

PUBLIC DISCLOSURE

October 18, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

F&M BANK - EAST TROY

RSSD Number: 63041

P.O. Box 17
East Troy, Wisconsin 53120-0017

FEDERAL RESERVE BANK
OF CHICAGO

230 South LaSalle
Chicago, Illinois 60604

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

GENERAL INFORMATION

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

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **F&M Bank-East Troy, East Troy, Wisconsin** prepared by the **Federal Reserve Bank of Chicago**, the institution's supervisory agency, as of **October 18, 1999**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

INSTITUTION'S RATING: This institution is rated Outstanding.

F&M Bank-East Troy promotes economic growth in its assessment area in a manner consistent with its asset size, office locations and current economic conditions. The bank's efforts are accomplished primarily through its origination of real estate and commercial loans. These efforts are reflected in a strong loan-to-deposit ratio that exceeds its nationwide peer group and many of its local competitors, and reflect management's commitment to meeting the credit needs of the community. The majority of the bank's lending is in its assessment area, lending to businesses of all revenue sizes is very strong, and lending to borrowers of different income levels is consistent with the demographic characteristics of the assessment area.

Discussions with community representatives and a review of the assessment area's current economic data indicate that a limited number of community development opportunities exist in the area due to its high median family income. As a result, the bank has been limited in its ability to participate in such community development lending, investment and service activities. Banking services are readily accessible to residents of the assessment area; and banking hours, products and services meet the needs of the community. The examination revealed no patterns or practices intended to discriminate against or to discourage applications from any member of a protected class. No CRA-related complaints have been received since the previous examination.

DESCRIPTION OF F&M BANK-EAST TROY=S ASSESSMENT AREA

East Troy is located approximately 35 miles southwest of Milwaukee in Walworth County. The bank has defined its assessment area to include 11 contiguous census tracts in three counties, as illustrated in the following table:

F&M BANK-EAST TROY CENSUS TRACTS IN THE BANK'S ASSESSMENT AREA				
County	MSA	MSA Name	Census Tract	Tract Income Designation
Walworth	N/A	N/A	1.00	Upper-income
			2.00	Upper-income
			10.00	Upper-income
Waukesha	5080	Milwaukee-Waukesha	2038.02	Upper-income
			2039.00	Middle-income
			2040.02	Middle-income
Racine	6600	Racine	24.01	Middle-income
			24.02	Middle-income
			26.00	Middle-income
			27.00	Middle-income
			28.00	Middle-income
MSA – Metropolitan Statistical Area		N/A – Not applicable		

The largest communities in the assessment area include Burlington (population of 9,619), Mukwonago (population of 5,629), and Waterford (population of 5,387), according to State of Wisconsin 1998 population estimates. The bank’s assessment area has a population of 52,593, based upon 1990 census data. The population in East Troy has grown by an estimated 27.3% from 2,664 in 1990 to 3,392 in 1998, based upon estimated census data. The East Troy population growth is due in part, to its proximity to metropolitan areas including Milwaukee, Chicago and Beloit. Other factors that have contributed to its growth are the low unemployment rate and quality of life. The following table details the distribution of assessment area population by median family income in comparison to Walworth County, the Racine MSA, the Milwaukee-Waukesha PMSA and the State of Wisconsin.

F&M BANK-EAST TROY ASSESSMENT AREA SUMMARY OF POPULATION BY MEDIAN FAMILY INCOME LEVEL							
	Median Family Income		Percentage of Families – per 1990 Census Data				
	1999 Estimate*	1990 Census	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Below Poverty Level
Assessment area	N/A	\$41,065	10.2	15.3	28.9	45.6	3.5
Walworth County	N/A	\$36,125	11.4	15.6	23.4	49.6	5.0
PMSA 5080 Milwaukee-Waukesha	\$57,600	\$39,005	19.5	17.7	25.6	37.2	8.9

F&M BANK-EAST TROY ASSESSMENT AREA							
SUMMARY OF POPULATION BY MEDIAN FAMILY INCOME LEVEL							
	Median Family Income		Percentage of Families – per 1990 Census Data				
	1999 Estimate*	1990 Census	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Below Poverty Level
MSA 6600 Racine	\$54,700	\$37,992	18.6	17.5	27.3	36.6	7.9
State of Wisconsin	\$51,200	\$35,082	17.9	18.7	26.5	36.9	7.6

**Department of Housing and Urban Development (HUD) estimate.
N/A = Not Available*

The assessment area median family income is generally higher than those of Walworth County, Milwaukee-Waukesha PMSA, Racine MSA and the State of Wisconsin as the previous table illustrates. The assessment area also has a lower percentage of families with incomes below the poverty level and a smaller percentage of low-income families, overall. The strengths in the local economy are expected to continue in the near future, according to a local community representative.

A review of the assessment area housing stock indicates that housing is generally newer and is primarily owner-occupied. The median age of the housing stock within the bank’s assessment area is 34 years of age compared to 47 years for the State, according to 1990 census data. The following table details the total number of housing units by percentage for the assessment area in comparison to the Milwaukee-Waukesha PMSA, Racine MSA, Walworth County, the State and all non-metropolitan areas within the State.

F&M BANK-EAST TROY				
1990 Census – Comparative Housing Summary for East Troy Assessment Area				
	Total Housing Units	Owner-Occupied Units	Rental Units	Vacant Units
	Number	%	%	%
Assessment Area	19,812	70.3	20.8	8.8
PMSA 5080 Milwaukee-Waukesha	562,031	56.9	38.8	4.3
MSA 6600 Racine	66,945	65.1	30.1	4.8
Walworth County	36,937	50.0	24.8	25.2
State of Wisconsin	2,055,774	59.1	29.5	11.4
All Non-Metropolitan Areas in Wisconsin	750,456	57.1	20.0	22.9

The preceding table illustrates that the assessment area has the largest percentage of owner-occupied housing in comparison to statewide figures and those of the MSA and PMSA. Affordable rental properties are relatively scarce according to community representatives.

The housing sector of the local economy is especially strong and further confirms the affluence of the assessment area. The median housing value in the assessment area is \$77,582, compared to \$76,100 for the PMSA and \$62,100 for the State, based upon 1990 census data. A community representative stated that the prices of homes would continue to increase over the next decade as more families continue to move into suburban and rural areas. The following table details information compiled by the Wisconsin Realtors Association that outlines median sales prices and numbers of recent home sales in Walworth, Waukesha and Racine Counties.

F&M BANK-EAST TROY				
Summary of Home Median Sales Price by County				
	Walworth County	Waukesha County	Racine County	# of Home Sales
1998	\$121,400	\$160,200	\$101,800	8,127
1999 - 1 st Quarter	\$118,800	\$159,500	\$92,600	1,434
1999 - 2 nd Quarter	\$123,500	\$166,100	\$100,600	2,448

One measure of housing affordability is the housing affordability ratio. Affordability ratios are calculated by dividing the median family income by the median housing value for a given area. A higher ratio in an area indicates that housing is generally more affordable compared to an area with a lower one. A review of the housing affordability ratio details the relative affordability in the assessment area, compared with the PMSA and the State. The affordability ratio for the assessment area is 0.49, in comparison to 0.42 for the Milwaukee-Waukesha PMSA, 0.52 for the Racine MSA, and 0.47 for the State, based upon 1990 census data. These figures indicate that housing in the assessment area is more affordable than housing within the State overall and within the Milwaukee-Waukesha PMSA. Housing, however, is slightly more affordable in the Racine MSA than in the assessment area.

Low unemployment rates are another indicator of the strong local economy at this time. The local job market is very strong in East Troy and the surrounding areas, which has contributed to the low unemployment rates, according to a community representative involved in economic development. Unemployment rates from September 1999 for Walworth County, Waukesha County, and Racine County were 1.6%, 1.6%, and 3.4% respectively, according to the Wisconsin Department of Workforce Development (DWD). In comparison, September 1998 unemployment rates for Walworth County, Waukesha County, and Racine County were 2.1%, 2.3%, and 3.8% respectively, according to the DWD. The DWD estimated the State's unadjusted September 1999 unemployment rate at 2.0%, in comparison to the September 1998 rate of 3.0%. The September 1999 unemployment rate was the second lowest in the nation. The strong market has led to a shortage of skilled labor in Walworth County overall. Some of the larger businesses have started a busing program to bring in third shift workers.

The largest employers in East Troy are summarized in the following table:

EAST TROY LARGE EMPLOYERS		
Employer	Estimated Employees	Product/Business
Trent Tube	400	Specialty Pipes and Tubes
Plastronics Plus, Inc.	160	Specialty Plastic Products
Buell Motorcycle Co.	150	Motorcycle Manufacturer
Sun Electric Corporation (Snap-On)	110	Diagnostic and Service Equipment
Wisconsin Oven Corporation	90	Heat Processing
Wisconsin Precision Casting Corp.	80	Commercial Hardware
United States Motor Power, Inc.	45	2 cycle engines

Other large employers located within the bank’s assessment area include Nestle Chocolate and Confections (Burlington-550 employees), Memorial Hospital Corporation of Burlington (Burlington-480), Seaquist Closures (Mukwonago-350), Ball Foster Glass Container Co. (Burlington-300) and Hy-Pro, Inc. (Waterford-200). A significant number of Walworth County residents commute to metropolitan areas such as Milwaukee or Beloit due to easy access via county roads and interstate highways.

DESCRIPTION OF INSTITUTION

F&M Bank-East Troy, with \$56.8 million in total assets as of September 30, 1999, is an affiliate of F&M Bancorporation, Inc., a multi-bank holding company located in Kaukauna, Wisconsin, with total assets of \$2.6 billion as of the same date. The bank has no financial or legal impediments that might affect its ability to meet the credit needs of its assessment area. The bank operates two offices, the main facility located in the central business district in East Troy and a branch one mile away at the intersection of State Highway 20 and County Highway ES in East Troy. Both facilities provide drive-up window services. The bank operates two on-site automated teller machines (ATMs), one at the main office and one at the branch; the bank also operates three off-site ATMs, two in Mukwonago and one in Eagle. The ATM at the main office is a full-service machine; the other four are cash dispensing only. The bank’s CRA performance was most recently evaluated as of September 25, 1998, at which time it was rated outstanding.

The bank offers a variety of credit products to meet the assessment area’s credit needs including commercial, residential real estate mortgage (including home equity lines), residential construction, agricultural and consumer loans. Secondary market mortgage loans are offered through an affiliate, F&M Bank-Northeast.

The composition of the bank's loan portfolio as compared to peer is illustrated in the following table based upon the Uniform Bank Performance Report (UBPR), dated September 30, 1999:

F&M BANK-EAST TROY		
Composition of Loan Portfolio on September 30, 1999		
Loan Type	Bank Average Loan Mix (%)	Peer Average Loan Mix (%)

REAL ESTATE LOANS		
Construction/Development	4.18	2.53
1 – 4 Family Residential	60.09	27.84
Farmland	0.58	10.32
Multi-family	1.30	0.76
Commercial	4.92	13.06
TOTAL REAL ESTATE LOANS	71.07	54.51
LOANS TO INDIVIDUALS	5.25	14.35
COMMERCIAL and INDUSTRIAL LOANS	21.15	14.83
AGRICULTURAL LOANS	2.22	14.76
MUNICIPAL LOANS	0.27	0.63
OTHER LOANS	0.04	0.92
TOTAL	100.00	100.00

A majority of the bank’s outstanding loans is secured by 1-4 family real estate at 60.09% of its loan portfolio. This percentage is significantly higher than the national peer average of 27.84%. Commercial and industrial lending is the next largest category of lending at 21.15%. Although the bank is in a predominantly rural area, the bank has only 2.8% of its portfolio in agricultural loans and loans secured by farmland. The geographic proximity to larger metropolitan areas such as Racine, Milwaukee, and Beloit has impacted the types of credit in demand.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The assessment of F&M Bank-East Troy’s performance is reviewed under the small bank guidelines.

LOAN TO DEPOSIT RATIO

Consolidated report of condition data for the four quarters ending September 30, 1999 was reviewed to evaluate the bank’s loan-to-deposit ratios in relation to its peer group and certain local competitors. The September 30, 1999 net loan-to-deposit for F&M Bank-East Troy is 93.00% compared to 67.96% for its peer group. The four-quarter average net loan-to-deposit ratio for F&M Bank-East Troy is 95.56% compared to 65.65% for its peer group. The bank’s four-quarter average loan-to-deposit ratio and a comparison to its local competitors and national peer group ratio are detailed in the following table:

LOAN-TO-DEPOSIT RATIO OF F&M BANK-EAST TROY, ITS PEER GROUP AND LOCAL AREA COMPETITORS			
Institution	Total Assets at 09/30/99 (000)	Loan-to-Deposit Ratio	
		09/30/99	Four-Quarter Average Ending 09/30/99
F&M Bank-East Troy	\$56,821	93.00%	95.56%

LOAN-TO-DEPOSIT RATIO OF F&M BANK-EAST TROY, ITS PEER GROUP AND LOCAL AREA COMPETITORS			
Institution	Total Assets at 09/30/99 (000)	Loan-to-Deposit Ratio	
		09/30/99	Four-Quarter Average Ending 09/30/99
First Banking Center	\$388,483	101.26%	96.32%
Associated Bank Milwaukee	\$2,746,599	80.74%	78.76%
Johnson Bank	\$1,221,107	92.21%	90.91%
M&I Bank of Burlington	\$239,223	81.21%	76.68%
State Financial Bank-Waterford	\$56,123	78.68%	72.87%
Citizens Bank of Mukwonago	\$270,469	72.40%	67.65%
Waukesha State Bank	\$458,135	73.37%	68.78%
National Peer Group	N/A	67.96%	65.65%
N/A = Not Applicable			

The bank's average loan-to-deposit ratio exceeds the majority of its competitors and its national peer group and it exceeds the standards for satisfactory performance. The bank's average loan-to-deposit ratio does not fully capture all of its lending activity since the bank has originated and sold 53 home mortgage loans totaling \$5,944,600 on the secondary market since January 1, 1999.

LENDING IN THE ASSESSMENT AREA

The examination also included a review of a six-month sample of consumer, single payment, real estate, agricultural and commercial loans originated between April 1, 1999 and September 30, 1999 to determine the bank's overall level of lending in its assessment area. The results of this analysis are summarized in the following table:

F&M BANK-EAST TROY PERCENTAGE OF LOANS MADE WITHIN THE ASSESSMENT AREA			
Loan Type	Total Number of Loans	Loans Made Within the Assessment Area	
		Number	Percent
Consumer Installment and Single Payment	119	83	69.7
Real Estate Mortgage	30	26	86.7
Commercial	64	55	85.9
Agricultural	10	10	100.0
Totals	223	174	78.0

A majority of the bank's lending (78.0%) was originated within its assessment area and therefore, the bank's performance meets the standards for satisfactory performance.

A total of 109 loans including installment, single payment and real estate mortgage loans were reviewed to determine the distribution of the bank’s lending within the Milwaukee-Waukesha MSA, the Racine MSA and Walworth County. Fourteen loans (12.8%) were made to residents of the Milwaukee-Waukesha PMSA; 4 loans (3.7%) were made to residents of the Racine MSA and 91 loans (83.5%) were made to residents of Walworth County. The bank has focused its marketing efforts on East Troy itself rather than the surrounding areas, which explains the larger percentage of lending within Walworth County. The distribution of loans within the assessment area reflects solid performance in extending credit to individuals, businesses and farms.

GEOGRAPHIC DISTRIBUTION OF LOANS

The bank’s assessment area does not include any low- or moderate-income census tracts or block numbering areas. As a result, an analysis of the geographic distribution of the bank’s lending would not be meaningful and was not performed.

LENDING TO BORROWERS OF DIFFERENT INCOMES AND TO BUSINESSES OF DIFFERENT REVENUE SIZES

The bank’s reports of consumer loans originated during the sample period were also reviewed to assess its lending to low- and moderate-income individuals. The income categories were determined using the estimated 1999 HUD-adjusted median family income for the Milwaukee-Waukesha PMSA and Racine MSA for residents of each and the 1999 HUD-adjusted median family income in all non-metropolitan areas of the State for Walworth County residents. The following table details the bank’s consumer lending to borrowers of different income levels based upon a review of 101 total loan files - 8 loan files did not contain income information:

F&M BANK-EAST TROY CONSUMER LENDING 4/01/99 – 9/30/99 BY BORROWER INCOME LEVEL				
Income Level (% of HUD- adjusted MFI)	Milwaukee-Waukesha MSA (\$57,600 est. MFI)	Racine MSA (\$54,700 est. MFI)	Walworth County (\$44,400 est. MFI)	Percentage
Low (0-49.99%)	4	2	19	24.75%
Moderate (50.00-79.99%)	4	2	15	20.79%
Middle (80.00-119.99%)	5	0	21	25.74%
Upper (120%+)	0	0	29	28.72%
Totals	13	4	84	100.00%

As the previous table illustrates, approximately 45% of the bank’s consumer loans were made to low- and moderate-income borrowers based upon HUD’s 1999 estimated median family income. As noted earlier, 25.5% of the assessment area population is designated as low- or moderate-income. These figures clearly indicate that the bank’s performance in meeting the credit needs of low- and moderate-income borrowers is very strong.

The bank’s year-to-date lending to small businesses and small farms was also analyzed. Small business loans are defined in the regulation as those loans with an original loan balance of \$1 million dollars or less. Small farm loans are those loans with an original loan balance of \$500,000 dollars or less. The bank’s lending to small businesses and small farms is further analyzed, based upon a range of original loan amounts and the lending to those businesses and farms with gross annual revenues of \$1 million or less. The following table and narrative illustrate the distribution of the bank’s small business and small farm lending based upon the loan amount and revenue size of the business and farm.

F&M BANK-EAST TROY 1999 YEAR TO DATE DISTRIBUTION OF COMMERCIAL AND AGRICULTURAL LOANS BY LOAN SIZE				
Original Loan Amount	Commercial		Agricultural	
	Number of Loans Reviewed	Percentage of Loans Reviewed	Number of Loans Reviewed	Percentage of Loans Reviewed
Less than or equal to \$100,000	55	85.9	8	80.0
Greater than \$100,000 and less than or equal to \$250,000	7	10.9	2	20.0
Greater than \$250,000	2	3.2	0	0
Total	64	100.0	10	100.0

The bank originates a majority of its commercial and agricultural loans in amounts of \$100,000 or less, amounts typically needed by small businesses and small farms. In addition, the bank originated 88% (56/64) of all commercial loans to those small businesses with gross annual revenues of \$1 million or less. All agricultural loans within its assessment area were made to those small farms with gross annual revenues of \$1 million or less. The bank’s lending to businesses and farms of different sizes reflects a generally strong level of lending in amounts of \$100,000 or less and to businesses and farms with gross annual revenues of \$1 million or less.

RESPONSE TO COMPLAINTS

The bank has not received any complaints related to its CRA performance since the previous examination.

COMMUNITY DEVELOPMENT LENDING

Few opportunities for community development lending exist in the assessment area, according to

a community representative. However, the bank extended a \$150,000 line of credit at a discounted rate to a not-for-profit corporation that operates a 60-bed skilled nursing facility. The majority of resident fees are paid by Medicaid indicating that the majority of the residents are considered low- or moderate-income.

CONCLUSION

The bank's overall lending performance is considered strong, based upon its overall lending volume, a high percentage of lending within its assessment area and its lending to borrowers of different income levels. A substantial majority of small business and farm lending was in amounts of \$100,000 or less and also to businesses/farms with gross annual revenues of \$1 million or less.

INVESTMENTS

The examination also included a review of F&M Bank-East Troy's investment activity, including grants and donations, responsiveness to credit and community development needs and initiatives having a community development purpose.

Qualified Investment Activity

Discussions with bank management and community representatives conducted during the examination indicated that the bank's assessment area offers limited opportunities for qualifying investments. As a result, the bank had very limited qualified investment activity since the previous examination; however, one investment has been identified. The bank provides free office space, utilities, use of photocopier and fax machine to the East Troy Chamber of Commerce. The Chamber exists to promote economic and business development in the East Troy area. The bank estimates the value of these services at \$465 per month or \$5,580 of services per calendar year. The bank has also pledged funds to many other worthwhile community causes; however, these funds were not targeted specifically to qualified community development activities.

The bank has purchased securities to finance site improvements for the new East Troy Business Park that will eventually provide additional job opportunities in the area; however, these investments were not targeted specifically towards qualified community development activities.

SERVICES

Retail Banking Services

F&M Bank-East Troy is a full-service bank with two branches and five ATMs located within its assessment area. The bank provides a full array of loans to consumers, businesses, and organizations in accordance with nondiscriminatory lending standards. Additionally, the bank offers a variety of deposit accounts, to meet the needs of all segments of the assessment area. Included in these deposit products is its "Free-n-Easy" checking account, which has no fees and

no minimum balance requirements to make it affordable to low- and moderate-income customers.

Distribution of Branches

The following table illustrates the bank’s branch locations and hours of operation:

F&M BANK-EAST TROY OFFICES AND HOURS OF OPERATION				
Office Name/Address	County Name Census Tract/BNA	Hours of Operation		
		Lobby		Drive-Up
East Troy-Main Office 2905 Main Street East Troy, Wisconsin 53120	Walworth 0001.00	M-Fri. 9:00 am – 5:00 pm Saturday 9:00 am – Noon	M-Fri. 9:00 am – 5:00 pm Saturday 9:00 am – Noon	M-Fri. 9:00 am – 5:00 pm Saturday 9:00 am – Noon
East Troy-Express Office * 2489 E. Main Street East Troy, Wisconsin 53120	Walworth 0001.00	M-Fri. 7:00 am – 6:00 pm Saturday 8:00 am – Noon	M-Fri. 7:00 am – 6:00 pm Saturday 8:00 am – Noon	M-Fri. 7:00 am – 6:00 pm Saturday 8:00 am – Noon

** Limited service facility as loan applications are not taken*

Although both of the bank’s branches are located in the same census tract, they are still readily accessible within its assessment area.

Record of Opening and Closing Offices

The bank has not opened or closed any offices since the previous CRA examination.

Retail Banking Services

In addition to the office in East Troy, the bank has two ATMs located within its assessment area providing 24-hour banking. The bank also has additional ATMs at three local businesses that operate during regular business hours. The bank provides alternative delivery of banking services through its “Bank Anywhere” program that allows any F&M Bank customer to conduct regular business through any of the 84 affiliated offices in the F&M Bancorporation network. Information about F&M Bank products and services is also available on the Internet; however, the site is not yet interactive.

Community Development Services

F&M Bank-East Troy provides a reasonable level of community development services within its assessment area. The number of opportunities for the bank and its employees to participate in community development services is limited by the demographic characteristics of the assessment area. One personal banker visits the Heritage apartment complex for two hours each week to provide various banking services, including providing information about bank products and services. Residents who live in the complex are senior citizens aged 55 and older, a number of whom would be designated as low- or moderate-income.

GENERAL

The bank's lending performance is very strong as reflected in a strong loan-to-deposit ratio that exceeds its nationwide peer group and many of its local competitors, and reflects management's commitment to meeting the credit needs of the community. The majority of the bank's lending is in its assessment area, lending to businesses of all revenue sizes is very strong, and lending to borrowers of different income levels is consistent with the demographic characteristics of the assessment area.

Discussions with community representatives and a review of the assessment area's current economic data indicate that limited community development opportunities exist in the area due to its high median family income. The bank has, therefore, been limited in its ability to participate in such community development lending, investment and service activities. Banking services are readily accessible to residents of the assessment area, and banking hours, products and services meet the needs of the community.

Bank management has developed adequate policies and procedures, and training programs supporting nondiscrimination in lending activities. The institution is in compliance with the substantive provisions of anti-discrimination laws and regulations, including the Equal Credit Opportunity and Fair Housing Acts. Interviews with community representatives revealed no evidence of any discriminatory lending activity.