b>	<b>100.0%</b>
Refinance	Low	9	4.5%	569	1.5%	16.4
	Moderate	30	15.0%	3,220	8.3%	14.0
	Middle	44	22.0%	7,128	18.5%	19.9
	Upper	108	54.0%	25,677	66.5%	49.7
	Unknown	9	4.5%	2,033	5.3%	0.0
	<b>Total</b>		<b>200</b>	<b>100.0%</b>	<b>38,627</b>	<b>100.0%</b>
Home Improvement	Low	4	13.8%	195	11.1%	16.4
	Moderate	2	6.9%	63	3.6%	14.0
	Middle	5	17.2%	230	13.1%	19.9
	Upper	15	51.7%	1,079	61.3%	49.7
	Unknown	3	10.3%	193	11.0%	0.0
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>1,760</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	16.4
	Moderate	0	0.0%	0	0.0%	14.0
	Middle	0	0.0%	0	0.0%	19.9
	Upper	0	0.0%	0	0.0%	49.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	16.4
	Moderate	0	0.0%	0	0.0%	14.0
	Middle	0	0.0%	0	0.0%	19.9
	Upper	0	0.0%	0	0.0%	49.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	16.4
	Moderate	0	0.0%	0	0.0%	14.0
	Middle	0	0.0%	0	0.0%	19.9
	Upper	0	0.0%	0	0.0%	49.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	16.4
	Moderate	0	0.0%	0	0.0%	14.0
	Middle	0	0.0%	0	0.0%	19.9
	Upper	0	0.0%	0	0.0%	49.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	14	5.1%	904	1.8%	16.4
	Moderate	43	15.8%	4,962	10.1%	14.0
	Middle	59	21.6%	8,900	18.1%	19.9
	Upper	143	52.4%	31,828	64.8%	49.7
	Unknown	14	5.1%	2,559	5.2%	0.0
	<b>Total</b>		<b>273</b>	<b>100.0%</b>	<b>49,153</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Gary, IN MD 23844							
Product Type		Bank & Demographic Comparison					
		Count Bank		2020 Dollar Bank		Total Businesses %	
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	133	31.7	8,207	23.4	92.0
		Over \$1 Million	106	25.2	18,870	53.8	6.9
		Unknown	181	43.1	8,024	22.9	1.1
		<b>Total</b>	<b>420</b>	<b>100.0</b>	<b>35,101</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	320	76.2	10,884	31.0	
		\$100,001 - \$250,000	71	16.9	11,624	33.1	
		\$250,001 - \$1 Million	29	6.9	12,593	35.9	
		<b>Total</b>	<b>420</b>	<b>100.0</b>	<b>35,101</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	114	85.7	3,615	44.0	
		\$100,001 - \$250,000	13	9.8	2,032	24.8	
		\$250,001 - \$1 Million	6	4.5	2,560	31.2	
		<b>Total</b>	<b>133</b>	<b>100.0</b>	<b>8,207</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Assessment Area: 2020 Elkhart-Goshen, IN MSA 21140								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	2.8	456	0.9	176	38.6	9,597	19.0
Moderate-income	7	19.4	8,755	17.3	2,475	28.3	9,168	18.1
Middle-income	23	63.9	31,013	61.3	2,978	9.6	11,844	23.4
Upper-income	5	13.9	10,353	20.5	667	6.4	19,968	39.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>36</b>	<b>100.0</b>	<b>50,577</b>	<b>100.0</b>	<b>6,296</b>	<b>12.4</b>	<b>50,577</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	1,158	179	0.4	15.5	662	57.2	317	27.4
Moderate-income	14,739	6,033	12.3	40.9	6,571	44.6	2,135	14.5
Middle-income	47,480	31,163	63.7	65.6	12,190	25.7	4,127	8.7
Upper-income	14,503	11,580	23.7	79.8	2,061	14.2	862	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>77,880</b>	<b>48,955</b>	<b>100.0</b>	<b>62.9</b>	<b>21,484</b>	<b>27.6</b>	<b>7,441</b>	<b>9.6</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	90	1.1	81	1.2	9	0.9	0	0.0
Moderate-income	1,203	14.9	1,049	15.0	145	14.5	9	11.3
Middle-income	5,229	64.8	4,494	64.3	688	68.8	47	58.8
Upper-income	1,548	19.2	1,366	19.5	158	15.8	24	30.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>8,070</b>	<b>100.0</b>	<b>6,990</b>	<b>100.0</b>	<b>1,000</b>	<b>100.0</b>	<b>80</b>	<b>100.0</b>
	Percentage of Total Businesses:		86.6		12.4		1.0	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	6	2.1	6	2.2	0	0.0	0	0.0
Middle-income	183	64.4	180	65.0	3	50.0	0	0.0
Upper-income	95	33.5	91	32.9	3	50.0	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>284</b>	<b>100.0</b>	<b>277</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
	Percentage of Total Farms:		97.5		2.1		0.4	

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 Elkhart-Goshen, IN MSA 21140						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Home Purchase	Low	0	0.0%	0	0.0%	0.4
	Moderate	6	8.5%	681	4.2%	12.3
	Middle	49	69.0%	10,961	68.3%	63.7
	Upper	16	22.5%	4,410	27.5%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>71</b>	<b>100.0%</b>	<b>16,052</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.4
	Moderate	18	6.6%	2,233	4.3%	12.3
	Middle	165	60.9%	29,238	56.5%	63.7
	Upper	88	32.5%	20,234	39.1%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>271</b>	<b>100.0%</b>	<b>51,705</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.4
	Moderate	5	10.9%	198	6.7%	12.3
	Middle	30	65.2%	1,997	67.6%	63.7
	Upper	11	23.9%	761	25.7%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>46</b>	<b>100.0%</b>	<b>2,956</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 1.6
	Moderate	0	0.0%	0	0.0%	28.3
	Middle	0	0.0%	0	0.0%	64.1
	Upper	0	0.0%	0	0.0%	6.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.4
	Moderate	0	0.0%	0	0.0%	12.3
	Middle	0	0.0%	0	0.0%	63.7
	Upper	0	0.0%	0	0.0%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.4
	Moderate	0	0.0%	0	0.0%	12.3
	Middle	0	0.0%	0	0.0%	63.7
	Upper	0	0.0%	0	0.0%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.4
	Moderate	0	0.0%	0	0.0%	12.3
	Middle	0	0.0%	0	0.0%	63.7
	Upper	0	0.0%	0	0.0%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.4
	Moderate	29	7.5%	3,112	4.4%	12.3
	Middle	244	62.9%	42,196	59.7%	63.7
	Upper	115	29.6%	25,405	35.9%	23.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>388</b>	<b>100.0%</b>	<b>70,713</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Elkhart-Goshen, IN MSA 21140</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	13	2.4	1,064	1.5	1.1
	Moderate	76	14.2	9,532	13.6	14.9
	Middle	384	71.5	50,780	72.4	64.8
	Upper	64	11.9	8,800	12.5	19.2
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>537</b>	<b>100.0</b>	<b>70,176</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						



<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Elkhart-Goshen, IN MSA 21140</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	9	12.7%	670	4.2%	19.0
	Moderate	10	14.1%	1,257	7.8%	18.1
	Middle	18	25.4%	3,612	22.5%	23.4
	Upper	29	40.8%	9,029	56.2%	39.5
	Unknown	5	7.0%	1,484	9.2%	0.0
	<b>Total</b>		<b>71</b>	<b>100.0%</b>	<b>16,052</b>	<b>100.0%</b>
Refinance	Low	11	4.1%	926	1.8%	19.0
	Moderate	46	17.0%	4,878	9.4%	18.1
	Middle	57	21.0%	6,985	13.5%	23.4
	Upper	148	54.6%	37,808	73.1%	39.5
	Unknown	9	3.3%	1,108	2.1%	0.0
	<b>Total</b>		<b>271</b>	<b>100.0%</b>	<b>51,705</b>	<b>100.0%</b>
Home Improvement	Low	4	8.7%	95	3.2%	19.0
	Moderate	5	10.9%	138	4.7%	18.1
	Middle	9	19.6%	321	10.9%	23.4
	Upper	25	54.3%	2,267	76.7%	39.5
	Unknown	3	6.5%	135	4.6%	0.0
	<b>Total</b>		<b>46</b>	<b>100.0%</b>	<b>2,956</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	19.0
	Moderate	0	0.0%	0	0.0%	18.1
	Middle	0	0.0%	0	0.0%	23.4
	Upper	0	0.0%	0	0.0%	39.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	19.0
	Moderate	0	0.0%	0	0.0%	18.1
	Middle	0	0.0%	0	0.0%	23.4
	Upper	0	0.0%	0	0.0%	39.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	19.0
	Moderate	0	0.0%	0	0.0%	18.1
	Middle	0	0.0%	0	0.0%	23.4
	Upper	0	0.0%	0	0.0%	39.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	19.0
	Moderate	0	0.0%	0	0.0%	18.1
	Middle	0	0.0%	0	0.0%	23.4
	Upper	0	0.0%	0	0.0%	39.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	24	6.2%	1,691	2.4%	19.0
	Moderate	61	15.7%	6,273	8.9%	18.1
	Middle	84	21.6%	10,918	15.4%	23.4
	Upper	202	52.1%	49,104	69.4%	39.5
	Unknown	17	4.4%	2,727	3.9%	0.0
	<b>Total</b>		<b>388</b>	<b>100.0%</b>	<b>70,713</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Elkhart-Goshen, IN MSA 21140							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	190	35.4	14,349	20.4	86.6
		Over \$1 Million	207	38.5	43,898	62.6	12.4
		Unknown	140	26.1	11,929	17.0	1.0
		<b>Total</b>	<b>537</b>	<b>100.0</b>	<b>70,176</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	350	65.2	14,524	20.7	
		\$100,001 - \$250,000	109	20.3	17,916	25.5	
		\$250,001 - \$1 Million	78	14.5	37,736	53.8	
		<b>Total</b>	<b>537</b>	<b>100.0</b>	<b>70,176</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	156	82.1	5,951	41.5	
		\$100,001 - \$250,000	24	12.6	4,275	29.8	
		\$250,001 - \$1 Million	10	5.3	4,123	28.7	
		<b>Total</b>	<b>190</b>	<b>100.0</b>	<b>14,349</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2020 Michigan City-LaPorte, IN MSA 33140								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	6.9	1,239	4.4	480	38.7	6,105	21.7
Moderate-income	8	27.6	6,706	23.8	1,703	25.4	4,880	17.3
Middle-income	8	27.6	8,406	29.9	1,028	12.2	5,648	20.1
Upper-income	10	34.5	11,791	41.9	688	5.8	11,509	40.9
Unknown-income	1	3.4	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>29</b>	<b>100.0</b>	<b>28,142</b>	<b>100.0</b>	<b>3,899</b>	<b>13.9</b>	<b>28,142</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	2,256	888	2.9	39.4	1,017	45.1	351	15.6
Moderate-income	13,346	6,274	20.7	47.0	5,466	41.0	1,606	12.0
Middle-income	14,388	9,293	30.6	64.6	3,724	25.9	1,371	9.5
Upper-income	18,692	13,888	45.8	74.3	2,454	13.1	2,350	12.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>48,682</b>	<b>30,343</b>	<b>100.0</b>	<b>62.3</b>	<b>12,661</b>	<b>26.0</b>	<b>5,678</b>	<b>11.7</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	378	8.9	336	8.7	37	10.8	5	9.6
Moderate-income	1,210	28.6	1,074	28.0	123	35.8	13	25.0
Middle-income	1,175	27.7	1,068	27.8	99	28.8	8	15.4
Upper-income	1,474	34.8	1,363	35.5	85	24.7	26	50.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,237</b>	<b>100.0</b>	<b>3,841</b>	<b>100.0</b>	<b>344</b>	<b>100.0</b>	<b>52</b>	<b>100.0</b>
	Percentage of Total Businesses:		90.7		8.1		1.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	2	0.9	2	0.9	0	0.0	0	0.0
Moderate-income	7	3.1	7	3.2	0	0.0	0	0.0
Middle-income	39	17.3	38	17.4	1	14.3	0	0.0
Upper-income	177	78.7	171	78.4	6	85.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>225</b>	<b>100.0</b>	<b>218</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:		96.9		3.1		0.0	

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 Michigan City-LaPorte, IN MSA 33140						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Home Purchase	Low	1	3.4%	58	0.9%	2.9
	Moderate	5	17.2%	1,160	18.8%	20.7
	Middle	9	31.0%	872	14.1%	30.6
	Upper	14	48.3%	4,081	66.1%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>6,171</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	2.9
	Moderate	6	5.8%	636	4.4%	20.7
	Middle	36	34.6%	5,837	40.1%	30.6
	Upper	62	59.6%	8,087	55.5%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>104</b>	<b>100.0%</b>	<b>14,560</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	2.9
	Moderate	5	19.2%	100	7.9%	20.7
	Middle	6	23.1%	490	38.5%	30.6
	Upper	15	57.7%	683	53.7%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>26</b>	<b>100.0%</b>	<b>1,273</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 6.5
	Moderate	0	0.0%	0	0.0%	41.2
	Middle	0	0.0%	0	0.0%	39.3
	Upper	0	0.0%	0	0.0%	13.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	2.9
	Moderate	0	0.0%	0	0.0%	20.7
	Middle	0	0.0%	0	0.0%	30.6
	Upper	0	0.0%	0	0.0%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	2.9
	Moderate	0	0.0%	0	0.0%	20.7
	Middle	0	0.0%	0	0.0%	30.6
	Upper	0	0.0%	0	0.0%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	2.9
	Moderate	0	0.0%	0	0.0%	20.7
	Middle	0	0.0%	0	0.0%	30.6
	Upper	0	0.0%	0	0.0%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	1	0.6%	58	0.3%	2.9
	Moderate	16	10.1%	1,896	8.6%	20.7
	Middle	51	32.1%	7,199	32.7%	30.6
	Upper	91	57.2%	12,851	58.4%	45.8
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>159</b>	<b>100.0%</b>	<b>22,004</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Michigan City-LaPorte, IN MSA 33140</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	20	7.3	1,932	7.9	8.9
	Moderate	37	13.5	3,182	13.0	28.6
	Middle	120	43.6	10,332	42.3	27.7
	Upper	98	35.6	8,986	36.8	34.8
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>275</b>	<b>100.0</b>	<b>24,432</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Michigan City-LaPorte, IN MSA 33140</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	3	10.3%	227	3.7%	21.7
	Moderate	8	27.6%	571	9.3%	17.3
	Middle	5	17.2%	709	11.5%	20.1
	Upper	11	37.9%	4,387	71.1%	40.9
	Unknown	2	6.9%	277	4.5%	0.0
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>6,171</b>	<b>100.0%</b>
Refinance	Low	7	6.7%	429	2.9%	21.7
	Moderate	15	14.4%	1,331	9.1%	17.3
	Middle	21	20.2%	2,780	19.1%	20.1
	Upper	56	53.8%	9,462	65.0%	40.9
	Unknown	5	4.8%	558	3.8%	0.0
	<b>Total</b>		<b>104</b>	<b>100.0%</b>	<b>14,560</b>	<b>100.0%</b>
Home Improvement	Low	3	11.5%	45	3.5%	21.7
	Moderate	3	11.5%	45	3.5%	17.3
	Middle	5	19.2%	170	13.4%	20.1
	Upper	14	53.8%	978	76.8%	40.9
	Unknown	1	3.8%	35	2.7%	0.0
	<b>Total</b>		<b>26</b>	<b>100.0%</b>	<b>1,273</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.1
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.1
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.1
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.3
	Middle	0	0.0%	0	0.0%	20.1
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	13	8.2%	701	3.2%	21.7
	Moderate	26	16.4%	1,947	8.8%	17.3
	Middle	31	19.5%	3,659	16.6%	20.1
	Upper	81	50.9%	14,827	67.4%	40.9
	Unknown	8	5.0%	870	4.0%	0.0
	<b>Total</b>		<b>159</b>	<b>100.0%</b>	<b>22,004</b>	<b>100.0%</b>
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Michigan City-LaPorte, IN MSA 33140							
Product Type		Bank & Demographic Comparison					
		Count Bank		Dollar Bank		Total Businesses	
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	92	33.5	5,413	22.2	90.7
		Over \$1 Million	102	37.1	16,201	66.3	8.1
		Unknown	81	29.5	2,818	11.5	1.2
		<b>Total</b>	<b>275</b>	<b>100.0</b>	<b>24,432</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	207	75.3	7,429	30.4	
		\$100,001 - \$250,000	44	16.0	6,872	28.1	
		\$250,001 - \$1 Million	24	8.7	10,131	41.5	
		<b>Total</b>	<b>275</b>	<b>100.0</b>	<b>24,432</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	81	88.0	2,658	49.1	
		\$100,001 - \$250,000	7	7.6	1,171	21.6	
		\$250,001 - \$1 Million	4	4.3	1,584	29.3	
		<b>Total</b>	<b>92</b>	<b>100.0</b>	<b>5,413</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2020 Lafayette-West Lafayette, IN MSA 29200									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	3	8.1	1,168	3.1	506	43.3	7,786	20.6	
Moderate-income	9	24.3	7,463	19.7	1,404	18.8	5,961	15.8	
Middle-income	11	29.7	13,497	35.7	1,519	11.3	8,671	22.9	
Upper-income	11	29.7	15,557	41.2	814	5.2	15,376	40.7	
Unknown-income	3	8.1	109	0.3	22	20.2	0	0.0	
<b>Total Assessment Area</b>	<b>37</b>	<b>100.0</b>	<b>37,794</b>	<b>100.0</b>	<b>4,265</b>	<b>11.3</b>	<b>37,794</b>	<b>100.0</b>	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	5,131	410	1.1	8.0	4,068	79.3	653	12.7	
Moderate-income	16,397	5,791	16.2	35.3	9,175	56.0	1,431	8.7	
Middle-income	23,834	12,608	35.3	52.9	9,813	41.2	1,413	5.9	
Upper-income	25,388	16,914	47.3	66.6	6,944	27.4	1,530	6.0	
Unknown-income	2,386	43	0.1	1.8	1,990	83.4	353	14.8	
<b>Total Assessment Area</b>	<b>73,136</b>	<b>35,766</b>	<b>100.0</b>	<b>48.9</b>	<b>31,990</b>	<b>43.7</b>	<b>5,380</b>	<b>7.4</b>	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	257	4.3	229	4.2	27	6.1	1	2.1	
Moderate-income	1,794	30.0	1,582	28.8	202	45.7	10	21.3	
Middle-income	1,658	27.7	1,533	27.9	109	24.7	16	34.0	
Upper-income	2,043	34.1	1,931	35.1	93	21.0	19	40.4	
Unknown-income	232	3.9	220	4.0	11	2.5	1	2.1	
<b>Total Assessment Area</b>	<b>5,984</b>	<b>100.0</b>	<b>5,495</b>	<b>100.0</b>	<b>442</b>	<b>100.0</b>	<b>47</b>	<b>100.0</b>	
	Percentage of Total Businesses:			91.8		7.4		0.8	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	11	4.8	10	4.5	1	20.0	0	0.0	
Middle-income	98	43.2	95	42.8	3	60.0	0	0.0	
Upper-income	118	52.0	117	52.7	1	20.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>227</b>	<b>100.0</b>	<b>222</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
	Percentage of Total Farms:			97.8		2.2		0.0	

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding



<b>Geographic Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Lafayette-West Lafayette, IN MSA 29200</b>						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank	%	Dollar Bank	%	
		#	%	\$ (000s)	%	
Home Purchase	Low	2	8.3%	207	4.7%	1.1
	Moderate	4	16.7%	467	10.7%	16.2
	Middle	8	33.3%	1,259	28.8%	35.3
	Upper	10	41.7%	2,432	55.7%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>24</b>	<b>100.0%</b>	<b>4,365</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	1.1
	Moderate	4	7.0%	479	3.6%	16.2
	Middle	15	26.3%	2,529	19.0%	35.3
	Upper	38	66.7%	10,283	77.4%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>57</b>	<b>100.0%</b>	<b>13,291</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	1.1
	Moderate	1	20.0%	5	2.5%	16.2
	Middle	1	20.0%	70	34.3%	35.3
	Upper	3	60.0%	129	63.2%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>5</b>	<b>100.0%</b>	<b>204</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 17.4
	Moderate	0	0.0%	0	0.0%	27.5
	Middle	0	0.0%	0	0.0%	26.2
	Upper	0	0.0%	0	0.0%	19.2
	Unknown	0	0.0%	0	0.0%	9.7
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	1.1
	Moderate	0	0.0%	0	0.0%	16.2
	Middle	0	0.0%	0	0.0%	35.3
	Upper	0	0.0%	0	0.0%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	1.1
	Moderate	0	0.0%	0	0.0%	16.2
	Middle	0	0.0%	0	0.0%	35.3
	Upper	0	0.0%	0	0.0%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	1.1
	Moderate	0	0.0%	0	0.0%	16.2
	Middle	0	0.0%	0	0.0%	35.3
	Upper	0	0.0%	0	0.0%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	2	2.3%	207	1.2%	1.1
	Moderate	9	10.5%	951	5.3%	16.2
	Middle	24	27.9%	3,858	21.6%	35.3
	Upper	51	59.3%	12,844	71.9%	47.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>86</b>	<b>100.0%</b>	<b>17,860</b>	<b>100.0%</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Lafayette-West Lafayette, IN MSA 29200</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	3	3.1	228	2.5	4.3
	Moderate	36	36.7	3,389	36.5	30.0
	Middle	44	44.9	4,177	45.0	27.7
	Upper	14	14.3	1,356	14.6	34.1
	Unknown	1	1.0	128	1.4	3.9
	<b>Total</b>	<b>98</b>	<b>100.0</b>	<b>9,278</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Lafayette-West Lafayette, IN MSA 29200</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	5	20.8%	551	12.6%	20.6
	Moderate	3	12.5%	372	8.5%	15.8
	Middle	5	20.8%	747	17.1%	22.9
	Upper	10	41.7%	2,457	56.3%	40.7
	Unknown	1	4.2%	238	5.5%	0.0
	<b>Total</b>		<b>24</b>	<b>100.0%</b>	<b>4,365</b>	<b>100.0%</b>
Refinance	Low	3	5.3%	348	2.6%	20.6
	Moderate	6	10.5%	613	4.6%	15.8
	Middle	8	14.0%	992	7.5%	22.9
	Upper	37	64.9%	10,704	80.5%	40.7
	Unknown	3	5.3%	634	4.8%	0.0
	<b>Total</b>		<b>57</b>	<b>100.0%</b>	<b>13,291</b>	<b>100.0%</b>
Home Improvement	Low	1	20.0%	5	2.5%	20.6
	Moderate	1	20.0%	19	9.3%	15.8
	Middle	1	20.0%	50	24.5%	22.9
	Upper	2	40.0%	130	63.7%	40.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>5</b>	<b>100.0%</b>	<b>204</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	20.6
	Moderate	0	0.0%	0	0.0%	15.8
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	40.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	20.6
	Moderate	0	0.0%	0	0.0%	15.8
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	40.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	20.6
	Moderate	0	0.0%	0	0.0%	15.8
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	40.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	20.6
	Moderate	0	0.0%	0	0.0%	15.8
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	40.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	9	10.5%	904	5.1%	20.6
	Moderate	10	11.6%	1,004	5.6%	15.8
	Middle	14	16.3%	1,789	10.0%	22.9
	Upper	49	57.0%	13,291	74.4%	40.7
	Unknown	4	4.7%	872	4.9%	0.0
	<b>Total</b>		<b>86</b>	<b>100.0%</b>	<b>17,860</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Lafayette-West Lafayette, IN MSA 29200							
Product Type		Bank & Demographic Comparison					
		Count Bank		Dollar Bank		Total Businesses	
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	33	33.7	2,541	27.4	91.8
		Over \$1 Million	47	48.0	5,422	58.4	7.4
		Unknown	18	18.4	1,315	14.2	0.8
		<b>Total</b>	<b>98</b>	<b>100.0</b>	<b>9,278</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	71	72.4	3,024	32.6	
		\$100,001 - \$250,000	19	19.4	3,088	33.3	
		\$250,001 - \$1 Million	8	8.2	3,166	34.1	
		<b>Total</b>	<b>98</b>	<b>100.0</b>	<b>9,278</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	27	81.8	840	33.1	
		\$100,001 - \$250,000	4	12.1	561	22.1	
		\$250,001 - \$1 Million	2	6.1	1,140	44.9	
		<b>Total</b>	<b>33</b>	<b>100.0</b>	<b>2,541</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2020 Western IN Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	7,649	15.8
Moderate-income	5	10.4	4,619	9.6	863	18.7	9,050	18.7
Middle-income	36	75.0	36,270	75.1	3,113	8.6	11,558	23.9
Upper-income	7	14.6	7,389	15.3	348	4.7	20,021	41.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>48</b>	<b>100.0</b>	<b>48,278</b>	<b>100.0</b>	<b>4,324</b>	<b>9.0</b>	<b>48,278</b>	<b>100.0</b>
	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	8,792	4,579	8.6	52.1	3,071	34.9	1,142	13.0
Middle-income	63,961	40,500	76.2	63.3	11,077	17.3	12,384	19.4
Upper-income	11,304	8,093	15.2	71.6	1,526	13.5	1,685	14.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>84,057</b>	<b>53,172</b>	<b>100.0</b>	<b>63.3</b>	<b>15,674</b>	<b>18.6</b>	<b>15,211</b>	<b>18.1</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0	0.0	0	0.0	0	0.0	
Moderate-income	1,334	1,189	17.9	17.7	132	21.5	13	9.8
Middle-income	5,159	4,638	69.3	69.2	411	66.8	110	83.3
Upper-income	956	875	12.8	13.1	72	11.7	9	6.8
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>7,449</b>	<b>6,702</b>	<b>100.0</b>	<b>100.0</b>	<b>615</b>	<b>100.0</b>	<b>132</b>	<b>100.0</b>
	Percentage of Total Businesses:			90.0		8.3		1.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0	0.0	0	0.0	0	0.0	
Moderate-income	7	7	0.9	0.9	0	0.0	0	0.0
Middle-income	648	633	85.8	85.5	14	100.0	1	100.0
Upper-income	100	100	13.2	13.5	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>755</b>	<b>740</b>	<b>100.0</b>	<b>100.0</b>	<b>14</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
	Percentage of Total Farms:			98.0		1.9		0.1

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Western IN Non MSA</b>						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	0	0.0%	0	0.0%	0.0
	Moderate	10	12.3%	877	6.9%	8.6
	Middle	67	82.7%	11,152	88.2%	76.2
	Upper	4	4.9%	613	4.8%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>81</b>	<b>100.0%</b>	<b>12,642</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.0
	Moderate	14	5.4%	1,473	3.6%	8.6
	Middle	198	77.0%	31,728	78.0%	76.2
	Upper	45	17.5%	7,500	18.4%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>257</b>	<b>100.0%</b>	<b>40,701</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.0
	Moderate	3	6.7%	40	2.6%	8.6
	Middle	36	80.0%	1,311	86.3%	76.2
	Upper	6	13.3%	169	11.1%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>45</b>	<b>100.0%</b>	<b>1,520</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 0.0
	Moderate	0	0.0%	0	0.0%	28.1
	Middle	4	100.0%	1,321	100.0%	66.7
	Upper	0	0.0%	0	0.0%	5.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>4</b>	<b>100.0%</b>	<b>1,321</b>	<b>100.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	8.6
	Middle	0	0.0%	0	0.0%	76.2
	Upper	0	0.0%	0	0.0%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	8.6
	Middle	0	0.0%	0	0.0%	76.2
	Upper	0	0.0%	0	0.0%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	8.6
	Middle	0	0.0%	0	0.0%	76.2
	Upper	0	0.0%	0	0.0%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.0
	Moderate	27	7.0%	2,390	4.3%	8.6
	Middle	305	78.8%	45,512	81.0%	76.2
	Upper	55	14.2%	8,282	14.7%	15.2
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>387</b>	<b>100.0%</b>	<b>56,184</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Western IN Non MSA</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0	0.0	0.0
	Moderate	173	27.9	13,557	25.4	17.9
	Middle	377	60.7	34,583	64.9	69.3
	Upper	71	11.4	5,172	9.7	12.8
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>621</b>	<b>100.0</b>	<b>53,312</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Western IN Non MSA</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	8	9.9%	669	5.3%	15.8
	Moderate	19	23.5%	2,038	16.1%	18.7
	Middle	18	22.2%	2,580	20.4%	23.9
	Upper	28	34.6%	6,586	52.1%	41.5
	Unknown	8	9.9%	769	6.1%	0.0
	<b>Total</b>		<b>81</b>	<b>100.0%</b>	<b>12,642</b>	<b>100.0%</b>
Refinance	Low	20	7.8%	1,415	3.5%	15.8
	Moderate	32	12.5%	2,976	7.3%	18.7
	Middle	65	25.3%	6,902	17.0%	23.9
	Upper	127	49.4%	27,962	68.7%	41.5
	Unknown	13	5.1%	1,446	3.6%	0.0
	<b>Total</b>		<b>257</b>	<b>100.0%</b>	<b>40,701</b>	<b>100.0%</b>
Home Improvement	Low	4	8.9%	160	10.5%	15.8
	Moderate	9	20.0%	198	13.0%	18.7
	Middle	11	24.4%	284	18.7%	23.9
	Upper	18	40.0%	726	47.8%	41.5
	Unknown	3	6.7%	152	10.0%	0.0
	<b>Total</b>		<b>45</b>	<b>100.0%</b>	<b>1,520</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	15.8
	Moderate	0	0.0%	0	0.0%	18.7
	Middle	0	0.0%	0	0.0%	23.9
	Upper	0	0.0%	0	0.0%	41.5
	Unknown	4	100.0%	1,321	100.0%	0.0
	<b>Total</b>		<b>4</b>	<b>100.0%</b>	<b>1,321</b>	<b>100.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	15.8
	Moderate	0	0.0%	0	0.0%	18.7
	Middle	0	0.0%	0	0.0%	23.9
	Upper	0	0.0%	0	0.0%	41.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	15.8
	Moderate	0	0.0%	0	0.0%	18.7
	Middle	0	0.0%	0	0.0%	23.9
	Upper	0	0.0%	0	0.0%	41.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	15.8
	Moderate	0	0.0%	0	0.0%	18.7
	Middle	0	0.0%	0	0.0%	23.9
	Upper	0	0.0%	0	0.0%	41.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	32	8.3%	2,244	4.0%	15.8
	Moderate	60	15.5%	5,212	9.3%	18.7
	Middle	94	24.3%	9,766	17.4%	23.9
	Upper	173	44.7%	35,274	62.8%	41.5
	Unknown	28	7.2%	3,688	6.6%	0.0
	<b>Total</b>		<b>387</b>	<b>100.0%</b>	<b>56,184</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						



Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Western IN Non MSA							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	280	45.1	17,280	32.4	90.0
		Over \$1 Million	158	25.4	26,842	50.3	8.3
		Unknown	183	29.5	9,190	17.2	1.8
		<b>Total</b>	<b>621</b>	<b>100.0</b>	<b>53,312</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	485	78.1	16,631	31.2	
		\$100,001 - \$250,000	91	14.7	15,176	28.5	
		\$250,001 - \$1 Million	45	7.2	21,505	40.3	
		<b>Total</b>	<b>621</b>	<b>100.0</b>	<b>53,312</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	243	86.8	8,646	50.0	
		\$100,001 - \$250,000	27	9.6	4,587	26.5	
		\$250,001 - \$1 Million	10	3.6	4,047	23.4	
		<b>Total</b>	<b>280</b>	<b>100.0</b>	<b>17,280</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2020 Eastern IN Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,705	15.5
Moderate-income	3	18.8	2,831	16.2	434	15.3	2,967	17.0
Middle-income	9	56.3	9,659	55.3	746	7.7	4,289	24.6
Upper-income	4	25.0	4,971	28.5	190	3.8	7,500	43.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>16</b>	<b>100.0</b>	<b>17,461</b>	<b>100.0</b>	<b>1,370</b>	<b>7.8</b>	<b>17,461</b>	<b>100.0</b>
	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	4,874	2,929	14.8	60.1	1,335	27.4	610	12.5
Middle-income	16,008	11,095	56.1	69.3	3,563	22.3	1,350	8.4
Upper-income	6,666	5,740	29.0	86.1	649	9.7	277	4.2
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>27,548</b>	<b>19,764</b>	<b>100.0</b>	<b>71.7</b>	<b>5,547</b>	<b>20.1</b>	<b>2,237</b>	<b>8.1</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	396	16.3	351	16.0	37	19.1	8	20.5
Middle-income	1,361	56.1	1,235	56.3	106	54.6	20	51.3
Upper-income	669	27.6	607	27.7	51	26.3	11	28.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>2,426</b>	<b>100.0</b>	<b>2,193</b>	<b>100.0</b>	<b>194</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>
	Percentage of Total Businesses:		90.4		8.0		1.6	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	3	1.1	3	1.1	0	0.0	0	0.0
Middle-income	154	56.6	152	56.9	2	40.0	0	0.0
Upper-income	115	42.3	112	41.9	3	60.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>272</b>	<b>100.0</b>	<b>267</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:		98.2		1.8		0.0	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

<b>Geographic Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Eastern IN Non MSA</b>						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	0	0.0%	0	0.0%	0.0
	Moderate	4	23.5%	160	7.9%	14.8
	Middle	10	58.8%	1,182	58.1%	56.1
	Upper	3	17.6%	693	34.1%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>17</b>	<b>100.0%</b>	<b>2,035</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.0
	Moderate	12	22.6%	1,088	21.7%	14.8
	Middle	27	50.9%	1,751	34.9%	56.1
	Upper	14	26.4%	2,177	43.4%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>53</b>	<b>100.0%</b>	<b>5,016</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.0
	Moderate	1	14.3%	20	10.0%	14.8
	Middle	6	85.7%	180	90.0%	56.1
	Upper	0	0.0%	0	0.0%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>7</b>	<b>100.0%</b>	<b>200</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 0.0
	Moderate	0	0.0%	0	0.0%	12.8
	Middle	1	100.0%	2,328	100.0%	80.6
	Upper	0	0.0%	0	0.0%	6.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>1</b>	<b>100.0%</b>	<b>2,328</b>	<b>100.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	14.8
	Middle	0	0.0%	0	0.0%	56.1
	Upper	0	0.0%	0	0.0%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	14.8
	Middle	0	0.0%	0	0.0%	56.1
	Upper	0	0.0%	0	0.0%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	14.8
	Middle	0	0.0%	0	0.0%	56.1
	Upper	0	0.0%	0	0.0%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.0
	Moderate	17	21.8%	1,268	13.2%	14.8
	Middle	44	56.4%	5,441	56.8%	56.1
	Upper	17	21.8%	2,870	30.0%	29.0
	Unknown	0	0.0%	0	0.0%	0.0
<b>Total</b>		<b>78</b>	<b>100.0%</b>	<b>9,579</b>	<b>100.0%</b>	<b>100.0</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Eastern IN Non MSA</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0	0.0	0.0
	Moderate	15	34.1	837	28.9	16.3
	Middle	19	43.2	1,825	63.1	56.1
	Upper	10	22.7	231	8.0	27.6
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>2,893</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Eastern IN Non MSA</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	4	23.5%	299	14.7%	15.5
	Moderate	8	47.1%	623	30.6%	17.0
	Middle	1	5.9%	125	6.1%	24.6
	Upper	4	23.5%	988	48.6%	43.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>17</b>	<b>100.0%</b>	<b>2,035</b>	<b>100.0%</b>
Refinance	Low	6	11.3%	373	7.4%	15.5
	Moderate	13	24.5%	801	16.0%	17.0
	Middle	11	20.8%	814	16.2%	24.6
	Upper	20	37.7%	2,783	55.5%	43.0
	Unknown	3	5.7%	245	4.9%	0.0
	<b>Total</b>		<b>53</b>	<b>100.0%</b>	<b>5,016</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	15.5
	Moderate	5	71.4%	155	77.5%	17.0
	Middle	0	0.0%	0	0.0%	24.6
	Upper	2	28.6%	45	22.5%	43.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>7</b>	<b>100.0%</b>	<b>200</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	15.5
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	24.6
	Upper	0	0.0%	0	0.0%	43.0
	Unknown	1	100.0%	2,328	100.0%	0.0
	<b>Total</b>		<b>1</b>	<b>100.0%</b>	<b>2,328</b>	<b>100.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	15.5
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	24.6
	Upper	0	0.0%	0	0.0%	43.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	15.5
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	24.6
	Upper	0	0.0%	0	0.0%	43.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	15.5
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	24.6
	Upper	0	0.0%	0	0.0%	43.0
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	10	12.8%	672	7.0%	15.5
	Moderate	26	33.3%	1,579	16.5%	17.0
	Middle	12	15.4%	939	9.8%	24.6
	Upper	26	33.3%	3,816	39.8%	43.0
	Unknown	4	5.1%	2,573	26.9%	0.0
	<b>Total</b>		<b>78</b>	<b>100.0%</b>	<b>9,579</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Eastern IN Non MSA							
Product Type		Bank & Demographic Comparison					
		Count Bank		2020 Dollar Bank		Total Businesses %	
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	17	38.6	667	23.1	90.4
		Over \$1 Million	7	15.9	1,817	62.8	8.0
		Unknown	20	45.5	409	14.1	1.6
		<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>2,893</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	40	90.9	1,238	42.8	
		\$100,001 - \$250,000	2	4.5	305	10.5	
		\$250,001 - \$1 Million	2	4.5	1,350	46.7	
		<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>2,893</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	17	100.0	667	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>17</b>	<b>100.0</b>	<b>667</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Assessment Area: 2020 North Eastern IN Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,001	17.8
Moderate-income	0	0.0	0	0.0	0	0.0	1,835	16.3
Middle-income	8	88.9	9,313	82.9	1,090	11.7	2,574	22.9
Upper-income	1	11.1	1,915	17.1	139	7.3	4,818	42.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>9</b>	<b>100.0</b>	<b>11,228</b>	<b>100.0</b>	<b>1,229</b>	<b>10.9</b>	<b>11,228</b>	<b>100.0</b>
	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	14,314	10,187	81.5	71.2	2,944	20.6	1,183	8.3
Upper-income	3,290	2,309	18.5	70.2	807	24.5	174	5.3
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>17,604</b>	<b>12,496</b>	<b>100.0</b>	<b>71.0</b>	<b>3,751</b>	<b>21.3</b>	<b>1,357</b>	<b>7.7</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
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	1,379	86.9	1,213	85.9	143	95.3	23	95.8
Upper-income	207	13.1	199	14.1	7	4.7	1	4.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>1,586</b>	<b>100.0</b>	<b>1,412</b>	<b>100.0</b>	<b>150</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>
	Percentage of Total Businesses:		89.0		9.5		1.5	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
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	138	93.2	137	93.2	1	100.0	0	0.0
Upper-income	10	6.8	10	6.8	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>148</b>	<b>100.0</b>	<b>147</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:		99.3		0.7		0.0	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 North Eastern IN Non MSA						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	2	100.0%	124	100.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>124</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	8	57.1%	1,300	49.9%	81.5
	Upper	6	42.9%	1,304	50.1%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>14</b>	<b>100.0%</b>	<b>2,604</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	2	100.0%	82	100.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>82</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	50.9
	Upper	0	0.0%	0	0.0%	49.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	0	0.0%	0	0.0%	81.5
	Upper	0	0.0%	0	0.0%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.0
	Moderate	0	0.0%	0	0.0%	0.0
	Middle	12	66.7%	1,506	53.6%	81.5
	Upper	6	33.3%	1,304	46.4%	18.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>18</b>	<b>100.0%</b>	<b>2,810</b>	<b>100.0%</b>

Originations & Purchases  
2016 FFIEC Census Data  
*Note: Percentages may not add to 100.0 percent due to rounding*



<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 North Eastern IN Non MSA</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	20	90.9	3,793	98.5	86.9
	Upper	2	9.1	59	1.5	13.1
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>3,852</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 North Eastern IN Non MSA</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	1	50.0%	77	62.1%	17.8
	Moderate	1	50.0%	47	37.9%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>124</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	17.8
	Moderate	2	14.3%	270	10.4%	16.3
	Middle	3	21.4%	357	13.7%	22.9
	Upper	9	64.3%	1,977	75.9%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>14</b>	<b>100.0%</b>	<b>2,604</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	17.8
	Moderate	1	50.0%	52	63.4%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	1	50.0%	30	36.6%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>2</b>	<b>100.0%</b>	<b>82</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	17.8
	Moderate	0	0.0%	0	0.0%	16.3
	Middle	0	0.0%	0	0.0%	22.9
	Upper	0	0.0%	0	0.0%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	1	5.6%	77	2.7%	17.8
	Moderate	4	22.2%	369	13.1%	16.3
	Middle	3	16.7%	357	12.7%	22.9
	Upper	10	55.6%	2,007	71.4%	42.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>18</b>	<b>100.0%</b>	<b>2,810</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 North Eastern IN Non MSA							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	0	0.0	0	0.0	89.0
		Over \$1 Million	10	45.5	2,949	76.6	9.5
		Unknown	12	54.5	903	23.4	1.5
		<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>3,852</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	17	77.3	670	17.4	
		\$100,001 - \$250,000	1	4.5	118	3.1	
		\$250,001 - \$1 Million	4	18.2	3,064	79.5	
		<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>3,852</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Assessment Area: 2020 Kalamazoo-Portage, MI MSA 28020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	7	12.3	4,549	7.5	1,812	39.8	13,136	21.7
Moderate-income	11	19.3	7,582	12.5	1,342	17.7	10,337	17.1
Middle-income	24	42.1	29,446	48.7	2,718	9.2	12,245	20.3
Upper-income	14	24.6	18,759	31.0	823	4.4	24,720	40.9
Unknown-income	1	1.8	102	0.2	51	50.0	0	0.0
<b>Total Assessment Area</b>	<b>57</b>	<b>100.0</b>	<b>60,438</b>	<b>100.0</b>	<b>6,746</b>	<b>11.2</b>	<b>60,438</b>	<b>100.0</b>
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>						
		<b>Owner-Occupied</b>			<b>Rental</b>		<b>Vacant</b>	
		#	%	%	#	%	#	%
Low-income	12,207	3,153	4.9	25.8	6,969	57.1	2,085	17.1
Moderate-income	17,169	7,111	11.1	41.4	8,159	47.5	1,899	11.1
Middle-income	52,290	32,604	50.7	62.4	15,645	29.9	4,041	7.7
Upper-income	28,119	21,384	33.3	76.0	4,973	17.7	1,762	6.3
Unknown-income	411	50	0.1	12.2	293	71.3	68	16.5
<b>Total Assessment Area</b>	<b>110,196</b>	<b>64,302</b>	<b>100.0</b>	<b>58.4</b>	<b>36,039</b>	<b>32.7</b>	<b>9,855</b>	<b>8.9</b>
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>			<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>	
		#	%	#	%	#	%	#
Low-income	793	8.0	681	7.7	111	11.5	1	1.4
Moderate-income	2,014	20.3	1,717	19.3	281	29.0	16	22.2
Middle-income	4,572	46.1	4,122	46.4	421	43.4	29	40.3
Upper-income	2,496	25.2	2,318	26.1	152	15.7	26	36.1
Unknown-income	42	0.4	38	0.4	4	0.4	0	0.0
<b>Total Assessment Area</b>	<b>9,917</b>	<b>100.0</b>	<b>8,876</b>	<b>100.0</b>	<b>969</b>	<b>100.0</b>	<b>72</b>	<b>100.0</b>
	<b>Percentage of Total Businesses:</b>			<b>89.5</b>		<b>9.8</b>		<b>0.7</b>
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>						
		<b>Less Than or = \$1 Million</b>			<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>	
		#	%	#	%	#	%	#
Low-income	1	0.5	1	0.5	0	0.0	0	0.0
Moderate-income	26	11.8	17	8.7	9	37.5	0	0.0
Middle-income	128	58.2	115	59.0	12	50.0	1	100.0
Upper-income	65	29.5	62	31.8	3	12.5	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>220</b>	<b>100.0</b>	<b>195</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
	<b>Percentage of Total Farms:</b>			<b>88.6</b>		<b>10.9</b>		<b>0.5</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

<b>Geographic Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Kalamazoo-Portage, MI MSA 28020</b>						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	2	66.7%	474	55.5%	50.7
	Upper	1	33.3%	380	44.5%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>854</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	9	31.0%	1,733	20.8%	50.7
	Upper	20	69.0%	6,579	79.2%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>8,312</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	1	33.3%	50	7.2%	50.7
	Upper	2	66.7%	640	92.8%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>690</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 20.2
	Moderate	0	0.0%	0	0.0%	19.0
	Middle	0	0.0%	0	0.0%	47.3
	Upper	0	0.0%	0	0.0%	12.3
	Unknown	0	0.0%	0	0.0%	1.3
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	0	0.0%	0	0.0%	50.7
	Upper	0	0.0%	0	0.0%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	0	0.0%	0	0.0%	50.7
	Upper	0	0.0%	0	0.0%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	0	0.0%	0	0.0%	50.7
	Upper	0	0.0%	0	0.0%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	4.9
	Moderate	0	0.0%	0	0.0%	11.1
	Middle	12	34.3%	2,257	22.9%	50.7
	Upper	23	65.7%	7,599	77.1%	33.3
	Unknown	0	0.0%	0	0.0%	0.1
	<b>Total</b>		<b>35</b>	<b>100.0%</b>	<b>9,856</b>	<b>100.0%</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Kalamazoo-Portage, MI MSA 28020</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	17	14.0	2,210	11.6	8.0
	Moderate	18	14.9	3,427	18.0	20.3
	Middle	53	43.8	9,164	48.1	46.1
	Upper	32	26.4	4,217	22.1	25.2
	Unknown	1	0.8	22	0.1	0.4
	<b>Total</b>	<b>121</b>	<b>100.0</b>	<b>19,040</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Kalamazoo-Portage, MI MSA 28020</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.1
	Middle	0	0.0%	0	0.0%	20.3
	Upper	3	100.0%	854	100.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>854</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	21.7
	Moderate	2	6.9%	258	3.1%	17.1
	Middle	4	13.8%	625	7.5%	20.3
	Upper	21	72.4%	7,139	85.9%	40.9
	Unknown	2	6.9%	290	3.5%	0.0
	<b>Total</b>		<b>29</b>	<b>100.0%</b>	<b>8,312</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.1
	Middle	0	0.0%	0	0.0%	20.3
	Upper	3	100.0%	690	100.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>690</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.1
	Middle	0	0.0%	0	0.0%	20.3
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.1
	Middle	0	0.0%	0	0.0%	20.3
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.1
	Middle	0	0.0%	0	0.0%	20.3
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	21.7
	Moderate	0	0.0%	0	0.0%	17.1
	Middle	0	0.0%	0	0.0%	20.3
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	21.7
	Moderate	2	5.7%	258	2.6%	17.1
	Middle	4	11.4%	625	6.3%	20.3
	Upper	27	77.1%	8,683	88.1%	40.9
	Unknown	2	5.7%	290	2.9%	0.0
	<b>Total</b>		<b>35</b>	<b>100.0%</b>	<b>9,856</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Kalamazoo-Portage, MI MSA 28020							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			%
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	41	33.9	4,778	25.1	89.5
		Over \$1 Million	55	45.5	12,110	63.6	9.8
		Unknown	25	20.7	2,152	11.3	0.7
		<b>Total</b>	<b>121</b>	<b>100.0</b>	<b>19,040</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	64	52.9	2,955	15.5	
		\$100,001 - \$250,000	36	29.8	5,934	31.2	
		\$250,001 - \$1 Million	21	17.4	10,151	53.3	
		<b>Total</b>	<b>121</b>	<b>100.0</b>	<b>19,040</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	26	63.4	1,217	25.5	
		\$100,001 - \$250,000	10	24.4	1,483	31.0	
		\$250,001 - \$1 Million	5	12.2	2,078	43.5	
		<b>Total</b>	<b>41</b>	<b>100.0</b>	<b>4,778</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							



Assessment Area: 2020 Niles, MI MSA 35660									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	7	14.3	3,833	9.5	1,748	45.6	9,104	22.6	
Moderate-income	7	14.3	6,043	15.0	1,216	20.1	6,857	17.0	
Middle-income	22	44.9	18,746	46.6	1,801	9.6	7,829	19.4	
Upper-income	12	24.5	11,647	28.9	442	3.8	16,479	40.9	
Unknown-income	1	2.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>49</b>	<b>100.0</b>	<b>40,269</b>	<b>100.0</b>	<b>5,207</b>	<b>12.9</b>	<b>40,269</b>	<b>100.0</b>	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	7,755	2,467	5.7	31.8	3,906	50.4	1,382	17.8	
Moderate-income	11,217	5,953	13.7	53.1	3,448	30.7	1,816	16.2	
Middle-income	37,822	21,467	49.5	56.8	6,487	17.2	9,868	26.1	
Upper-income	19,978	13,478	31.1	67.5	3,961	19.8	2,539	12.7	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>76,772</b>	<b>43,365</b>	<b>100.0</b>	<b>56.5</b>	<b>17,802</b>	<b>23.2</b>	<b>15,605</b>	<b>20.3</b>	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	679	10.1	599	9.8	76	13.5	4	5.4	
Moderate-income	753	11.2	671	11.0	74	13.1	8	10.8	
Middle-income	2,957	43.8	2,727	44.6	188	33.4	42	56.8	
Upper-income	2,357	34.9	2,112	34.6	225	40.0	20	27.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>6,746</b>	<b>100.0</b>	<b>6,109</b>	<b>100.0</b>	<b>563</b>	<b>100.0</b>	<b>74</b>	<b>100.0</b>	
Percentage of Total Businesses:			90.6		8.3		1.1		
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	1	0.3	1	0.3	0	0.0	0	0.0	
Moderate-income	15	4.7	14	4.7	1	5.3	0	0.0	
Middle-income	241	75.3	227	75.4	14	73.7	0	0.0	
Upper-income	63	19.7	59	19.6	4	21.1	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>320</b>	<b>100.0</b>	<b>301</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
Percentage of Total Farms:			94.1		5.9		0.0		
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

Geographic Distribution of HMDA Reportable Loans						
Assessment Area: 2020 Niles, MI MSA 35660						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	%	
Home Purchase	Low	0	0.0%	0	0.0%	5.7
	Moderate	5	21.7%	549	9.5%	13.7
	Middle	10	43.5%	2,052	35.4%	49.5
	Upper	8	34.8%	3,200	55.2%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>23</b>	<b>100.0%</b>	<b>5,801</b>	<b>100.0%</b>
Refinance	Low	2	2.9%	116	0.7%	5.7
	Moderate	6	8.7%	331	2.0%	13.7
	Middle	31	44.9%	5,394	33.3%	49.5
	Upper	30	43.5%	10,367	64.0%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>69</b>	<b>100.0%</b>	<b>16,208</b>	<b>100.0%</b>
Home Improvement	Low	1	11.1%	26	5.0%	5.7
	Moderate	2	22.2%	35	6.8%	13.7
	Middle	5	55.6%	399	77.2%	49.5
	Upper	1	11.1%	57	11.0%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>9</b>	<b>100.0%</b>	<b>517</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 20.4
	Moderate	0	0.0%	0	0.0%	23.9
	Middle	0	0.0%	0	0.0%	31.0
	Upper	1	100.0%	3,880	100.0%	24.7
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>1</b>	<b>100.0%</b>	<b>3,880</b>	<b>100.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	5.7
	Moderate	0	0.0%	0	0.0%	13.7
	Middle	0	0.0%	0	0.0%	49.5
	Upper	0	0.0%	0	0.0%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	5.7
	Moderate	0	0.0%	0	0.0%	13.7
	Middle	0	0.0%	0	0.0%	49.5
	Upper	0	0.0%	0	0.0%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	5.7
	Moderate	0	0.0%	0	0.0%	13.7
	Middle	0	0.0%	0	0.0%	49.5
	Upper	0	0.0%	0	0.0%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	3	2.9%	142	0.5%	5.7
	Moderate	13	12.7%	915	3.5%	13.7
	Middle	46	45.1%	7,845	29.7%	49.5
	Upper	40	39.2%	17,504	66.3%	31.1
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>102</b>	<b>100.0%</b>	<b>26,406</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 Niles, MI MSA 35660</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	9	4.4	820	4.1	10.1
	Moderate	39	18.9	3,370	16.9	11.2
	Middle	77	37.4	6,344	31.8	43.8
	Upper	81	39.3	9,445	47.3	34.9
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>206</b>	<b>100.0</b>	<b>19,979</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 Niles, MI MSA 35660</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	3	13.0%	256	4.4%	22.6
	Moderate	2	8.7%	239	4.1%	17.0
	Middle	6	26.1%	875	15.1%	19.4
	Upper	11	47.8%	4,159	71.7%	40.9
	Unknown	1	4.3%	272	4.7%	0.0
	<b>Total</b>		<b>23</b>	<b>100.0%</b>	<b>5,801</b>	<b>100.0%</b>
Refinance	Low	3	4.3%	126	0.8%	22.6
	Moderate	9	13.0%	876	5.4%	17.0
	Middle	13	18.8%	1,378	8.5%	19.4
	Upper	38	55.1%	12,850	79.3%	40.9
	Unknown	6	8.7%	978	6.0%	0.0
	<b>Total</b>		<b>69</b>	<b>100.0%</b>	<b>16,208</b>	<b>100.0%</b>
Home Improvement	Low	3	33.3%	66	12.8%	22.6
	Moderate	1	11.1%	9	1.7%	17.0
	Middle	2	22.2%	77	14.9%	19.4
	Upper	3	33.3%	365	70.6%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>9</b>	<b>100.0%</b>	<b>517</b>	<b>100.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	22.6
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	19.4
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	1	100.0%	3,880	100.0%	0.0
	<b>Total</b>		<b>1</b>	<b>100.0%</b>	<b>3,880</b>	<b>100.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	22.6
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	19.4
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	22.6
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	19.4
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	22.6
	Moderate	0	0.0%	0	0.0%	17.0
	Middle	0	0.0%	0	0.0%	19.4
	Upper	0	0.0%	0	0.0%	40.9
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
HMDA Totals	Low	9	8.8%	448	1.7%	22.6
	Moderate	12	11.8%	1,124	4.3%	17.0
	Middle	21	20.6%	2,330	8.8%	19.4
	Upper	52	51.0%	17,374	65.8%	40.9
	Unknown	8	7.8%	5,130	19.4%	0.0
	<b>Total</b>		<b>102</b>	<b>100.0%</b>	<b>26,406</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Niles, MI MSA 35660							
Product Type		Bank & Demographic Comparison					
		Count Bank		2020 Dollar Bank		Total Businesses %	
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	77	37.4	5,066	25.4	90.6
		Over \$1 Million	50	24.3	10,663	53.4	8.3
		Unknown	79	38.3	4,250	21.3	1.1
		<b>Total</b>	<b>206</b>	<b>100.0</b>	<b>19,979</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	153	74.3	5,544	27.7	
		\$100,001 - \$250,000	33	16.0	5,643	28.2	
		\$250,001 - \$1 Million	20	9.7	8,792	44.0	
		<b>Total</b>	<b>206</b>	<b>100.0</b>	<b>19,979</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	64	83.1	2,417	47.7	
		\$100,001 - \$250,000	11	14.3	1,878	37.1	
		\$250,001 - \$1 Million	2	2.6	771	15.2	
		<b>Total</b>	<b>77</b>	<b>100.0</b>	<b>5,066</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2020 North Port-Sarasota-Bradenton, FL MSA 35840								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	1.1	927	0.9	372	40.1	18,615	17.5
Moderate-income	20	21.1	18,635	17.5	2,176	11.7	20,470	19.2
Middle-income	48	50.5	59,304	55.7	3,575	6.0	23,308	21.9
Upper-income	25	26.3	27,606	25.9	1,291	4.7	44,079	41.4
Unknown-income	1	1.1	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>95</b>	<b>100.0</b>	<b>106,472</b>	<b>100.0</b>	<b>7,414</b>	<b>7.0</b>	<b>106,472</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	1,847	593	0.5	32.1	1,084	58.7	170	9.2
Moderate-income	43,106	20,540	16.1	47.6	13,544	31.4	9,022	20.9
Middle-income	117,870	71,477	55.9	60.6	23,415	19.9	22,978	19.5
Upper-income	67,327	35,354	27.6	52.5	9,178	13.6	22,795	33.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>230,150</b>	<b>127,964</b>	<b>100.0</b>	<b>55.6</b>	<b>47,221</b>	<b>20.5</b>	<b>54,965</b>	<b>23.9</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	
Low-income	215	0.5	202	0.5	13	0.7	0	0.0
Moderate-income	7,615	19.3	7,152	19.2	409	22.3	54	15.7
Middle-income	18,970	48.0	18,173	48.7	662	36.0	135	39.2
Upper-income	12,700	32.2	11,792	31.6	753	41.0	155	45.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>39,500</b>	<b>100.0</b>	<b>37,319</b>	<b>100.0</b>	<b>1,837</b>	<b>100.0</b>	<b>344</b>	<b>100.0</b>
	Percentage of Total Businesses:			94.5		4.7		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	29	11.4	27	10.9	2	28.6	0	0.0
Middle-income	110	43.1	108	43.5	2	28.6	0	0.0
Upper-income	116	45.5	113	45.6	3	42.9	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>255</b>	<b>100.0</b>	<b>248</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
	Percentage of Total Farms:			97.3		2.7		0.0

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 North Port-Sarasota-Bradenton, FL MSA 35840</b>						
Product Type	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2020				
		Count Bank	%	Dollar Bank	%	
		#		\$ (000s)	\$ %	
Home Purchase	Low	0	0.0%	0	0.0%	0.5
	Moderate	0	0.0%	0	0.0%	16.1
	Middle	2	66.7%	615	66.9%	55.9
	Upper	1	33.3%	304	33.1%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>919</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	0.5
	Moderate	0	0.0%	0	0.0%	16.1
	Middle	1	33.3%	350	32.3%	55.9
	Upper	2	66.7%	734	67.7%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>1,084</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	0.5
	Moderate	0	0.0%	0	0.0%	16.1
	Middle	0	0.0%	0	0.0%	55.9
	Upper	0	0.0%	0	0.0%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	<b>Multi-Family</b> 0.6
	Moderate	0	0.0%	0	0.0%	13.6
	Middle	0	0.0%	0	0.0%	38.3
	Upper	0	0.0%	0	0.0%	47.5
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	0.5
	Moderate	0	0.0%	0	0.0%	16.1
	Middle	0	0.0%	0	0.0%	55.9
	Upper	0	0.0%	0	0.0%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	0.5
	Moderate	0	0.0%	0	0.0%	16.1
	Middle	0	0.0%	0	0.0%	55.9
	Upper	0	0.0%	0	0.0%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	0.5
	Moderate	7	87.5%	1,452	87.4%	16.1
	Middle	1	12.5%	209	12.6%	55.9
	Upper	0	0.0%	0	0.0%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>8</b>	<b>100.0%</b>	<b>1,661</b>	<b>100.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	0.5
	Moderate	7	50.0%	1,452	39.6%	16.1
	Middle	4	28.6%	1,174	32.0%	55.9
	Upper	3	21.4%	1,038	28.3%	27.6
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>14</b>	<b>100.0%</b>	<b>3,664</b>	<b>100.0%</b>

Originations & Purchases

2016 FFIEC Census Data

Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 North Port-Sarasota-Bradenton, FL MSA 35840</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>
<b>Small Business</b>	Low	0	0.0	0	0.0	0.5
	Moderate	1	100.0	103	100.0	19.3
	Middle	0	0.0	0	0.0	48.0
	Upper	0	0.0	0	0.0	32.2
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>103</b>	<b>100.0</b>	<b>100.0</b>
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						



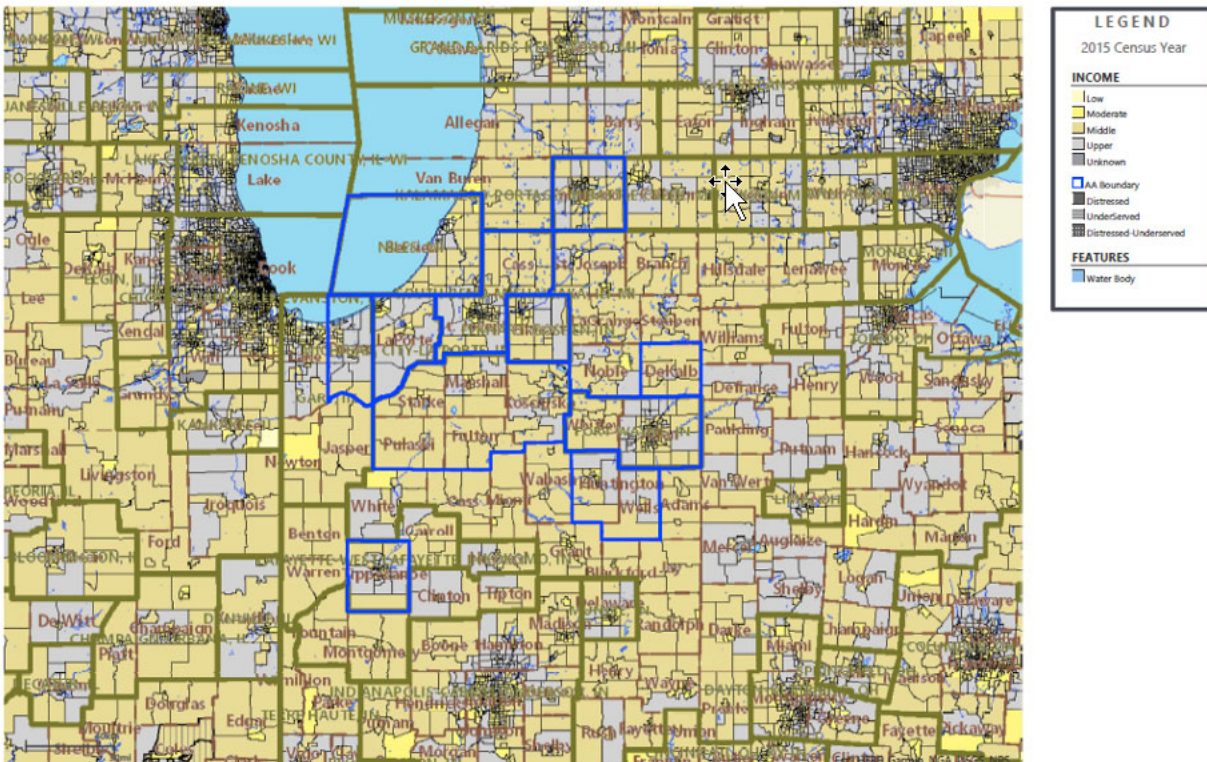
<b>Borrower Distribution of HMDA Reportable Loans</b>						
<b>Assessment Area: 2020 North Port-Sarasota-Bradenton, FL MSA 35840</b>						
Product Type	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2020				
		Count Bank		Dollar Bank		
		#	%	\$(000s)	\$ %	
Home Purchase	Low	0	0.0%	0	0.0%	17.5
	Moderate	1	33.3%	200	21.8%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	2	66.7%	719	78.2%	41.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>919</b>	<b>100.0%</b>
Refinance	Low	0	0.0%	0	0.0%	17.5
	Moderate	0	0.0%	0	0.0%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	3	100.0%	1,084	100.0%	41.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>3</b>	<b>100.0%</b>	<b>1,084</b>	<b>100.0%</b>
Home Improvement	Low	0	0.0%	0	0.0%	17.5
	Moderate	0	0.0%	0	0.0%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	0	0.0%	0	0.0%	41.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Multi-Family	Low	0	0.0%	0	0.0%	17.5
	Moderate	0	0.0%	0	0.0%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	0	0.0%	0	0.0%	41.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose LOC	Low	0	0.0%	0	0.0%	17.5
	Moderate	0	0.0%	0	0.0%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	0	0.0%	0	0.0%	41.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Other Purpose Closed/Exempt	Low	0	0.0%	0	0.0%	17.5
	Moderate	0	0.0%	0	0.0%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	0	0.0%	0	0.0%	41.4
	Unknown	0	0.0%	0	0.0%	0.0
	<b>Total</b>		<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
Loan Purpose Not Applicable	Low	0	0.0%	0	0.0%	17.5
	Moderate	0	0.0%	0	0.0%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	0	0.0%	0	0.0%	41.4
	Unknown	8	100.0%	1,661	100.0%	0.0
	<b>Total</b>		<b>8</b>	<b>100.0%</b>	<b>1,661</b>	<b>100.0%</b>
HMDA Totals	Low	0	0.0%	0	0.0%	17.5
	Moderate	1	7.1%	200	5.5%	19.2
	Middle	0	0.0%	0	0.0%	21.9
	Upper	5	35.7%	1,803	49.2%	41.4
	Unknown	8	57.1%	1,661	45.3%	0.0
	<b>Total</b>		<b>14</b>	<b>100.0%</b>	<b>3,664</b>	<b>100.0%</b>
Originations & Purchases						
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 North Port-Sarasota-Bradenton, FL MSA 35840							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	1	100.0	103	100.0	94.5
		Over \$1 Million	0	0.0	0	0.0	4.7
		Unknown	0	0.0	0	0.0	0.9
		<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>103</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	1	100.0	103	100.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>103</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	1	100.0	103	100.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>103</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

## APPENDIX B – Maps of Assessment Areas

### ASSESSMENT AREA OVERVIEW MAP (Indiana & Michigan)

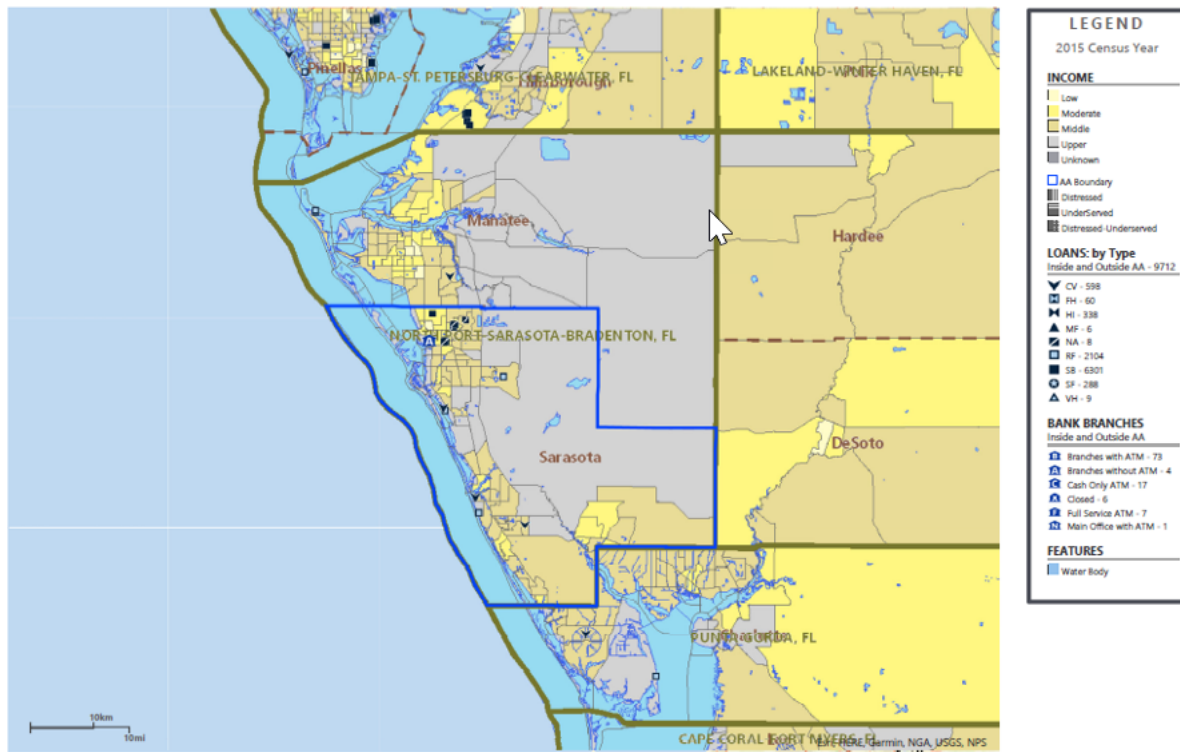


### NORTH PORT – SARASOTA – BRADENTON, FL, MSA 35840

1st Source Bank 991340

2020 North Port-Sarasota-Bradenton, FL MSA 35840

Restricted FR



**APPENDIX C – SCOPE OF EXAMINATION**

<b>SCOPE OF EXAMINATION</b>			
<b>TIME PERIOD REVIEWED</b>	Lending Activities January 1, 2019 through December 31, 2020. Community Development activities from June 19, 2018 through June 7, 2021		
<b>FINANCIAL INSTITUTION</b>			<b>PRODUCTS REVIEWED</b>
1 <sup>st</sup> Source Bank			<b>CRA-Reportable Small Business Loans</b> <b>HMDA-Reportable Loans</b>
<b>AFFILIATE(S)</b>	<b>AFFILIATE RELATIONSHIP</b>		<b>PRODUCTS REVIEWED</b>
None	N/A		N/A

**LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION**

<b>ASSESSMENT AREA</b>	<b>TYPE OF EXAMINATION</b>	<b>BRANCHES VISITED</b>	<b>OTHER INFORMATION</b>
South Bend-Mishawaka, IN MSA #43780	FULL SCOPE REVIEW	None	None
Fort Wayne, IN MSA #23060	FULL SCOPE REVIEW	None	None
Gary, IN MD #23844	FULL SCOPE REVIEW	None	None
Kalamazoo-Portage, MI MSA #28020	FULL SCOPE REVIEW	None	None
North Port-Sarasota-Bradenton FL MSA 35840	FULL SCOPE REVIEW	None	None
Elkhart-Goshen, IN MSA #21140	LIMITED SCOPE REVIEW	None	None
Michigan City-Laporte, IN MSA 33140	LIMITED SCOPE REVIEW	None	None
Lafayette-West Lafayette, IN MSA 29200	LIMITED SCOPE REVIEW	None	None
Western IN Non-MSA	LIMITED SCOPE REVIEW	None	None
Eastern IN Non-MSA	LIMITED SCOPE REVIEW	None	None
Northeastern IN Non-MSA	LIMITED SCOPE REVIEW	None	None
Niles, MI MSA #35660	LIMITED SCOPE REVIEW	None	None

## APPENDIX D

### 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.

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

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

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

**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-scope 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 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-scope 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 metropolitan area/assessment area.

**Metropolitan area (MA):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

**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.

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

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

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

**Rated area:** A rated area is a state or multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

**Small loan(s) to business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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.