



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

Evaluation Period Ending  
December 31, 2002

## Community Reinvestment Act Performance Evaluation

LaSalle Bank, N.A.  
Charter Number: 14362

135 South LaSalle Street  
Chicago, Illinois 60031

Office of the Comptroller of the Currency  
Large Bank Supervision  
250 E Street, S.W.  
Washington, DC, 20219

**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, and should not 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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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated Outstanding

The following table indicates the performance level of LaSalle Bank, NA with respect to the Lending, Investment, and Service Tests:

| Performance Levels        | LaSalle Bank, NA<br>Performance Tests |                 |              |
|---------------------------|---------------------------------------|-----------------|--------------|
|                           | Lending Test*                         | Investment Test | Service Test |
| Outstanding               | X                                     | X               |              |
| High Satisfactory         |                                       |                 | X            |
| Low Satisfactory          |                                       |                 |              |
| Needs to Improve          |                                       |                 |              |
| Substantial Noncompliance |                                       |                 |              |

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

The major factors that support this rating include:

- Lending performance is excellent and has positively impacted persons living in or businesses located in LMI geographies as well as persons of different income levels.
- LaSalle's HMDA and small business lending is very good. In many instances the bank's lending market share presence is greater than its deposit market share, especially for LMI persons. The bank's commercial and retail lending programs address the most critical credit needs identified for its assessment areas.
- The bank's community development lending is excellent and enhances its Lending Test performance. Several lines of business and divisions, from commercial credit to apartment lending, positively contribute to the bank's community development lending efforts. This factor is reflected in a large variety of qualified loans.
- LaSalle has a very good level of qualified community development investments in a highly competitive market place. The bank's qualitative performance under the Investment Test is excellent. The bank has taken a leadership role in many instances in developing and participating in investments that are innovative and complex and involve multiple partners of both public and private funding.
- Accessibility of the bank's retail service delivery systems is adequate and hours of operation are reasonable and convenient to the bank's assessment areas. LaSalle provides an excellent level of community development services primarily in financial education efforts. The bank's level of community development services positively impacted its Service Test rating.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**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 MA/assessment area.

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

**Census Tract (CT):** 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 areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

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

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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 household and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

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

**Home Mortgage Loans:** such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

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

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

**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 multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**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.

## Description of Institution

LaSalle Bank, NA (LaSalle), Chicago, Illinois is a large full service intrastate bank with two defined CRA assessment areas. The Chicago assessment area consists of all census tracts in the following counties: Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. The Rockford assessment area includes all census tracts in Rockford and Cherry Valley Townships. Both assessment areas meet the legal requirements of CRA.

LaSalle is a wholly owned subsidiary of LaSalle Bank Corporation, a multi-bank holding company, headquartered in Chicago, Illinois with total assets as of December 31, 2002 of \$103 billion. LaSalle is an indirect subsidiary of Netherlands based ABN AMRO Bank N.V., one of the world's largest financial institutions with total assets of EUR 597.4 billion. ABN AMRO Bank N.V. has 3,400 locations in over 60 countries and territories. Mortgage lending activity within Illinois for one affiliate, ABN AMRO Mortgage Group, Inc. (AAMG), was considered when evaluating the bank's lending performance. The financial condition and performance of LaSalle's affiliates did not negatively impact the bank's compliance with CRA. The Appendix includes information on affiliates, products, and assessment areas reviewed during this evaluation.

As of December 31, 2002 LaSalle reported total assets of \$57.4 billion, net loans of \$32 billion (52% of the portfolio in commercial loans, real estate secured loans equaling 46%, and the remaining 2% represents consumer credit), total deposits of \$32.3 billion (\$26.9 billion of domestic deposits and \$5.4 billion of foreign deposits), and tier 1 capital of \$4.1 billion. During this evaluation period LaSalle's total assets have increased 90% and tier 1 capital increased 106% primarily due to several mergers of affiliated retail financial institutions into the bank. Previously, LaSalle had been designated a CRA wholesale bank due to its predominate commercial business plan. As a result of the mergers of the retail institutions into LaSalle the bank's CRA designation was changed to a large retail bank. LaSalle operates 120 full service branches (119 in the Chicago assessment area and 1 in Rockford), 8 special service branches in the Chicago assessment area (7 located in nursing/senior housing complexes and 1 on a local college campus), and 5 separate drive-up facilities also located in the Chicago assessment area. The bank operates over 500 ATMs in its designated assessment areas. LaSalle also maintains regional commercial lending offices in Cleveland, Cincinnati, Des Moines, Indianapolis, Milwaukee, Minneapolis, Rockford, Peoria, St. Louis, Miami, and Tampa.

LaSalle did not face any major legal or financial impediments that would hamper its ability to help meet the credit needs of its communities. The bank's primary business strategy remains as a premier credit provider for middle market commercial clients.

The last CRA evaluation is dated June 1999. LaSalle was rated Satisfactory.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

LaSalle's HMDA mortgage lending and small business lending were evaluated for the period January 1, 2000 through December 31, 2002. Community development loans, investments and services were analyzed for the time frame of July 1, 1999 through December 31, 2002.

In analyzing LaSalle's performance under the Lending Test, we placed greater emphasis on home mortgage purchase and refinancing loans as such loans comprised a significant (92% of total number of reported loans) portion of the loans subject to our review. Borrower and geographic distribution and market share were reviewed, as well as the bank's responsiveness to identified community credit needs. Community development lending was an important factor in the bank's Lending Test rating.

In addition, LaSalle offers mortgage loans through various channels such as retail branches, bank mortgage loan officers, telephone, and through wholesale avenues such as Internet, and Interfirst, a division of AAMG, a wholesale mortgage broker network. All of these production channels are reported on LaSalle's HMDA loan registry. In 2002, wholesale operations accounted for over 80% of the bank's home loans originated. The bank's performance under the lending test was analyzed for total loan performance and for retail loan (absent wholesale production) performance.

Investment levels and qualitative factors such as leadership roles, innovativeness, and complexity were analyzed for the Investment Test. For the Service Test we focused our review on geographic distribution of bank offices and community development service activities.

### Data Integrity

LaSalle's public lending information and community development data is accurate. As part of this CRA evaluation, the accuracy and reliability of the bank's publicly filed HMDA and CRA regulation data was reviewed and validated. In addition, community development loans, investments, and services submitted by the bank for consideration were verified to ensure they met the regulatory definition and purpose requirements for community development. All the data reported in this evaluation was found to be reliable and used in our performance analysis.

### Selection of Areas for Full-Scope Review

LaSalle has defined two assessment areas for CRA purposes. The Chicago assessment area consisting of most of the Chicago MSA, comprises 99.98% of the bank's deposits, 99.15% of the total number of reported loans, 99.96% of the qualified investments evaluated, and 99.25% of the bank's branch offices. The Chicago assessment area was selected for a full scope evaluation. The bank's other assessment area, defined as a portion of the Rockford MSA received a limited-scope review.



## **Ratings**

LaSalle's overall rating is based primarily on the bank's performance in the Chicago assessment area.

## **Other**

As part of this specific evaluation, four contacts were made with community organizations in the Chicago area. Contacts included two small business/economic development organizations, a locally strong community coalition group, and a national community advocacy organization. These contacts were mostly positive to very positive in their assessment of LaSalle's CRA performance. Information gathered from other contacts made in the Chicago area during the evaluation period was also reviewed. The contacts indicated a high level of community development opportunities existed in the bank's assessment area and that financial institutions are fairly responsive in meeting the community's credit needs. The primary needs identified by the community contacts are affordable housing, anti-predatory lending initiatives, micro/small business credit, and financial education programs.

## Fair Lending Review

We review LaSalle's fair lending compliance as a portion of our on-going supervisory activities. These activities are performed as part of the Office of the Comptroller of the Currency's (OCC) risk-based supervision approach.

We routinely analyze information such as the bank's HMDA and CRA loan reports for the appropriateness of lending patterns, potential problems with redlining or marketing, and issues with loan terms and/or conditions. We review lending policies, procedures, and training programs to ensure compliance with all fair lending laws and regulations. A review of any fair lending complaints received by the OCC's Customer Assistance Group is also included in our on-going supervisory process.

In addition, during 2002 we conducted a statistical analysis of the bank's retail (non-AAMG) HMDA portfolio to detect any statistically significant disparity ratios for minority borrowers for home purchase and home refinance loans. There were no statistically significant denial disparities found in the data reviewed.

Our reviews did not identify any fair lending issues or concerns. We found no evidence of illegal discrimination or other illegal credit practices.

## Conclusions with Respect to Performance Tests

### LENDING TEST

- Lending performance is excellent and has positively impacted persons living in and businesses located in low- and moderate-income areas as well as persons and businesses of different income levels.
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## Conclusions for Areas Receiving Full-Scope Reviews

- LaSalle's Lending Test performance for the Chicago assessment area is excellent. Performance in the limited-scope assessment area did not impact the Lending Test rating for Illinois.

### Lending Activity

The bank's overall lending activity level is excellent. The bank's lending programs meet the most pressing credit needs within its assessment areas. These needs were assessed to be home mortgage products and small business lending. In our analysis of LaSalle's lending performance more weight was given to home purchase and refinancings, as these products comprised the vast majority of loans reviewed for CRA purposes. Reported home improvement loans were nominal. For originated and purchased loans, for both home purchase and refinancings, LaSalle's market share in the Chicago assessment area was ranked second overall, matching their deposit market share ranking.

### Distribution of Loans by Geography Income Level

#### Home Mortgage Loans

Geographic distribution of home mortgage loans is good in the Chicago assessment area.

In low-income areas the bank's geographic distribution of home mortgage loans is excellent. The portion of home purchase loans originated or purchased in low-income geographies significantly exceeds the percent of owner occupied units in like geographies. The bank's geographic distribution market share and ranking for low-income geographies exceeds their overall market share and ranking. The bank's portion of home purchase loans originated or purchased in moderate-income geographies is adequate as it is near to the percentage of owner occupied units in moderate-income areas. The bank's market share in moderate-income geographies is good as the ratio is close to the bank's overall market share ratio and its ranking matches the bank's overall market share ranking.

In reviewing LaSalle's retail efforts for home purchase loans in 2002 (absent wholesale production) the bank originated 5.0% of their home purchase loans in low-income geographies and 13.4% in moderate-income geographies. Both of these retail mortgage-lending percentages exceed the percent of owner occupied housing units in each of the respective income areas.

In the Chicago assessment area, geographic distribution of refinancings is good. The portion of loans made in low-income geographies is good and is very close to the percent of owner occupied units in like geographies. The bank's refinancing loan geographic distribution market share in low-income census tracts is good as the bank's market share ratio is close to the bank's overall market share ratio while the market share ranking for low-income areas matches their overall market share ranking. The bank's portion of home refinancing loans made in moderate-income geographies is adequate as it is near to the percentage of owner occupied units in like geographies. The bank's market share in moderate-income areas is good and its ranking matches the bank's overall market share ranking.

In reviewing LaSalle's retail efforts for refinancings in 2002 (absent wholesale production) the bank originated over 2.0% of their loans in low-income geographies and 11.5% in moderate-income geographies. Both of these retail home refinancing lending percentages are close to the percent of owner occupied housing units in each of their respective income areas.

### **Small Loans to Businesses**

The bank's geographic distribution of small loans to businesses in low- and moderate-income areas is excellent. The portion of the bank's loans made in low-income geographies is good and is close to the percent of small businesses located in low-income areas. LaSalle's geographic distribution market share and ranking in low-income census tracts is excellent and exceeds the bank's overall small business market share and ranking. The bank's portion of small business loans made in moderate-income geographies is excellent as it exceeds the percentage of small businesses in like geographies. LaSalle's small business market share and ranking in moderate-income areas is excellent as it exceeds their overall small business market share and ranking.

### **Multi-Family Loans**

The geographic distribution of LaSalle's multi-family loans is good. For a better demographic comparison analysis the bank translated their number of multi-family loans made in 2002 into number and percentages of multi-family housing units. In 2002, while 7.40% of the multi-family loans were made in low-income areas those loans equated to 13.84% of the multi-family housing units LaSalle made loans on. Likewise in 2002, 18.85% of the multi-family loans were made in moderate-income areas and those loans represented 21.50% of the multi-family housing units. These multi-family housing unit ratios are close to the percentage of multi-family housing units located in low-income geographies and exceed the percentage of multi-family housing units located in moderate-income areas. Another factor taken into consideration in evaluating the bank's level of performance was the number of multi-family housing units under the control of the Chicago Housing Authority (CHA), which are predominately located in low- and moderate-income areas. While included as part of the

census data, these CHA multi-family housing units do not represent multi-family housing units with lending opportunities. Although exact numbers were not available to precisely adjust the 1990 census data, several sources were reviewed and the following information compiled: Of the approximate 40,000 Chicago public housing units it is estimated that at least 22,000 are multi-family housing units located in low- and moderate-income areas, which represents over 7% of the multi-family housing units in those geographies. The Chicago Housing Authority housing unit information evaluated above is from recent (1998) data sources. The CHA would have actually had many more multi-family housing units under their control included in the 1990 census data since during the 1990s the CHA has demolished many multi-family housing projects located in low- and moderate-income areas. LaSalle's market share for multi-family lending in low-income areas is poor based on the number of loans with an overall ranking of second and a low-income geography ranking of eleventh. However, based on dollar volume the bank's market share lending and ranking is adequate for low-income geographies with a low-income geography ranking of fifth. Market share ranking for both number and dollar of multi-family loans for moderate-income areas is adequate with a ranking of fifth for moderate-income geographies.

## **Distribution of Loans by Borrower Income Level**

### **Home Mortgage Loans**

Home mortgage borrower distribution is excellent in the Chicago assessment area.

The portion of home purchase loans made to low-income applicants is good when compared to the percentage of low-income families that can realistically afford a home mortgage loan. The number and percentage of families living below the poverty level is a significant factor taken into consideration in reaching a conclusion for this analysis. According to census data, there are over 190,000 families living below the poverty level in the bank's Chicago assessment area. Families living below the poverty level are limited in their ability to afford homeownership in the Chicagoland area. Families living below the poverty level represent over 50% of the low-income families in the Chicago assessment area. By taking this ratio into consideration the bank's lending ratio to low-income borrowers that can afford a home mortgage is good with the bank's ratio close to 50% of the low-income family population. The bank's borrower distribution market share and ranking for low-income geographies is excellent and exceeds their overall market share and ranking. The bank's portion of loans made to moderate-income borrowers is excellent as the percentage of loans made to moderate-income borrowers exceeds the percentage of moderate-income families. The bank's market share and ranking for moderate-income applicants is excellent as it exceeds the bank's overall market share percentage and ranking.

In reviewing LaSalle's retail efforts for home purchase loans in 2002 (absent wholesale production) the bank originated over 12% of their loans to low-income applicants and 34.80% to moderate-income borrowers. The bank's retail lending performance to low-income borrowers exceeds 50% of the low-income family population. Retail lending percentage to moderate-income families significantly exceeds the percentage of moderate-income families in the Chicago assessment area.

The portion of home refinancing loans made to low-income applicants is adequate when compared to the percentage of low-income families that can afford a home mortgage loan. With over 50% of the low-income families living below the poverty level, the bank's percentage of loans to low-income applicants is near to the percentage of low-income families that can afford a home mortgage loan. The bank's borrower distribution market share and ranking for low-income borrowers is excellent and exceeds their overall market share and ranking. The bank's portion of loans made to moderate-income borrowers is excellent as the percentage of loans made to moderate-income applicants exceeds the percentage of moderate-income families. The bank's market share and ranking for moderate-income applicants is excellent as it exceeds the bank's overall market share ranking.

In reviewing LaSalle's retail efforts for refinancings in 2002 (absent wholesale production) the bank originated over 13% of their loans to low-income applicants and 27.60% to moderate-income borrowers. The bank's retail lending performance to low-income borrowers exceeds 50% of the low-income family population. Retail lending percentage to moderate-income families significantly exceeds the percentage of moderate-income families in the Chicago assessment area.

### **Small Loans to Small Businesses**

Overall the bank's lending performance to small businesses is good.

LaSalle's ratio of small business lending to small businesses is adequate. The percentage of small business loans made to businesses with revenues of \$1 million or less is less than the percentage of small businesses in the bank's Chicago assessment area. The bank's market share ranking of small business lending to small businesses is excellent as it exceeds the bank's overall small business market share ranking. The bank's performance in making small business loans is good with a significant majority of the small business loans reported being \$100,000 or less.

### **Community Development Lending**

LaSalle's community development lending performance is excellent.

During this evaluation period in the Chicago assessment area the bank has extended 390 community-development loans for over \$523 million, representing 13% of allocated Tier 1 capital. 283 loans were for affordable housing and multi-family community development housing totaling \$182 million. 25 loans for over \$65 million were granted that provided funding for community development service activities or organizations. For economic development and revitalization/stabilization of low- and moderate-income communities the bank made 71 qualified loans for \$262 million. An additional 14 loans were made to community development lending organizations for \$14 million.

Several community development loan packages were complex involving several funding partners, multi-faceted components, and introduced new or enhanced lending programs to the Chicagoland area. In addition, bank employees took leadership roles in providing financial aid

assistance to several community development organizations in their efforts to get funding for their programs.

Community Development Lending, a lending division of the bank, provided a \$150,000 rehabilitation and permanent financing loan to one of Chicago's first supportive family-housing projects that serves low-income families who have experienced homelessness. The group's program, led by the organization's "graduates", includes counseling with on-site social workers and other on-site supportive services with the eventual placing of residents in permanent affordable housing. The 24-unit project required gut rehabilitation of a vacant and abandoned building in a low-income community in Chicago. The bank worked with the organization to assist in the financial development of the project for over two years. This endeavor required coordination for the project with the community development organization, Chicago's Department of Housing, and Illinois Housing Development Authority. This project also utilized a grant from the Federal Home Loan Bank that was facilitated by the bank.

LaSalle provided a \$1.9 million acquisition and construction loan for the first CHA displaced resident mixed-income condominium development. The project was a joint venture between a local community church, a contracting firm, an architectural firm, and LaSalle's Community Development Corporation. The partnership was created to build 15 attached units on five vacant lots near a public housing complex being demolished by the CHA. 30% of the units were retained as CHA low-income rental housing units and an additional 20% of the units were subsidized and sold to moderate-income applicants, while the remaining 50% were sold at market prices.

Community Development Lending granted two loans (\$2.8 million and \$1.3 million) for the construction and permanent financing for entities in the redevelopment efforts surrounding the bank's new Auburn Gresham branch. One a retail market and pharmacy and the other a Women, Infant, and Children health service center. Further efforts made by LaSalle to revitalize and stabilize the Auburn Gresham community are described in the Service Test section of this evaluation.

Through the bank's Community Development Lending Division, the bank funded a new 25,260 square foot community health and educational center to serve Chicago's low-income Austin community. The \$2.6 million credit enhancement to a tax-exempt bond issued by the Illinois Development Finance Authority was granted to a neighborhood community development service organization whose members include local residents, churches and area hospitals and health centers. The new facility will provide primary care service and will house an 18-station kidney dialysis center. In addition, a comprehensive employee-training component will offer new job opportunities for neighborhood residents.

## **Product Innovation and Flexibility**

LaSalle provides the full range of conventional and government lending for home mortgage and small business lending. The bank offers FHA and VA mortgage loan products as well as some proprietary affordable home loan mortgage products and programs. LaSalle also offers down payment assistance through local homeownership programs. The bank is a designated SBA preferred lender. One of the bank's SBA programs is the SBA Community Express Loan

Program which is designed to bring access to capital to businesses located in low- and moderate-income areas, or to businesses owned by women or minorities. This program is a partnership between LaSalle and the SBA with technical assistance providers out in the community.

The bank has established a Dreams Begin program for the establishment or re-establishment of credit. The program is a secured loan program. The minimum loan amount is \$800 for a savings account secured loan and \$2,000 for a certificate of deposit secured loan. The customer provides 20% in cash and LaSalle finances the remaining 80%. The entire amount is held in the saving vehicle until the proceeds of the loan are repaid. The customer receives a loan coupon book and makes monthly payments, usually for a one-year time period. The payment history is reported to the credit bureaus for establishment or re-establishment of a credit history for the customer and at the end of the repayment period the customer has access to the entire amount on deposit.

Another program that LaSalle has played a leadership role in its development is the Project Opportunity Rental Program. The program is being used to address the issue of limited affordable housing in job rich mostly suburban areas of Cook County. Along with Cook County Housing Development Corporation and a not-for-profit mobility-counseling provider, LaSalle developed the program that provides a financing incentive to investors who will provide rental housing to Section 8 tenants. The program provides mobility counseling to tenants and a 10% downpayment and 90% loan to value financing package to investors. Program funding includes a first mortgage from LaSalle, a 1% fixed rate second mortgage loan from Illinois Housing Development Authority, and a grant from the Federal Home Loan Bank. The program has provided funding for four single-family homes for rent to Section 8 certificate holders in North and Northwest Suburban Cook County.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, Lending Test performance in Rockford is not consistent with and is weaker than the performance in the Chicago assessment area. Performance in the limited scope assessment area did not impact the Lending Test rating for Illinois.



## INVESTMENT TEST

- LaSalle has a very good volume of qualified investments made during this evaluation period that are responsive to the community development needs of the assessment area. The bank has taken a leadership role in developing and participating in investments that are both innovative and complex.
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## Conclusions for Areas Receiving Full-Scope Reviews

- Investment Test performance in the Chicago assessment area is excellent. Performance in the limited scope assessment area did not impact the Investment Test rating for Illinois.

## Investment and Grant Activity

LaSalle's overall volume of investments is very good, of the 784 qualified community development investments the bank has made for \$140 million 97% of the number and 85% of the dollar value were made during the current evaluation period. This volume of investments is considered good in relation to the bank's community development investment capacity. Another significant factor taken into consideration in assessing the bank's volume of qualified investments is the highly competitive banking community that exists in Chicagoland. Within LaSalle's Chicago assessment area there are over 300 FDIC insured financial institutions vying for qualified CRA investments.

The bank's qualified investments are centered (70%) in affordable housing funds and bonds. These investments include participations in mortgage and second mortgage loan pools for low- and moderate-income borrowers; flexible loans for affordable multi-family rehabilitation; bonds from the Illinois Housing Development Authority for low- and moderate-income borrower mortgages and the retention and rehabilitation of affordable housing units. The remaining qualified investments are investments made to small business funds and organizations. These investments include capital loan funds, small business loan funds, and SBIC funds.

During the evaluation period the bank made 715 CRA qualified grants and contributions to community organizations throughout their assessment area totaling over \$4 million. Fifty percent of the grants went to organizations whose primary purpose is to provide community development services to low- and moderate-income people. These services include among other purposes financial education programs and job training; childcare and health-care based community groups; housing and services for the homeless and shelters for abused women and children. Twenty percent of the grants went to non-profit affordable housing coalitions and included investments for many different neighborhood-home-ownership programs promoting the retention of affordable housing units in the bank's assessment area. Affordable housing grants and contributions also provided home-ownership courses and down-payment assistance funds targeted specifically to low- and moderate-income people. Thirty percent of the bank's qualified grants and contributions were funded to economic development and

community revitalization programs. Small business funds, entrepreneur workshops, and community economic development corporations throughout the bank's community received grants and contributions supporting the many organizations operations and for their capital and loan funds.

## **Community Development Initiatives**

LaSalle has invested funds to a new community organization in Chicago that provides both technical assistance and predevelopment funding to groups developing permanent, supportive housing for the homeless and special needs individuals or families. LaSalle's investment in the organization consists of a grant for operating expenses and an investment in their predevelopment loan fund. To date the predevelopment loan fund has been used to fund the predevelopment activities of a Chicago non-profit organization's planned supportive housing project that will serve their homeless and formerly homeless clients. Predevelopment activities include architectural and legal services, site acquisition, surveys, engineering and environmental reports and other pre-construction costs. Upon repayment from the non-profit group, the funds can be re-loaned to other organizations throughout the ten-year term of the investment. Bank management was actively involved in providing financial consulting to the organization as it developed and will participate in a leadership role on a new financial advisory committee established at the organization.

Neighborhood Housing Services is a premier community development organization focused on increasing and retaining affordable homeownership for low- and moderate-income borrowers in many Chicago communities. During 2002 Neighborhood Housing Services (NHS) consolidated and restructured their numerous financing programs. NHS, with the assistance of several financial institutions, including LaSalle, designed a new \$100 million facility. This innovative, flexible, and complex Neighborhood Lending Program, consolidated all of their past funds into a more efficient operation by the creation of a single pool from which they will be able to grow their homeownership and rehabilitation efforts. One of the current initiatives of NHS is a financing program to combat the effects of predatory lending by helping distressed homeowners refinance out of predatory loans before they lose their homes to foreclosure. The anti-predatory lending financing program is addressing a new critical need noted by several community groups in Chicago. LaSalle has nine prior period investments with over \$800,000 still outstanding and during the evaluation period the bank invested in ten NHS funds for over \$6 million. LaSalle also supports NHS through operational grants (20 grants were extended during this evaluation period), and employee and officer representation on various NHS boards and committees.

A \$5 million investment in housing bonds were used to purchase GNMA Securities enabling the GNMA lender to make a mortgage loan for the acquisition, rehabilitation, and equipping of a 96 unit low-income housing rental development. The development consists of 9 one-bedroom units, 55 two-bedroom units, 2 three-bedroom units, 21 four-bedroom units, and 9 five-bedroom units. Of these units 91 will be rent-restricted and rented only to households earning 60% or less of the area median income, and the remaining 5 units will be rented only to households earning 80% or less of the area median income. Thirty-eight units will be reserved for Section 8 tenants. This project was complex as it also utilized low-income housing tax credits, a loan from the Illinois Housing Development Authority, and a \$500,000 forgivable loan from the Federal Home Loan Bank in partnership with LaSalle.

The bank invested \$1 million in a new limited partnership loan fund. The partnership was formed in January 2001 by a minority real estate developer for the express purpose of interim financing for residential and commercial real estate projects in Chicago that have government funding pending. The investment funds are used to complete acquisition and even begin construction while waiting for the government financing process to be completed. LaSalle was the first financial institution to commit an investment to the partnership. The following is a summary of the projects undertaken by the partnership: a 72-unit affordable housing project for senior citizens located in a moderate-income neighborhood; two retail market and drug stores located in low-income communities; and a 36-unit and a 42-unit mixed-income housing developments in low-income areas. The partnership is beginning to work on a 435 replacement-unit development in conjunction with the CHA.

The bank was actively involved in the development of a program to link minority entrepreneurs with franchisers and cooperative companies to establish new franchise businesses in low- and moderate-income areas of Chicago. This investment is a partnership with several community organizations currently working in six Chicago low- and moderate-income neighborhoods; six additional target areas will be added to the program over the next few years. The goal of this initiative is to create 1,000 jobs in the twelve areas that are plagued by poverty, high unemployment, and shortages of retail amenities and services.

To help address the need for micro-loans to small businesses, LaSalle has teamed with ACCION. ACCION is an innovative provider of micro-loans to small businesses as they lend outside of the traditional corporate credit card financing of small business needs. LaSalle contributes to ACCION's general operating fund and has made an investment in their micro-loan fund. Extensive time by bank officers has been devoted to the successful establishment of this organization in the Chicagoland market.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, Investment Test performance in Rockford is not consistent with and is weaker than the performance in the Chicago assessment area. Investment Test performance in the Rockford assessment area is adequate. Performance in the limited scope assessment area did not impact the Investment Test rating for Illinois.

## SERVICE TEST

- LaSalle's performance under the Service Test is good. While the bank's branch network distribution is adequate, the bank's level of performance in regards to community development services is excellent.

## Conclusions for Areas Receiving Full-Scope Reviews

- Service Test performance for LaSalle in the Chicago assessment area is good. Performance in the limited scope assessment area did not impact the Service Test rating for Illinois.

## Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels. All of the bank's branches are located on major roadways and within the City of Chicago all of the branches are on public transportation routes. In addition to the two branches located in low-income census tracts the bank has twelve additional branches within a 1 ½ mile radius of 85 low-income tracts; and in addition to the seven branches located in moderate-income census tracts the bank has thirty-five additional branches located within a 1 ½ mile radius of 172 moderate-income tracts. Within the 1 ½ mile radius, LaSalle has 10.6% of their branches readily accessible to residents of low-income census tracts and 31.8% of their branches readily accessible to residents of moderate-income tracts. The bank has 22 ATMs located in low-income census tracts and 90 ATMs located in moderate-income tracts, over 21% of the bank's ATMs are located in low- and moderate-income tracts.

During this evaluation period the bank opened two branches in low-income census tracts in the City of Chicago. One of the branches was opened in the South Shore neighborhood of Chicago and the other is located in Pilsen community. It is noted that subsequent to this evaluation period the bank has opened another branch in a low-income neighborhood and two more branches in low-income areas are under construction.

One of the new moderate-income tract branches was opened in the Auburn Gresham neighborhood in August 2000 and is the first banking facility within that community in 30 years. The branch has been a catalyst to new commercial and housing development for the neighborhood. Subsequent to the branch opening a strip mall, a 72-unit senior housing complex, a retail market and drug store, and a family social services center have opened, all of these entities were financed by LaSalle. In addition to the commercial and senior housing development LaSalle's retail mortgage lending in the Auburn Gresham neighborhood has increased and has exceeded \$12.5 million since the opening of the branch. The branch manager is a board member for two very active community development organizations, one for affordable housing initiatives and one for economic revitalization. The bank has conducted nine financial education seminars with 152 attendees at the branch on topics ranging from Basics of Banking to Small Business Finance. The bank is looking to take the innovative

broader whole-community development approach successfully demonstrated in Auburn Gresham to their other new branch locations.

All branches in low- and moderate-income areas are full service branches including drive-up facilities and ATMs. Hours of operation are consistent throughout the bank's branch network and are consider convenient to the needs of the bank's communities. All branches offer a full array of retail and investment banking products. Commercial business clients have access through referrals to all corporate products including loan financing, lock box, and cash management services. LaSalle offers banking by mail, telephone, and through the Internet. Convenient on-line and telephone bill payment services are also offered. Eight of the bank's branches (none are located in low- or moderate-income areas) are limited service branches located in senior housing/retirement centers (seven) and one branch on a local university campus in Evanston.

LaSalle has developed several affordable deposit programs for both checking and savings accounts. Basic Checking requires a \$0 minimum balance with only a \$3.00 monthly maintenance fee. Direct Checking offers \$0 minimum balance checking account and no monthly fees are charged for customers with direct deposit. The bank's Basic Savings Account was developed in conjunction with a local community development group, and is designed to allow low-income persons to start a savings account. The minimum opening deposit is \$50.00 and there is no minimum balance fee on the account.

### **Community Development Services**

LaSalle bank provides an excellent level of community development services. Services include financial education programs, fairs, and seminars, financial guidance and volunteer efforts with community development organizations, in-kind contributions, and sponsorship of several special events benefiting local community development organizations.

The bank's financial education programs include home ownership, basic banking, small business, credit, budgeting, debt management, high risk loans, government loans, and financial education for children. During 2000, 2001, and 2002 the bank conducted 86, 103, 133, respectively, financial education seminars throughout the assessment area. Over 4,400 people attended the educational seminars conducted during this evaluation period. From 2000 through 2002, 1,821 people have attended homebuyer's seminars with a primary focus on providing homeownership counseling to low- and moderate-income people. During the evaluation period over 1,200 people attended credit seminars, and over 500 people have attended small business, franchise, and government lending workshops. The bank has sponsored and staffed nearly 40 homebuyer fairs from 2000 through 2002. Homebuyer fairs are conducted in conjunction with several low- and moderate-income/affordable housing community development organizations. Groups that the bank has assisted with these homebuyer fairs have included: Spanish Coalition for Housing; DuPage Homeownership Center; Polish American Association; South Suburban Housing Center, Near West Side CDC; Neighborhood Housing Services; and Chicago Westside NAACP.

When LaSalle entered previously unbanked communities a need to develop an encompassing financial education agenda became apparent, as such LaSalle initiated a new financial education program and teamed with several Chicago community-based organizations to pilot

the program. The Basic Financial Education program is comprehensive and covers topics from writing a check to managing debt. The different courses were presented to the community groups in June 2000 and since its inception the bank has offered 59 Basic Financial Education seminars to 834 attendees. The program is available in both Spanish and English. The program is offered through community development organizations that work with low- and moderate-income clients. The newest component to the Basic Financial Education program is a course targeted to young children. The Money Savvy Kids curriculum and “piggy” bank is offered to second graders and was piloted at a school located in a low-income area in 2002. This innovative program teaches financial concepts such as goal setting and budgeting money for savings, investing, spending, and donating to very young children. This initiative will expand to over 30 schools and 3,000 children in its first full year of operation. The targeted schools for the Money Savvy Kids program are those schools that are located in the areas immediately surrounding the bank’s low- and moderate-income branches. The bank also partnered with Operation Hope to offer financial education to high school students in an inner-city low-income neighborhood of Chicago. The bank is also a sponsor of Operation Hope’s Banking on Our Future Program targeting financial education to at-risk youths within Chicago. The bank also participates in the State Treasurer’s Bank at School Program and the Junior Achievement Program. Through these programs and others many branches have partnered with area schools to offer financial education seminars and savings accounts to students and parents.

Using LaSalle’s Basic Financial Education program as a foundation LaSalle management initiated and actively participated in the development of a financial literacy program that is now being offered by a consortium of other local financial institutions.

The bank is a major participant in the Federal Home Loan Bank Affordable Housing Program. From 2000 through 2002 the bank has facilitated \$2,421,000 in grants for 523 units of affordable housing. These applications require numerous hours of review, guidance, and analysis. The projects also require bank financing with is provided through LaSalle’s Community Lending Department.

More than 4,000 employees contribute over 70,000 hours to various non-profit organizations located throughout the bank’s assessment area. Over 59 community development organizations benefit from the expertise of 82 different LaSalle bank employees and officers. Bank employees and officers serve in a variety of roles ranging from Chairman of Boards to being members on loan and finance committees. For example, extensive volunteer work has been given to the local chapter of ACCION by several senior members of the bank to ensure its reorganization will lead to the continued solvency of the organization and its mission to fund small business enterprises. Bank employees and officers have also volunteer their efforts to government sponsored initiatives such as the Governor’s Housing Task Force and the City of Chicago Department of Housing’s Five Year Plan Committee.

LaSalle established an annual award to recognize outstanding leadership in the community for the re-development of low- or moderate-income areas. The annual award is presented at a networking reception for community development partners. Topics at recent receptions have included “Managing the Contradictions of Wealth Building in our Communities” and “Predatory Lending: Consequences and Solutions”. Several forums were held during the evaluation period to benefit local community groups on such topics as affordable housing, changing tax codes, business opportunities for investors, credit scoring, fraud, identity theft, and accessible

housing for disabled constituents. These special events were organized by LaSalle and consisted of both internal and external guest speakers and panel discussions for many different community development organizations from throughout the assessment area.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, Service Test performance in Rockford is not consistent with and is weaker than the performance in the Chicago assessment area. Performance in the limited scope assessment area did not impact the Service Test rating for Illinois.



## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

|   |  |                          |
|---|--|--------------------------|
| <b>Time Period Reviewed</b>                             | Lending Test (excludes CD Loans): (01/01/00 to 12/31/02)<br>Investment and Service Tests and<br>CD Loans: (07/01/99 to 12/31/02) |                          |
| <b>Financial Institution</b>                            | <b>Products Reviewed</b>   |                          |
| LaSalle Bank, NA<br>Chicago, Illinois                   | HMDA products<br>Small Business lending<br>Community Development lending and services  |                          |
| <b>Affiliate(s)</b>                                     | <b>Affiliate Relationship</b>  | <b>Products Reviewed</b> |
| ABN AMRO Mortgage Group, Inc. (AAMG)                    | Mortgage subsidiary of Standard Federal Bank, NA, an affiliated financial institution wholly owned by LaSalle Bank Corporation   | HMDA products            |
| <b>List of Assessment Areas and Type of Examination</b> |  |                          |
| <b>Assessment Area</b>                                  | <b>Type of Exam</b>  | <b>Other Information</b> |
| Chicago<br>Rockford                                     | Full Scope<br>Limited Scope  |                          |

## Appendix B: Market Profiles for Full-Scope Areas

### Market Profiles for Areas Receiving Full-Scope Reviews

#### Chicago, Illinois

| Demographic Information for Full-Scope Area: Chicago, Illinois              |           |                                  |                    |                  |                 |               |
|---|-----------|----------------------------------|--------------------|------------------|-----------------|---------------|
| Demographic Characteristics   | #         | Low<br>% of #                    | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)  | 1,746     | 15.98                            | 21.25              | 37.86            | 23.37           | 1.55          |
| Population by Geography   | 7,300,589 | 9.71                             | 19.73              | 42.10            | 28.41           | 0.05          |
| Owner-Occupied Housing by Geography   | 1,605,281 | 2.89                             | 12.58              | 48.19            | 36.34           | .00           |
| Businesses by Geography   | 363,686   | 4.19                             | 10.60              | 39.64            | 44.28           | 1.29          |
| Farms by Geography  | 6,060     | 0.86                             | 4.82               | 52.81            | 41.35           | 0.16          |
| Family Distribution by Income Level   | 1,837,922 | 19.87                            | 17.33              | 23.93            | 38.87           | 0.00          |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies | 683,751   | 18.00                            | 28.69              | 40.56            | 12.75           | 0.00          |
| Median Family Income = \$42,758   |           | Median Housing Value = \$123,990 |                    |                  |                 |               |
| HUD Adjusted Median Family Income for 2001 = \$70,500                       |           | Unemployment Rate = % 3.52       |                    |                  |                 |               |
| Households Below the Poverty Level = 274,590                                |           |                                  |                    |                  |                 |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2001 HUD updated MFI.

### Assessment Area Information

LaSalle defines its Chicago assessment area to include the following counties of the Chicago MSA:

- Cook
- DuPage
- Kane
- Kendall
- Lake
- McHenry
- Will.

The assessment area consists of the City of Chicago and surrounding suburban areas. LaSalle's delineation of Chicago assessment area does not arbitrarily exclude any low- or

moderate-income areas and meets all the legal requirements of the CRA.

The Chicago assessment area is comprised of 1,746 census tracts, with 37% designated low- or moderate-income. The population of the area is vast with over 7 million people residing within its boundaries. The City of Chicago is the most significant metropolitan center of the assessment area. The City of Chicago encompasses 38% of the area's population, 49% of the census tracts and 86% of the area's low- or moderate-income tracts. The City of Chicago is segregated into 77 distinct communities or neighborhoods. Of the 77 communities, 13 (17%) have at least 40% of the residents living below the poverty level. These impoverished communities have only 13% of the housing units as owner occupied (compared to 57% for the assessment area) and the median housing value is slightly more than half of the average median housing value of the assessment area. These factors make lending opportunities difficult for a significant portion of the bank's assessment area.

## **Operations Within the Chicago Assessment Area**

LaSalle operates 132 branches located in the delineated Chicago assessment area and over 500 ATMs. The bank has the second largest deposit market share (per FDIC deposit market share report dated June 30, 2002) with 12.75% of the area's deposits. The financial institution with the largest market share for the area has 191 offices and 14.98% of the deposits for the assessment area.

Banking competition in the Chicago assessment area is intense. There are 305 deposit taking financial institutions with over 2,000 offices operating in the area. Ten large national institutions have a significant market presence in the Chicago area as well as many large regional companies. Banking service competition comes from many other sources in the area including: mortgage bankers, currency exchanges, pay-day lenders, and sub-prime loan offices.

## **Economic Factors**

The Chicago area is the third largest metropolitan area in the country and is considered to be the center of both the nation's industrial/commercial and agricultural industries. Economic conditions are relatively stable throughout the area. Chicago is known for its major transportation hubs by having major networks of rail, ship, air and roadways. The City of Chicago is home to many financial exchanges and is considered a significant international financial center. Median income levels and housing values are significantly higher in the Chicagoland area than in other sections of the State of Illinois. The service industry (personal, business, and health services) reported the greatest job gains during the previous decade, while manufacturing reported a slight gain in jobs over the same time period. Unemployment rates for the area are slightly lower than State and national levels. Largest employers in the area include: Jewel-Osco, United Airlines, Motorola Inc., Advocate Health Care, United Parcel Service, Argonne National Laboratories, McDonald's Corporation, Fermi National Accelerator Laboratory, Abbott Laboratories, and Great Lake Naval Training Center.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories. **This table is not applicable for this evaluation.**
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area. **This table is not applicable for this evaluation.**
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Home Mortgage Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available. **This table is not applicable to this evaluation.**

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area. **This table is not applicable to this evaluation.**

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA

**Table 1. Lending Volume**

| LENDING VOLUME       |                                      | State: Illinois |            |                           |            | Evaluation Period: January 1, 2000 to December 31, 2002 |            |                               |            |                      |            |                                       |
|----------------------|--------------------------------------|-----------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|------------|---------------------------------------|
| MSA/Assessment Area: | % of Rated Area Loans (#) in MSA/AA* | Home Mortgage   |            | Small Loans to Businesses |            | Small Loans to Farms                                    |            | Community Development Loans** |            | Total Reported Loans |            | % of Rated Area Deposits in MSA/AA*** |
|                      |                                      | #               | \$ (000's) | #                         | \$ (000's) | #   | \$ (000's) | #                             | \$ (000's) | #                    | \$ (000's) |                                       |
| Full-Review:         |                                      |                 |            |                           |            |   |            |                               |            |                      |            |                                       |
| Chicago              | 72.47                                | 110,621         | 19,911,920 | 7,444                     | 1,462,564  |   |            | 390                           | 523,150    | 118,455              | 21,896,634 | 99.92                                 |
|                      |                                      |                 |            |                           |            |   |            |                               |            |                      |            |                                       |
| Limited-Review:      |                                      |                 |            |                           |            |   |            |                               |            |                      |            |                                       |
| Rockford             | 0.62                                 | 942             | 88,072     | 67                        | 20,764     |   |            | 7                             | 12,222     | 1,016                | 121,058    | 0.08                                  |
|                      |                                      |                 |            |                           |            |   |            |                               |            |                      |            |                                       |

(\*) Rated area refers to either the state or multi-state MSA rating area.

(\*\*) The evaluation period for Community Development Loans is June 30, 1999 to December 31, 2002.

(\*\*\*) Deposit data as of June 30, 2002. Rated area refers to either the state or multi-state MSA rating area.

**Table 1. Other Products – Not Applicable**

| LENDING VOLUME       |                                      | State: Illinois        |            |                                      |            | Evaluation Period: January 1, 2000 to December 31, 2002 |            |                 |            |               |            |                          |            |                                       |
|----------------------|--------------------------------------|------------------------|------------|--------------------------------------|------------|---|------------|-----------------|------------|---------------|------------|--------------------------|------------|---------------------------------------|
| MSA/Assessment Area: | % of Rated Area Loans (#) in MSA/AA* | Total Optional Loans** |            | Small Business Real Estate Secured** |            | Home Equity**   |            | Motor Vehicle** |            | Credit Card** |            | Other Secured Consumer** |            | % of Rated Area Deposits in MSA/AA*** |
|                      |                                      | #                      | \$ (000's) | #                                    | \$ (000's) | #   | \$ (000's) | #               | \$ (000's) | #             | \$ (000's) | #                        | \$ (000's) |                                       |
| Full-Review:         |                                      |                        |            |                                      |            |   |            |                 |            |               |            |                          |            |                                       |
| Chicago              |                                      |                        |            |                                      |            |   |            |                 |            |               |            |                          |            |                                       |
|                      |                                      |                        |            |                                      |            |   |            |                 |            |               |            |                          |            |                                       |
| Rockford             |                                      |                        |            |                                      |            |   |            |                 |            |               |            |                          |            |                                       |
|                      |                                      |                        |            |                                      |            |   |            |                 |            |               |            |                          |            |                                       |

(\*) Rated area refers to either the state or multi-state MSA rating area.

(\*\*) The evaluation period for Optional Product Line(s) is from January 1, 2000 to December 31, 2002.

(\*\*\*) Deposit data as of June 30, 2002. Rated area refers to either the state or multi-state MSA rating area.



**Table 1. Other Products – Not Applicable**

| LENDING VOLUME         |                                 | State: Illinois |                       | Evaluation Period: January 1, 2000 to December 31, 2002 |  |
|------------------------|---------------------------------|-----------------|-----------------------|---|--|
| MSA/Assessment Area:   | Other Unsecured Consumer Loans* |                 | Other Optional Loans* |   |  |
|                        | #                               | \$(000's)       | #                     | \$(000's)   |  |
| <b>Full-Review:</b>    |                                 |                 |                       |   |  |
| Chicago                |                                 |                 |                       |   |  |
|                        |                                 |                 |                       |   |  |
| <b>Limited –Review</b> |                                 |                 |                       |   |  |
| Rockford               |                                 |                 |                       |   |  |
|                        |                                 |                 |                       |   |  |

(\*) Rated area refers to either the state or multi-state MSA rating area.

(\*\*) The evaluation period for Optional Product Line(s) is from January 1, 2000 to December 31, 2002.

\*\*\*)

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      | State: Illinois |  | Evaluation Period: January 1, 2000 to December 31, 2002 |  |  |  |  |
|--|---------------------------|-------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-----------------------------------|------|------|------|-----------------|--|---|--|--|--|--|
| MSA/Assessment Area:                   | Total Home Purchase Loans |             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies |              | Market Share (%) by Geography *** |      |      |      |                 |  |   |  |  |  |  |
|  | #                         | % of Total* | % Owner Occ Units**    | % BANK Loans | % Owner Occ Units**         | % BANK Loans | % Owner Occ Units**       | % BANK Loans | % Owner Occ Units**      | % BANK Loans | Overall                           | Low  | Mod  | Mid  | Upp             |  |   |  |  |  |  |
| Full-Review:                           |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |   |  |  |  |  |
| Chicago                                | 39,708                    | 86.58       | 2.89                   | 4.10         | 12.58                       | 10.41        | 48.19                     | 44.24        | 36.34                    | 40.90        | 6.41                              | 7.06 | 6.26 | 6.24 | 6.51            |  |   |  |  |  |  |
| Limited-Review:                        |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |   |  |  |  |  |
| Rockford                               | 316                       | 0.69        | 3.41                   | 1.27         | 22.48                       | 12.03        | 45.12                     | 40.51        | 28.98                    | 46.20        | 2.59                              | 0.94 | 1.12 | 2.40 | 3.78            |  |   |  |  |  |  |

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

(\*\*) Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

(\*\*\*) Based on 2001 Aggregate HMDA Data only.

**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      | State: Illinois |  | Evaluation Period: January 1, 2000 to December 31, 2002 |  |  |  |  |
|---|---------------------------|-------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-----------------------------------|------|------|------|-----------------|--|---|--|--|--|--|
| MSA/Assessment Area:                      | Total Home Purchase Loans |             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies |              | Market Share (%) by Geography *** |      |      |      |                 |  |   |  |  |  |  |
|   | #                         | % of Total* | % Owner Occ Units**    | % BANK Loans | % Owner Occ Units**         | % BANK Loans | % Owner Occ Units**       | % BANK Loans | % Owner Occ Units**      | % BANK Loans | Overall                           | Low  | Mod  | Mid  | Upp             |  |   |  |  |  |  |
| Full-Review:                              |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |   |  |  |  |  |
| Chicago                                   | 237                       | 98.34       | 2.89                   | 1.69         | 12.58                       | 11.81        | 48.19                     | 34.18        | 36.34                    | 18.99        | 0.06                              | 0.00 | 0.09 | 0.07 | 0.04            |  |   |  |  |  |  |
| Limited-Review:                           |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |   |  |  |  |  |
| Rockford                                  | 1                         | 0.42        | 3.41                   | 0.00         | 22.48                       | 0.00         | 45.12                     | 100.00       | 28.98                    | 0.00         | 0.00                              | 0.00 | 0.00 | 0.00 | 0.00            |  |   |  |  |  |  |

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

(\*\*) Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

(\*\*\*) Based on 2001 Aggregate HMDA Data only.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      | State: Illinois |  |  |  |  | Evaluation Period: January 1, 2000 to December 31, 2002 |  |  |  |  |
|--|---------------------------|-------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-----------------------------------|------|------|------|-----------------|--|--|--|--|---|--|--|--|--|
| MSA/Assessment Area:                             | Total Home Purchase Loans |             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies |              | Market Share (%) by Geography *** |      |      |      |                 |  |  |  |  |   |  |  |  |  |
|  | #                         | % of Total* | % Owner Occ Units**    | % BANK Loans | % Owner Occ Units**         | % BANK Loans | % Owner Occ Units**       | % BANK Loans | % Owner Occ Units**      | % BANK Loans | Overall                           | Low  | Mod  | Mid  | Upp             |  |  |  |  |   |  |  |  |  |
| Full-Review:                                     |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |  |  |  |   |  |  |  |  |
| Chicago  | 69,615                    | 85.30       | 2.89                   | 2.60         | 12.58                       | 9.08         | 48.19                     | 40.57        | 36.34                    | 47.23        | 6.82                              | 6.34 | 6.53 | 6.80 | 6.93            |  |  |  |  |   |  |  |  |  |
|  |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |  |  |  |   |  |  |  |  |
| Limited-Review:                                  |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |  |  |  |   |  |  |  |  |
| Rockford   | 620                       | 0.76        | 3.41                   | 1.29         | 22.48                       | 8.87         | 45.12                     | 36.29        | 28.98                    | 53.55        | 2.72                              | 1.80 | 1.98 | 2.15 | 3.60            |  |  |  |  |   |  |  |  |  |
|  |                           |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |  |  |  |   |  |  |  |  |

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

(\*\*) Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

(\*\*\*) Based on 2001 Aggregate HMDA Data only.

**Table 5 Geographic Distribution of Multifamily Loans**

| Geographic Distribution: Multifamily Loans |                         |             | Geography: Illinois    |              |                             |              |                           |              | Evaluation Period: January 1, 2000 to December 31, 2002 |              |                                   |      |      |       |       |
|--|-------------------------|-------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|---|--------------|-----------------------------------|------|------|-------|-------|
| MSA/Assessment Area:                       | Total Multifamily Loans |             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies                                |              | Market Share (%) by Geography *** |      |      |       |       |
|  | #                       | % of Total* | % of MF Units**        | % BANK Loans | % of MF Units**             | % BANK Loans | % of MF Units**           | % BANK Loans | % of MF Units**   | % BANK Loans | Overall                           | Low  | Mod  | Mid   | Upp   |
| Full-Review:                               |                         |             |                        |              |                             |              |                           |              |   |              |                                   |      |      |       |       |
| Chicago                                    | 1061                    | 98.70       | 15.51                  | 5.93         | 21.19                       | 18.57        | 37.30                     | 62.11        | 26.00   | 13.38        | 8.80                              | 1.69 | 4.47 | 15.10 | 9.69  |
|  |                         |             |                        |              |                             |              |                           |              |   |              |                                   |      |      |       |       |
| Limited-Review:                            |                         |             |                        |              |                             |              |                           |              |   |              |                                   |      |      |       |       |
| Rockford                                   | 5                       | 0.47        | 21.24                  | 0.00         | 12.89                       | 0.00         | 55.01                     | 60.00        | 10.86   | 40.00        | 2.22                              | 0.00 | 0.00 | 0.00  | 10.00 |
|  |                         |             |                        |              |                             |              |                           |              |   |              |                                   |      |      |       |       |

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

(\*\*) Percentage of multifamily units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 1990 Census information.

(\*\*\*) Based on 2001 Aggregate HMDA Data only.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES |                                 |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      | State: Illinois |  | Evaluation Period: January 1, 2000 to December 31, 2002 |  |  |  |  |
|--|---------------------------------|-------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-----------------------------------|------|------|------|-----------------|--|---|--|--|--|--|
| MSA/Assessment Area:                               | Total Small Loans To Businesses |             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies |              | Market Share (%) by Geography *** |      |      |      |                 |  |   |  |  |  |  |
|  | #                               | % of Total* | % of Businesses **     | % BANK Loans | % of Businesses **          | % BANK Loans | % of Businesses **        | % BANK Loans | % of Businesses **       | % BANK Loans | Overall                           | Low  | Mod  | Mid  | Upp             |  |   |  |  |  |  |
| Full-Review:                                       |                                 |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |   |  |  |  |  |
| Chicago  | 7,444                           | 97.96       | 4.19                   | 3.79         | 10.60                       | 11.32        | 39.64                     | 43.24        | 44.28                    | 40.01        | 1.70                              | 2.14 | 1.85 | 1.77 | 1.64            |  |   |  |  |  |  |
| Limited-Review:                                    |                                 |             |                        |              |                             |              |                           |              |                          |              |                                   |      |      |      |                 |  |   |  |  |  |  |
| Rockford   | 67                              | 0.88        | 12.33                  | 26.87        | 20.34                       | 10.45        | 41.13                     | 26.87        | 26.20                    | 35.82        | 0.65                              | 1.24 | 0.22 | 0.47 | 1.11            |  |   |  |  |  |  |

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

(\*\*) Source of Data-Dunn and Bradstreet.

(\*\*\*) Based on 2001 Aggregate Small Business Data only.

**Table 7. Geographic Distribution of Small Loans to Farms – Not Applicable**

| Geographic Distribution: SMALL LOANS TO FARMS |                            |             |                        |              |                             |              |                           |              |                          |              |                                   | State: Illinois |     | Evaluation Period: January 1, 2000 to December 31, 2002 |     |  |  |  |
|---|----------------------------|-------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-----------------------------------|-----------------|-----|---|-----|--|--|--|
| MSA/Assessment Area:                          | Total Small Loans To Farms |             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies |              | Market Share (%) by Geography *** |                 |     |   |     |  |  |  |
|   | #                          | % of Total* | % of Farms**           | % BANK Loans | % of Farms**                | % BANK Loans | % of Farms**              | % BANK Loans | % of Farms**             | % BANK Loans | Overall                           | Low             | Mod | Mid   | Upp |  |  |  |
| Full-Review:                                  |                            |             |                        |              |                             |              |                           |              |                          |              |                                   |                 |     |   |     |  |  |  |
| Chicago                                       |                            |             |                        |              |                             |              |                           |              |                          |              |                                   |                 |     |   |     |  |  |  |
|   |                            |             |                        |              |                             |              |                           |              |                          |              |                                   |                 |     |   |     |  |  |  |
| Limited-Review:                               |                            |             |                        |              |                             |              |                           |              |                          |              |                                   |                 |     |   |     |  |  |  |
| Rockford                                      |                            |             |                        |              |                             |              |                           |              |                          |              |                                   |                 |     |   |     |  |  |  |
|   |                            |             |                        |              |                             |              |                           |              |                          |              |                                   |                 |     |   |     |  |  |  |

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

(\*\*) Source of Data-Dunn and Bradstreet.

(\*\*\*) Based on 2001 Aggregate Small Farm Data only.

**Table 8. Borrower Distribution of Home Purchase Loans**

| Borrower Distribution: HOME PURCHASE |                           |             |                      |                 |                           |                 |                         |                 |                        |                 |   |      |      |      | State: Illinois |  | Evaluation Period: January 1, 2000 to December 31, 2002 |  |  |  |  |
|--------------------------------------|---------------------------|-------------|----------------------|-----------------|---------------------------|-----------------|-------------------------|-----------------|------------------------|-----------------|---|------|------|------|-----------------|--|---|--|--|--|--|
| MSA/Assessment Area:                 | Total Home Purchase Loans |             | Low-Income Borrowers |                 | Moderate-Income Borrowers |                 | Middle-Income Borrowers |                 | Upper-Income Borrowers |                 | Market Share (%) by Borrower Income**** |      |      |      |                 |  |   |  |  |  |  |
|                                      | #                         | % of Total* | % of Families**      | % BANK Loans*** | % of Families**           | % BANK Loans*** | % of Families**         | % BANK Loans*** | % of Families**        | % BANK Loans*** | Overall                                 | Low  | Mod  | Mid  | Upp             |  |   |  |  |  |  |
| Full-Review:                         |                           |             |                      |                 |                           |                 |                         |                 |                        |                 |   |      |      |      |                 |  |   |  |  |  |  |
| Chicago                              | 39,708                    | 86.58       | 19.87                | 8.41            | 17.33                     | 26.86           | 23.93                   | 30.07           | 38.87                  | 34.66           | 6.41                                    | 7.10 | 7.86 | 7.96 | 7.74            |  |   |  |  |  |  |
|                                      |                           |             |                      |                 |                           |                 |                         |                 |                        |                 |   |      |      |      |                 |  |   |  |  |  |  |
| Limited-Review:                      |                           |             |                      |                 |                           |                 |                         |                 |                        |                 |   |      |      |      |                 |  |   |  |  |  |  |
| Rockford                             | 316                       | 0.69        | 20.89                | 18.04           | 18.09                     | 25.95           | 24.74                   | 33.54           | 36.27                  | 22.47           | 2.59                                    | 2.48 | 2.02 | 4.00 | 3.35            |  |   |  |  |  |  |
|                                      |                           |             |                      |                 |                           |                 |                         |                 |                        |                 |   |      |      |      |                 |  |   |  |  |  |  |

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

(\*\*) Percentage of Families is based on 1990 Census information.

(\*\*\*) As a percentage of loans with borrower income information available. No information was available for 0.15% of loans originated and purchased by the bank.

(\*\*\*\*) Based on 2001 Aggregate HMDA Data only.



**Table 9. Borrower Distribution of Home Improvement Loans**

| Borrower Distribution: HOME IMPROVEMENT |                              |             |                      |                 |                           |                 |                         |                 |                        |                 |   | State: Illinois |      | Evaluation Period: January 1, 2000 to December 31, 2002 |      |  |  |  |
|---|------------------------------|-------------|----------------------|-----------------|---------------------------|-----------------|-------------------------|-----------------|------------------------|-----------------|---|-----------------|------|---|------|--|--|--|
| MSA/Assessment Area:                    | Total Home Improvement Loans |             | Low-Income Borrowers |                 | Moderate-Income Borrowers |                 | Middle-Income Borrowers |                 | Upper-Income Borrowers |                 | Market Share (%) by Borrower Income**** |                 |      |   |      |  |  |  |
|   | #                            | % of Total* | % of Families**      | % BANK Loans*** | % of Families**           | % BANK Loans*** | % of Families**         | % BANK Loans*** | % of Families**        | % BANK Loans*** | Overall                                 | Low             | Mod  | Mid   | Upp  |  |  |  |
| Full-Review:                            |                              |             |                      |                 |                           |                 |                         |                 |                        |                 |   |                 |      |   |      |  |  |  |
| Chicago                                 | 237                          | 98.34       | 19.87                | 12.66           | 17.33                     | 25.95           | 23.93                   | 32.91           | 38.87                  | 28.48           | 0.06                                    | 0.00            | 0.06 | 0.12  | 0.06 |  |  |  |
|   |                              |             |                      |                 |                           |                 |                         |                 |                        |                 |   |                 |      |   |      |  |  |  |
| Limited-Review:                         |                              |             |                      |                 |                           |                 |                         |                 |                        |                 |   |                 |      |   |      |  |  |  |
| Rockford                                | 1                            | 0.42        | 20.89                | 0.00            | 18.09                     | 0.00            | 24.74                   | 100.00          | 36.27                  | 0.00            | 0.00                                    | 0.00            | 0.00 | 0.00  | 0.00 |  |  |  |
|   |                              |             |                      |                 |                           |                 |                         |                 |                        |                 |   |                 |      |   |      |  |  |  |

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

(\*\*) Percentage of Families is based on 1990 Census information.

(\*\*\*) As a percentage of loans with borrower income information available. No information was available for 28.16% of loans originated and purchased by the bank.

(\*\*\*\*) Based on 2001 Aggregate HMDA Data only.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

| Borrower Distribution: HOME MORTGAGE REFINANCE |                                     |             |                      |                 |                           |                 |                         |                 |                        |                 |   | State: Illinois |      | Evaluation Period: January 1, 2000 to December 31, 2002 |      |  |  |  |
|--|-------------------------------------|-------------|----------------------|-----------------|---------------------------|-----------------|-------------------------|-----------------|------------------------|-----------------|---|-----------------|------|---|------|--|--|--|
| MSA/Assessment Area:                           | Total Home Mortgage Refinance Loans |             | Low-Income Borrowers |                 | Moderate-Income Borrowers |                 | Middle-Income Borrowers |                 | Upper-Income Borrowers |                 | Market Share (%) by Borrower Income**** |                 |      |   |      |  |  |  |
|  | #                                   | % of Total* | % of Families**      | % BANK Loans*** | % of Families**           | % BANK Loans*** | % of Families**         | % BANK Loans*** | % of Families**        | % BANK Loans*** | Overall                                 | Low             | Mod  | Mid   | Upp  |  |  |  |
| Full-Review:                                   |                                     |             |                      |                 |                           |                 |                         |                 |                        |                 |   |                 |      |   |      |  |  |  |
| Chicago  | 69,615                              | 85.30       | 19.87                | 7.27            | 17.33                     | 20.75           | 23.93                   | 29.28           | 38.87                  | 42.70           | 6.82                                    | 8.83            | 8.48 | 8.61  | 8.13 |  |  |  |
| Limited-Review:                                |                                     |             |                      |                 |                           |                 |                         |                 |                        |                 |   |                 |      |   |      |  |  |  |
| Rockford                                       | 620                                 | 0.76        | 20.89                | 10.30           | 18.09                     | 19.44           | 24.74                   | 32.89           | 36.27                  | 37.38           | 2.72                                    | 3.02            | 2.46 | 3.56  | 3.25 |  |  |  |

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

(\*\*) Percentage of Families is based on 1990 Census information.

(\*\*\*) As a percentage of loans with borrower income information available. No information was available for 3.70% of loans originated and purchased by the bank.

(\*\*\*\*) Based on 2001 Aggregate HMDA Data only.

**Table 11. Borrower Distribution of Small Loans to Businesses**

| Borrower Distribution: SMALL LOANS TO BUSINESSES |                                 | State: Illinois |   | Evaluation Period: January 1, 2000 to December 31, 2002 |  |                          |                            |                  |                         |
|--|---------------------------------|-----------------|---|---|--|--------------------------|----------------------------|------------------|-------------------------|
|  | Total Small Loans to Businesses |                 | Businesses with Revenues of \$1 million or less |   | Loans by Original Amount Regardless of Business Size |                          |                            | Market Share**** |                         |
|  | #                               | % of Total*     | % of Businesses**                               | % BANK Loans***   | \$100,000 or Less                                    | > \$100,000 to \$250,000 | > \$250,000 to \$1,000,000 | All              | Rev \$1 million or less |
| Full-Review:                                     |                                 |                 |   |   |  |                          |                            |                  |                         |
| Chicago  | 7,444                           | 97.96           | 75.17   | 52.88   | 4,518  | 1,108                    | 1,818                      | 1.70             | 1.55                    |
|  |                                 |                 |   |   |  |                          |                            |                  |                         |
| Limited-Review:                                  |                                 |                 |   |   |  |                          |                            |                  |                         |
| Rockford   | 67                              | 0.88            | 80.91   | 37.31   | 26   | 14                       | 27                         | 0.65             | 0.51                    |
|  |                                 |                 |   |   |  |                          |                            |                  |                         |

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

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

(\*\*\*) Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 12.16% of small loans to businesses originated and purchased by the bank.

(\*\*\*\*) Based on 2001 Aggregate Small Business Data only.

**Table 12. Borrower Distribution of Small Loans to Farms – Not Applicable**

| Borrower Distribution: SMALL LOANS TO FARMS |                            | State: Illinois |  | Evaluation Period: January 1, 2000 to December 31, 2002 |  |                          |                            |                  |                         |
|---|----------------------------|-----------------|--|---|--|--------------------------|----------------------------|------------------|-------------------------|
|   | Total Small Loans to Farms |                 | Farms with Revenues of \$1 million or less |   | Loans by Original Amount Regardless of Farm Size |                          |                            | Market Share**** |                         |
|   | #                          | % of Total*     | % of Businesses**                          | % BANK Loans***   | \$100,000 or Less                                | > \$100,000 to \$250,000 | > \$250,000 to \$1,000,000 | All              | Rev \$1 million or less |
| Full-Review:                                |                            |                 |  |   |  |                          |                            |                  |                         |
|   |                            |                 |  |   |  |                          |                            |                  |                         |
|   |                            |                 |  |   |  |                          |                            |                  |                         |
| Limited-Review:                             |                            |                 |  |   |  |                          |                            |                  |                         |
|   |                            |                 |  |   |  |                          |                            |                  |                         |
|   |                            |                 |  |   |  |                          |                            |                  |                         |

(\*) Small loans to farms originated and purchased in the MSA/AA as a percentage of all small loans to farms originated and purchased in the rated area.  
 (\*\*) Farms with revenues of \$1 million or less as a percentage of all businesses.  
 (\*\*\*) Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for [Percent] of small loans to businesses originated and purchased by the bank.  
 (\*\*\*\*) Based on 2001 Aggregate Small Farm Data only.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution’s Option)  
– Not Applicable**

| Geographic and Borrower Distribution: CONSUMER LOANS |                      | State: Illinois |                         | Evaluation Period: January 1, 2000 to December 31, 2002 |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |
|--|----------------------|-----------------|-------------------------|---|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-----------------------|--------------|---------------------------|--------------|-------------------------|--------------|------------------------|--------------|--|
| MSA/Assessment Area:                                 | Total Consumer Loans |                 | Geographic Distribution |   |                             |              |                           |              |                          |              | Borrower Distribution |              |                           |              |                         |              |                        |              |  |
|  |                      |                 | Low-Income Geographies  |   | Moderate-Income Geographies |              | Middle-Income Geographies |              | Upper-Income Geographies |              | Low-Income Borrowers  |              | Moderate-Income Borrowers |              | Middle-Income Borrowers |              | Upper-Income Borrowers |              |  |
|  | #                    | % of Total**    | % of Hhlds*             | % BANK Loans  | % of Hhlds*                 | % BANK Loans | % of Hhlds*               | % BANK Loans | % of Hhlds*              | % BANK Loans | % of Hhlds*           | % BANK Loans | % of Hhlds*               | % BANK Loans | % of Hhlds*             | % BANK Loans | % of Hhlds*            | % BANK Loans |  |
| Full-Review:   |                      |                 |                         |   |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |
| Chicago  |                      |                 |                         |   |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |
|  |                      |                 |                         |   |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |
| Limited-Review:                                      |                      |                 |                         |   |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |
| Rockford   |                      |                 |                         |   |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |
|  |                      |                 |                         |   |                             |              |                           |              |                          |              |                       |              |                           |              |                         |              |                        |              |  |

(\*) Percentage of Households (Hhlds) is based on 1990 Census information.

(\*\*) Consumer loans originated and purchased in the MSA/AA as a percentage of all consumer loans originated and purchased in the rated area.

**Table 14. Qualified Investments**

| QUALIFIED INVESTMENTS |                           | State: Illinois |                            | Evaluation Period: July 1, 1999 to December 31, 2002 |                   |            |                 |                        |            |
|-----------------------|---------------------------|-----------------|----------------------------|--|-------------------|------------|-----------------|------------------------|------------|
| MA/Assessment Areas:  | Prior Period Investments* |                 | Current Period Investments |  | Total Investments |            |                 | Unfunded Commitments** |            |
|                       | #                         | \$ (000's)      | #                          | \$ (000's)   | #                 | \$ (000's) | % of Total \$'s | #                      | \$ (000's) |
| Full-Review:          |                           |                 |                            |  |                   |            |                 |                        |            |
| Chicago               | 22                        | 20,809          | 762                        | 118,955  | 784               | 139,764    | 99.96           | 16***                  | 17,900     |
|                       |                           |                 |                            |  |                   |            |                 |                        |            |
| Limited-Review:       |                           |                 |                            |  |                   |            |                 |                        |            |
| Rockford              | 0                         | 0               | 14                         | 61   | 14                | 61         | 0.04            | 0                      | 0          |
|                       |                           |                 |                            |  |                   |            |                 |                        |            |

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

(\*\*) A Unfunded Commitments≡ means legally binding investment commitments that are tracked and recorded by the bank=s financial reporting system.

(\*\*\*) 13 of the 16 Unfunded Commitments are actually partially funded. Funded portions are included in Total Investments.

