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Comptroller of the Currency  
Administrator of National Banks

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**LARGE BANK**

## **PUBLIC DISCLOSURE**

August 16, 1999

### **COMMUNITY REINVESTMENT ACT**

**First Mid-Illinois Bank & Trust, N.A.  
Charter Number 10045**

**1515 Charleston Avenue  
Mattoon, Illinois 61938**

**Comptroller of the Currency  
Harris Center  
3001 Research Road, Suite E-2  
Champaign, Illinois, 61938**

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

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## GENERAL INFORMATION

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

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of First Mid-Illinois Bank & Trust, N.A., Mattoon, Illinois as prepared by **The Comptroller of the Currency**, the institution's supervisory agency, as of August 16, 1999. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

## DEFINITIONS AND COMMON ABBREVIATIONS

The following terms and abbreviations are used throughout this Performance Evaluation. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Assessment Area (AA)**- The geographic area which an institution selects as the community within which its regulator will assess the institution's record of CRA performance. Generally, an urban assessment area will not extend beyond the boundaries of a Metropolitan Statistical Area (MSA). A rural assessment area may contain one or more neighboring counties.

**Block Numbering Area (BNA)**- Statistical subdivisions of counties in which census tracts have not been established. BNA's have been established by the United States Census Bureau in conjunction with state agencies.

**Census Tract (CT)**- Small, locally defined statistical areas within a MSA. These areas are determined by the United States Census Bureau in an attempt to group homogeneous populations. A CT has defined boundaries per ten-year census and an average population of 4,000.

**Community Development (CD)**- Affordable housing (including multi-family rental housing) for low- and moderate-income (LMI) individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet 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; activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA)**- The statute that requires 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.

**FMB&T**- First Mid-Illinois Bank & Trust, N.A..

**Full-Scope Review**- Performance under the Lending, Investment, and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g. geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g. innovation, complexity).

**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 MSAs to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of the applicant(s), the amount of loan requested and the disposition (e.g. approved, denied, withdrawn) of the application.

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

**Income-Levels**- These relate to individuals, families, and the CT's in an MSA.

**Low-Income**- Income levels that are less than 50 percent of the median family income.

**Moderate-Income** - Income levels that are at least 50 percent and less than 80 percent of the median family income.

**Middle-Income**- Income levels that are at least 80 percent and less than 120 percent of the median family income.

**Upper-Income**- Income levels that are 120 percent or more of the median family income.

**Limited-Scope 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, branch distribution).

**Median Family Income (MFI)**- The median income determined by the United States 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 Statistical Area (MSA)**- Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

**Small Business Loans**- Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

**Small Farm Loans**- Loans with original amounts of \$500 thousand or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

**Tier 1 Capital**-The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

## OVERALL CRA RATING

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**.

The following table indicates the performance level of First Mid-Illinois Bank & Trust N.A. with respect to the lending, investment, and service tests.

| Performance Levels        | First Mid-Illinois Bank & Trust, N.A.<br>Performance Tests |                 |              |
|---------------------------|--|-----------------|--------------|
|                           | Lending Test*  | Investment Test | Service Test |
| Outstanding               |  |                 |              |
| High satisfactory         | X  |                 | X            |
| Low satisfactory          |  | X               |              |
| Needs to improve          |  |                 |              |
| Substantial noncompliance |  |                 |              |

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

The major factors that support this rating include:

- Loans to borrowers of different income levels showed good distribution. Of the families located in the non-MSA AA, 16% are low-income and 17% are moderate-income. From January 1, 1998 through June 30, 1999, FMIB&T made 17% of the home improvement loans in this AA to low-income borrowers and 30% to moderate-income borrowers. During the same period, FMIB&T made 6% of the home purchase loans in the AA to low-income borrowers and 19% to moderate-income borrowers.
- Loans made to businesses of different sizes show good distribution. In the non-MSA AA, 76% of the small business loans made by FMIB&T were to businesses with annual revenues less than \$1 million. Ninety percent of the businesses in the AA have annual revenues of less than \$1 million. Only 65% of all of the market's small business loans were made to businesses with revenues of less than \$1 million. FMIB&T's market share of loans made to businesses with annual revenues of less than \$1 million is greater than their market share for small business loans in general. Also, loans made to farms of different sizes show good distribution. Ninety-nine percent of the small farm loans

in the non-MSA AA were made to farms with annual revenues of less than \$1 million. This is in line with demographics, as 98% of the farms in the AA have annual revenues of less than \$1 million.

- A substantial majority of the bank's loans are located in the bank's assessment areas. The bank originated 92% of their home purchase loans, 91% of small business loans, and 82% of small farm loans inside their assessment areas.
- The geographic distribution of loans made by First Mid-Illinois Bank & Trust, N.A. is reasonable. An adequate number of loans made by the bank are in low- and moderate-income census tracts. Of the home improvement loans originated in the non-MSA counties AA, 8% were made inside the moderate-income tract, although only 2% of the owner-occupied units in the AA are in this tract. Of the home purchase loans originated in the non-MSA AA, the bank originated 2% in the moderate-income tract.
- First Mid-Illinois Bank & Trust, N.A provides a relatively high number of community development services.

## DESCRIPTION OF INSTITUTION

First Mid-Illinois Bank & Trust, N.A. (FMIB&T) is a \$587 million intrastate institution located in Mattoon, Illinois. The bank operates seventeen offices. Five branches, plus the main office are in Coles County, two branches are in each of the following counties: Douglas County, Effingham, Moultrie, and Piatt counties. One branch is located in Champaign, Cumberland, and Christian counties.

The following changes in the bank's structure have occurred since January 1, 1997: On March 7, 1997, FMIB&T purchased the Charleston branch of First of America. On November 15, 1997, Heartland Saving Bank (an affiliate institution headquartered in Mattoon with a branch Urbana) was merged into the bank. On May 10, 1999, the bank acquired three Bank One facilities located in De Land, Monticello, and Taylorville. These last three branches (two in Piatt County and one in Christian County) are not being included in our CRA assessment as the assessment period was almost over when they were acquired.

First Mid-Illinois Bank & Trust, N.A. is wholly owned by First Mid-Illinois Bancshares, Inc., a one-bank holding company. The holding company also owns First Mid-Illinois Data Services, Inc., which provides data processing for the bank and holding company only. The bank does have an operating subsidiary, First Mid-Illinois Insurance Service, Inc., which is profitable and does not negatively impact the bank's ability to meet the communities credit needs.

As of June 30, 1998, the bank had \$359 million in total loans, or 61% of total assets. The make-up of the loan portfolio was 70% real estate secured. Forty-eight percent of the portfolio is 1-4 family residential loans, 15% is commercial real estate, 15% is comprised of commercial loans, 7% is agricultural real estate, 8% is made up of agricultural loans, and only 7% consist of loans to individuals. The bank focuses on commercial lending to small businesses, originating secondary market real estate loans, and trust services. There are no financial, legal, or other impediments that would hinder the bank's ability to help meet the credit needs of its assessment area.

## **SCOPE OF THE EVALUATION**

### **Evaluation Period/Products Evaluated**

We reviewed HMDA (home purchase, home improvement, home refinance, and multi-family), small business (loans with original amounts of \$1 million or less), small farm (loans with original amounts of \$500 thousand or less), and community development loans for the time period of January 2, 1997 to June 30, 1999. FMIB&T chose not to have its consumer lending activity included in the CRA evaluation. Due to the merger during 1997, no loan data from the former Heartland Savings Bank for 1997 was included in the analysis. Also, for our 1997 review of home mortgages we took a sample of sixty home mortgages, as FMIB&T was not a HMDA reporter in 1997. Of our sample of sixty loans, the bank could not locate two of these files. As mentioned under the description of the institution, the assessment areas reviewed during this evaluation will be the assessment areas prior to the May 1999 acquisitions. The last CRA evaluation dated August 14, 1997 rated the bank "Satisfactory Record of Meeting Community Credit Needs."

The review of investments included a review of the investment portfolio and an analysis of the donations and pledges provided to community service organizations. Our evaluation of services included analyzing the bank's branch/ATM network for the availability and effectiveness of delivering retail-banking services. We analyzed the effect of the changes in branch locations since the previous CRA examination. We also considered the extent and innovativeness of its community development services in meeting the credit needs of the assessment area.

### **Data Integrity**

In order to determine the accuracy of data presented by the bank, we verified a sample of 1998 and 1999 HMDA loans. We also verified a sample of 1997, 1998, and 1999 small business and small farm loans.

We reviewed a sample of HMDA reportable transactions to ensure the loan type, purpose, action taken, origination amount, geographic location, and applicant income were accurately reported on the Loan Application Register (LAR). Our review of the HMDA information noted only 4% of these critical fields contained errors. Due to this reasonable level of errors, the 1998 and 1999 HMDA reports were considered accurate and were used in our analysis.

The sample of small business and small farm loans was reviewed to ensure the loan type, action taken, original amount, geographical location, and revenue categories were properly reported. Our review noted only 2% of the critical fields contained errors. The CRA data is considered accurate and was used in our analysis.

We also reviewed 100% of the loans the bank was reporting as community development. We

discussed the bank's lending programs to determine if they were flexible and innovative. We reviewed 100% of the bank's community development investments. In addition, we reviewed all the donations the bank made from January 2, 1997 through June 30, 1999. With assistance from bank personnel, we determined which organizations met the definition of community development and only included those under the investment test. We also reviewed the bank's services with the assistance of bank personnel to determine which services met the definition of community development.

### **Selection of Areas for Full-Scope Review**

Our analysis included full scope examination procedures for both of FMIB&T's assessment areas prior to May 10, 1999. The first assessment area includes Coles, Cumberland, Moultrie, Douglas, and Effingham counties, which are not located in a MSA. The second assessment area is Champaign County that is the MSA #1400. Both of these assessment areas are in the state of Illinois.

### **Ratings**

As mentioned above, both of the bank's assessment areas are located in Illinois. The non-MSA assessment area was more heavily weighted due to the fact that only one of the bank's branches is located within the Champaign County MSA. The Champaign County MSA assessment area was also weighted less due to the recent entry into this area.

In the lending test, the distribution of loans by income level of the borrower received more weight than the distribution of loans by income level of geography. In the non-MSA AA, there is only one moderate BNA and only 6% of the AA low-income families and 4% of the AA moderate-income families are located in this BNA. Also, when reviewing the HMDA products, we weighed the home purchase and home improvement products more heavily than the home refinance.

### **Other**

During this exam, we conducted two community contacts, one real estate agent from each assessment area. We also reviewed information from six community contacts conducted by other examiners. Five of these community contacts were for the non-MSA assessment area and the other one was for the Champaign County MSA. Three of these contacts were realtors, one was a city government official, one was an executive director of an economic development organization, and one was a county government official. Credit needs for both assessment areas that were identified through these contacts include small business loans and home mortgage loans. A contact for the Champaign County MSA stated that a first time homebuyers program for existing houses was needed.

## **FAIR LENDING REVIEW**

Our fair lending review consisted of a comparative file analysis on applications to purchase 1-4 family homes. The applications were all received by FMIB&T between July 1, 1998 and June 30, 1999. We compared eight denied individual female files to forty approved individual male files. We evaluated the underwriting decisions to determine whether the female applicants were treated similarly to the male applicants. Our analysis did not show any disparate treatment or discrimination. No violations of the substantive provisions of the antidiscrimination laws and regulations were identified.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

FMIB&T's overall CRA performance is **Satisfactory**. FMIB&T has met the intent of the Community Reinvestment Act.

### LENDING TEST

The bank's performance under the Lending Test is rated "High Satisfactory." We assessed FMIB&T's lending performance by focusing our review on small business, small farm, and HMDA loans. Based on full-scope reviews, the bank's performance in the non-MSA assessment area is good. In the Champaign County MSA #1400, FMIB&T's performance is adequate. As mentioned previously, the non-MSA assessment area carries more weight in our rating for this institution. Market share information was not a major factor in reviewing the components of the lending tests, because FMIB&T is the only large bank headquartered in Assessment Area #1 (5 county non-MSA area) and the bank does only about 7% of their business in Assessment Area #2 (Champaign County MSA). Also, market share information is not available for home mortgage data, since the bank was not a HMDA reporting institution in 1997. For the small farm and small business market share information in Assessment Area #2, it is also important to realize that the bank only had a branch in this AA for less than 2 months of 1997.

#### *Major Conclusions:*

- The bank's distribution of lending to borrowers reflects good distribution among customers of different income levels. Of the families located in the non-MSA AA, 16% are low-income and 17% are moderate-income. From January 1, 1998 through June 30, 1999, FMIB&T made 17% of the home improvement loans in this AA to low-income borrowers and 30% to moderate-income borrowers. During the same period, FMIB&T made 6% of the home purchase loans in the AA to low-income borrowers and 19% to moderate-income borrowers.
- The bank's record of lending to small businesses and small farms is good. In the non-MSA AA, 76% of the small business loans made by FMIB&T were to businesses with annual revenues less than \$1 million. Ninety percent of the businesses in the AA have annual revenues of less than \$1 million. Only 65% of all of the market's small business loans were made to businesses with revenues of less than \$1 million. FMIB&T's market share of loans made to businesses with annual revenues of less than \$1 million is greater than their market share for small business loans in general. Also, ninety-nine percent of FMIB&T's small farm loans in the non-MSA AA were made to farms with annual revenues of less than \$1 million. This is in line with demographics, as 98% of the farms in the AA have annual revenues of less than \$1 million.
- FMIB&T's lending levels for HMDA, small business, and small farm loans reflect good

responsiveness to assessment area credit needs. FMIB&T originated 5,765 loans totaling approximately \$348 million during this evaluation period. In addition, the bank made 777 home mortgage loans totaling \$41 million in 1997. The bank was not a HMDA reporter, therefore the total of these loans inside the assessment area are not available. Also, community development loans reflect reasonable responsiveness to community credit needs.

- A substantial majority of the loans originated were made within the institution's assessment areas. The bank originated 92% of their home purchase loans, 91% of small business loans, and 82% of small farm loans inside their assessment areas.
- The geographic distribution of loans made by First Mid-Illinois Bank & Trust, N.A. is reasonable. An adequate number of loans made by the bank are in low- and moderate-income census tracts. Of the home improvement loans originated in the non-MSA counties AA, 8% were made inside the moderate-income tract, although only 2% of the owner-occupied units in the AA are in this tract. Of the home purchase loans originated in the non-MSA AA, the bank originated 2% in the moderate-income tract.

### **Lending Activity**

Loans originated during the evaluation period reflect good responsiveness to identified credit needs.

FMIB&T's HMDA lending levels reflect good responsiveness to the housing needs of the AAs. The largest volume of lending by number of loans made in the evaluation period is HMDA products with 3,002 loans totaling \$192,990,000, with a substantial majority in the AAs. Market share information for 1997 HMDA products is not available, as FMIB&T was not a HMDA reporting bank.

FMIB&T's small business lending reflects good responsiveness to the credit needs in the AAs. FMIB&T's commitment to meeting its AAs credit needs is demonstrated by the volume of small business loans in the areas. Small business lending is the second highest volume of lending with 2,201 loans totaling almost \$138 million made in the AA during the evaluation period. The bank ranked 1st out of 37 institutions (with 65% of the market share) for small business lending in the non-MSA AA during 1997. The bank was not located in the Champaign County MSA during 1997 until November, but it did rank 14<sup>th</sup> out of 42 in small business lending for the MSA in 1997.

FMIB&T's small farm lending reflects good responsiveness to the credit needs of the assessment area. The bank originated 1,605 loans for a total of \$73,850,000 within the assessment area during the evaluation period. FMIB&T ranked 1st out of 14 institutions (with 78% of the market share) in small farm lending for the non-MSA for 1997. The bank was not located in the Champaign County MSA during 1997 until November, but it did rank 9<sup>th</sup> out of 11 in small farm lending for the MSA in 1997.

## Assessment Area Concentration

A substantial majority of the bank's loans are located within the AAs. The level of lending inside the assessment areas is good. This is indicative of the bank's efforts to meet the credit needs within their assessment areas. The following data shows the level of lending inside the AAs during the evaluation period:

- *Home Purchase*--In between January 1, 1998 and June 30,1999, FMIB&T originated 754 home purchase loans. Five hundred and forty-eight or 73% of these loans were extended within the bank's non-MSA AA. Another 145 or 19% home purchase loans were extended within the bank's Champaign County MSA AA. In total, 92% of the home purchase loans originated at FMIB&T during these eighteen months were within the bank's assessment areas. Our 1997 sample showed 92% (24 out of 26) home purchase loans were in the assessment areas (81% was in the non-MSA AA and 11% was in the Champaign County MSA).
- *Refinance*-- In between January 1, 1998 and June 30,1999, FMIB&T originated 1,164 refinance loans and 850 or 73% were extended inside the bank's non-MSA AA. An additional 240 or 21% of the home refinance loans were made in the Champaign County MSA AA. During these eighteen months, 94% were in the bank's assessment areas. During 1997, our sample 96% (or 25 out of 26) home refinance loans were in the assessment area. Ninety-two percent of these were in the non-MSA AA, and the other 4% were in the Champaign County MSA.
- *Home Improvement*--In between January 1, 1998 and June 30, 1999, FMIB&T originated 177 loans of which 160 or 90% were originated in the bank's non-MSA AA. Another home improvement loan or 1% was originated in the bank's Champaign County MSA AA. During these eighteen months, 91% were in the bank's assessment areas. During 1997, 100% of our sample (6 out of 6) of home improvement loans were in the non-MSA AA.
- *Multi-Family*-- In between January 1, 1998 and June 30, 1999, FMIB&T made 16 loans, 11 (69%) of which were inside the bank's non-MSA assessment area. An additional 2 loans or 13% were made within Champaign County. During these eighteen months, 82% were in the bank's assessment areas. Our 1997 sample did not include any multi-family mortgage loans.
- *Small Business*--During our evaluation period, FMIB&T originated 2,413 small business loans of which 2,181 or 90% originated within the non-MSA AA. An additional 20 or 1% were made within Champaign County MSA AA.
- *Small Farm*--During the evaluation period, FMIB&T originated 1,948 small farm loans and 1,601 or 82% were originated within the non-MSA AA. An additional 4 loans (less than 1%) were made in the Champaign County MSA AA.

## **Distributions of Loans by Income Level of the Geography**

The geographic distribution of home mortgage and small business loans reflects an adequate level of lending in low- and moderate-income census tracts/BNAs inside the AAs. Refer to Tables 2, 3, and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage originations. Market share information was not available for home mortgage loans, since the bank was not a HMDA reporter in 1997. Refer to Table 5 of Appendix C for the facts and data used to evaluate the geographic distribution of the bank's small business loan originations. Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's small farm loan originations.

### **Home Purchase Loans**

**Assessment area #1 - Non-MSA:** The geographic distribution of home purchase loans reflects an adequate level of lending in the moderate-income BNA. From January 1, 1998 through June 30, 1999, the bank originated 10 (or 2% originated in AA #1) home purchase loans totaling \$307,000 (or 1% of dollars originated in AA#1) in the moderate-income BNA. There is not a low-income BNA in this assessment area. This distribution falls in line with the number of owner-occupied units in the AA that are located in the moderate-income BNA, which is 2%. Our sample from 1997 showed that 1% of the home purchase loans were in the moderate-income BNA.

**Assessment area #2 - Champaign County MSA:** The geographic distribution of home purchase loans reflects a low level of lending in low-income and moderate-income census tracts. From January 1, 1998 through June 30, 1999, the bank originated 2 (or 1% originated in AA #2) home purchase loans totaling \$160,000 (or 1% of dollars originated in AA#2) in the low-income census tracts. Only 1% of the AA's owner-occupied units are in low-income CTs. From January 1, 1998 through June 30, 1999, the bank originated 8 (or 6% originated in AA #1) home purchase loans totaling \$642,000 (or 5% of dollars originated in AA#1) in the moderate-income BNA. Approximately 8% of the owner-occupied units in the AA are in moderate-income census tracts. None of the three home purchase loans from this AA in our 1997 sample were located in the low- or moderate-income CTs.

### **Home Improvement Loans**

**Assessment area #1 - Non-MSA:** The geographic distribution of home improvement loans reflects a good level of lending in the moderate-income BNA in the AA. From January 1, 1998 through June 30, 1999, the bank originated 13 (or 8% originated in AA #1) home improvement loans totaling \$178,000 (or 9% of the dollars originated in AA#1) in the moderate-income BNA. This compares favorably to the fact that only 2% of the owner-occupied units in the assessment area are located in the moderate-income geography. None of the six home improvement loans in our 1997 sample were located in the moderate-income BNA.

**Assessment area #2 - Champaign County MSA:** Only one home improvement loan was made in AA #2 during January 1, 1998 and June 30, 1999. This loan was made in a middle-income census tract. Our 1997 sample did not include any home improvement loans made in AA #2.

### *Home Mortgage Refinance Loans*

**Assessment Area #1 - Non-MSA:** The geographic distribution of home mortgage refinance loans reflects an adequate level of lending in the moderate-income BNA in the AA. From January 1, 1998 through June 30, 1999, the bank originated 10 (or 1% of the originations in AA #1) home refinance loans totaling \$335,000 (or 1% of the dollars originated in AA#1) in the moderate-income BNA. This distribution falls just below that of the distribution of owner occupied units in the AA. Owner-occupied units in the moderate-income tracts equal just 2% of all owner occupied units in the AA. None of the 24 home refinance loans in AA #1 included in our 1997 sample were located in the moderate-income BNA.

**Assessment Area #2 - Champaign County MSA:** The geographic distribution of home mortgage refinance loans reflects a low, but reasonable level of lending in the low-income and moderate-income census tracts in the MSA. From January 1, 1998 through June 30, 1999, the bank originated 1 home refinance loan at \$21,000, less than 1% of the home refinance loans originated in the AA, in the low-income census tracts. Only 1% of the owner-occupied housing in the AA is located in low-income census tracts. This is due to the University of Illinois campus area being located in the low-income census tracts. From the same period, the bank originated 9 (or 4% of originations in AA) home refinance loans totaling \$747,000 (or 4% of dollars originated in AA) in the moderate-income census tracts. Eight percent of the owner-occupied housing is located in the moderate-income census tracts. Our 1997 sample included only 1 home refinance loan from this AA and it was located in a middle-income CT.

### *Multifamily Loans*

**Assessment Area #1 - Non-MSA:** The geographic distribution of multifamily loans reflects a reasonable level of lending in the moderate-income BNA in the AA. The bank originated 1 (or 9% of multifamily loans originated in the AA) multifamily loan totaling \$30,000 (or 4% of the dollars originated in the AA) between January 1, 1998 through June 30, 1999. Six percent of the multi-family residences in the AA are in the moderate-income BNA. No multifamily loans were included in our 1997 home mortgage sample.

**Assessment Area #2 - Champaign County MSA:** January 1, 1998 through June 30, 1999, FMIB&T originated 2 multifamily loans and neither of these loans were in the low- or moderate-income census tracts. This is despite the fact that 35% of the multifamily houses are in the low-income census tracts and another 19% of the multifamily houses are in the moderate-income census tracts. The

aggregate 1997 HMDA for all reporting lenders shows only 33 multi-family loans were made in the low-income area and 16 were made in the moderate-income tract. There is very little turnover of the multi-family housing in the low-income and moderate-income tracts, because a lot of these units are university housing. No multifamily loans were included in our 1997 home mortgage sample.

### **Small Business Loans**

**Assessment Area #1 - Non-MSA:** During the assessment period, FMIB&T's geographic distribution of small business loans reflects an adequate distribution of lending to businesses in the moderate-income BNA. Sixty-eight (or 3% of small business loans originated in the AA) small business loans totaling \$3,764,000 (or 3% of the dollars originated in the AA) were made in the moderate-income BNA. This is in line with the demographics for the AA, as 4% of the business are located in the moderate-income BNA. FMIB&T made 74% of the small business loans located in the moderate-income BNA.

**Assessment Area #2 - Champaign County MSA:** During the assessment period, FMIB&T's geographic distribution of small business loans reflects an adequate distribution of lending to businesses in the low-income census tracts, but showed no penetration in the moderate-income census tracts. FMIB&T originated 2 loans (or 10%) totaling \$1,002,000 (or 21%) small business loans in the low-income census tracts. This is line with demographic data as 10% of businesses in the AA are located in the low-income census tracts. FMIB&T did not originate any small business loans in moderate-income census tracts in the AA. Twenty-six percent of the businesses in the AA are located in the moderate-income census tracts. There were over 400 small business loans reported in the moderate-income CTs during 1997 by other banks. However, the FMIB&T Urbana branch concentrates on home mortgage loans and originates very few commercial loans.

### **Small Farm Loans**

**Assessment Area #1 - Non-MSA:** During the assessment period, FMIB&T geographic distribution of small farm loans reflects an adequate distribution of lending to farms in the moderate-income BNA. The bank originated 26 (or 2%) totaling \$1,350,000 (or 2%) small farm loans in the moderate-income BNA. Only 3.5% of total farms in the AA are located in the moderate-income BNA. FMIB&T made 100% of the small farm loans located in the moderate-income BNA.

**Assessment Area #2 - Champaign County MSA:** During the assessment period, FMIB&T did not originate any small farm loans in the low- and moderate-income census tracts in the AA. This is reasonable, as only 14 small farm loans were reported by all lenders in the low- and moderate-income CTs. Four percent of the farms in the AA are located in low-income census tracts and 11% of the farms are in moderate-income census tracts.

### **Lending Gap Analysis:**

There were no unexplained conspicuous gaps in the bank's lending.

**Assessment Area #1 - Non-MSA:** The only lending gap in the AA occurred in Effingham county BNAs #9501, #9598, and #9599 for small farms. These BNAs are middle- and upper-income BNAs. A majority of these BNAs are located in the city limits of Effingham and there are very few farms, a total of 17, located in these BNAs. Also, there are 10 financial institutions located in the county. This explanation is reasonable.

**Assessment Area #2 - Champaign County MSA:** For HMDA products, there was no penetration in four tracts (#102.01, #102.2, #102.03, and #103) located in Rantoul. This because of the distance of the city from the branch in Urbana and the competition of banks located in Rantoul. There were some gaps in the cities of Champaign and Urbana in tracts #1, #4, #51, #59, and #60 for HMDA loans. A lot of this area consists of the University of Illinois campus and downtown businesses. Very few, a total of 165, owner occupied houses are found in these tract. Of these nine census tracts with no penetration, three are low-income tracts and three are moderate-income tracts. The explanations for these gaps are reasonable.

Home mortgages are the primary product at the Urbana branch, only eleven tracts (fairly spread out and at least one of all types of income tracts) have penetration for small business loans. Also only one census tract has penetration for small farm loans.

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

The distribution of lending to borrowers of different income levels reflects a good level of lending among retail customers, farm and business customers of different size. Eighty-six percent of the small business and small farm loans originated in the assessment areas were to businesses and farms with revenues of less than \$1 million. Refer to Tables 7, 8, 9,10, and 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage , small business, and small farm loan originations.

### **Home Purchase Loans**

**Assessment Area #1 - Non-MSA:** The distribution of lending to borrowers reflects a good level of home purchase loans to individuals of different income levels. An analysis of the 548 home purchase originations in the AA, during January 1, 1998 through June 30, 1999, shows the bank extended 6% of the number of home purchase loans to low-income borrowers and 19% to moderate-income borrowers. Low-income families make up 16% of the AA, however a majority of these families are below poverty level. Thirteen percent of the AA is below poverty level. Seventeen percent of families in the AA are moderate-income. Our sample of 1997 real estate loans showed that 1% of the home purchase loans in the AA were made to moderate-income borrowers.

**Assessment Area #2 - Champaign County MSA:** The distribution of lending to borrowers reflects a good level of home purchase loans to individuals of different incomes. An analysis of the 145 home purchase originations in the AA, during January 1, 1998 through June 30, 1999, shows the bank extended 10% of the number of home purchase loans to low-income borrowers and 25% to moderate-income borrowers. Low-income families make up 20% of the AA, however a majority of these families are below poverty level. Fifteen percent of the AA is below poverty level. Eighteen percent of families in the AA are moderate-income. None of the three home purchase loans in the AA from our sample of 1997 real estate loans were made to low- or moderate-income borrowers.

### **Home Improvement Loans**

**Assessment Area #1 - Non-MSA:** The distribution of lending to borrowers reflects a good level of home improvement loans to individuals of different income levels. An analysis of the 145 home improvement originations in the AA, during January 1, 1998 through June 30, 1999, shows the bank extended 15% of the number of home improvement loans to low-income borrowers and 27% to moderate-income borrowers. These percentages are above the AA demographics for low- and moderate-income families. Low-income families make up 16% of the AA, however a majority of these families are below poverty level. Thirteen percent of the AA is below poverty level. Seventeen percent of families in the AA are moderate-income. Our 1997 sample of real estate loans shows that 30% of the home improvement loans were made to low-income borrowers, and another 17% were made to moderate-income borrowers.

**Assessment Area #2 - Champaign County MSA:** Only one home improvement loan was made in the AA during the period January 1, 1998 through June 30, 1999. This loan was made to a low-income applicant. Our 1997 sample did not include any home improvement loan made in this AA.

### **Home Mortgage Refinance Loans**

**Assessment Area #1 - Non-MSA:** The distribution of lending to borrowers reflects an adequate level of home mortgage refinance loans to individuals of different income levels. An analysis of the 834 home mortgage refinance originations from January 1, 1998 through June 30, 1999 shows the bank extended 4% of the number of home mortgage refinance loans to low-income borrowers and 13% to moderate-income borrowers. These percentages fall below the AA demographics for low- and moderate-income families. Low-income families make up 16% of the AA, however a majority of these families are below poverty level. Thirteen percent of the AA is below poverty level. Seventeen percent of families in the AA are moderate-income. Our 1997 sample of real estate loans showed that 2% of the home refinance loans were made to low-income families and 28% were to moderate-income families.

**Assessment Area #2 - Champaign County MSA:** The distribution of lending to borrowers reflects an adequate level of home mortgage refinance loans to individuals of different income levels. An analysis of 220 home mortgage refinance originations from January 1, 1998 through June 30, 1999

shows the bank extended 5% of the number of home mortgage refinance loans to low-income borrowers and 13% to moderate-income borrowers. Low-income families make up 20% of the AA, however a majority of these families are below poverty level. Fifteen percent of the AA is below poverty level. Eighteen percent of families in the AA are moderate-income. The one home refinance loan in our 1997 sample was made to a middle-income borrower.

### **Small Business Loans**

**Assessment Area #1 - Non-MSA Counties:** FMIB&T's lending levels for small business loans in AA #1 reflects adequate responsiveness to community credit needs. Seventy-six percent of the small business loans made in the assessment area were made to companies with annual revenues less than \$1 million. Ninety percent of the businesses in the AA have revenues less than \$1 million. FMIB&T has a greater share of the market of loans to businesses with revenue less than \$1 million than their share of all small business loans. Only 65% of small businesses loans were made to businesses with annual revenues of less than \$1 million in the AA.

FMIB&T's small business distribution shows a significant amount of these loans are for small dollar amounts. Eighty-four percent of the reported small business loans were for original amounts of \$100,000 or less. An additional eleven percent of FMIB&T's loans were for original amounts between \$100,000 and \$250,000. Five percent of all reported small business loans were originated for amounts between \$250,000 and \$1,000,000. Table 10 illustrates the distribution of loans by original loan amount and to businesses with revenues less than \$1 million.

**Assessment Area #2 - Champaign County MSA:** Eighty percent of the small business loans made in the assessment area were made to companies with annual revenues less than \$1 million. Ninety-one percent of the businesses in the assessment area have revenues less than \$1 million. This shows adequate response to the community credit needs.

FMIB&T's small business distribution shows a majority of these loans are for small dollar amounts. Fifty percent of the reported small business loans were for original amounts of \$100,000 or less. An additional fifteen percent of FMIB&T's loans were for original amounts between \$100,000 and \$250,000. Thirty-five percent of all reported small business loans were originated for amounts between \$250,000 and \$1,000,000. Table 10 illustrates the distribution of loans by original loan amount and to businesses with revenues less than \$1 million.

### **Small Farm Loans**

**Assessment Area #1- Non-MSA Counties:** FMIB&T's lending levels for small farm loans in this AA reflects good responsiveness to community credit needs. Ninety-nine percent of the small farm loans made in the AA were to farms with annual revenues of less than \$1 million. This is comparable to the demographics of the area as ninety-nine percent of the farms in AA have annual revenues of less

than \$1 million.

FMIB&T's small farm distribution shows a substantial majority of these loans are for small dollar amounts. Ninety-one percent of the small farm loans were with original amounts of \$100,000 or less. An additional 7% were for amounts between \$100,000 to \$250,000. Table 11 illustrates the distribution of loans by original loan amount and to businesses with revenues less than \$1 million.

**Assessment Area #2 - Champaign County:** One hundred percent of the four small farm loans made in the AA were to farms with annual revenues of less than \$1 million. Ninety-eight percent of the AA farms have annual revenues of less than \$1 million.

Twenty-five percent of these loans had original loan amounts of \$100,000 or less. Seventy-five percent had loan amounts of \$100,000 through \$250,000.

### **Community Development Lending**

**Assessment Area #1 - Non-MSA Counties:** FMIB&T made an adequate level of community development loans in view of the limited opportunities available in the AA. This was determined by a discussion with bank officers and examiner familiarity of the area. This assessment area contains only one moderate-income BNA. The bank's offices are all located in an area with little community development opportunity. FMIB&T originated two community development loans totaling \$20,000 during this evaluation period. These loans are not HMDA or CRA reportable loans. Both of these loans were to Coles County Habitat for Humanity, a not-for-profit organization, for cost overruns on construction/rehabilitation projects. During this assessment period, five houses have been constructed or rehabilitated in the assessment area for low-income families. Three of these projects were in the moderate-income area.

**Assessment Area #2 - Champaign County MSA:** No community development loans have been made in this AA. A lack of loans is reasonable because of the short period of time the bank has been in the AA. It is important to remember that only six percent of the institution's deposits come from the Champaign branch. Also, only seven percent of the loans in the bank's assessment areas were in AA #2.

### **Product Innovation and Flexibility**

FMIB&T offers flexible lending products to help meet credit needs of low- and moderate- income individuals in their AA. These products include a zero-percent down payment mortgage program and a lower rate mortgage program. Bank production numbers during this evaluation period are shown below.

- *Rural Housing Loans* - 20 loans - \$982,900

This Rural Development product offers borrowers expanded flexibility with regard to the amount and source of down payment funds. This program is designed for borrowers of good credit quality that cannot afford the high costs associated with buying a home. It allows a loan-to-value ratio of 100%. This program is limited to non-MSA properties and is limited to applicants that do not exceed their low- to moderate- income limits. (These limits do differ from CRA low- and moderate- income definitions. Rural Development defines moderate-income as the greater of 115% of the average of the state non-metropolitan and the statewide median family incomes or 115/80ths of the area low-income limit.)

*Illinois Housing Development Authority (IHDA) First-time Homebuyers Loans - 121 Loans - \$5,808,851*

This is a lower-rate mortgage product that the bank originated for IHDA. FMIB&T will provide an in-house servicing on this product that offers a rate of 1/4 to 1/2 percent off the current market rates. There are applicant income limits and purchase price limits targeting the low- and moderate-income individuals. These limits are relaxed in targeted census tracts, which are typically the low- and moderate- income tracts.

- *FHA Title I Loan Program - 76 Loans - \$473,588*

This home improvement product offers a longer term, being ten years at a fixed rate. This program has a qualifying debt-to-income ratio limitation of 44%. This product allows low- and moderate- income individuals an opportunity to get a home improvements and lower the payment amount, as the loan is extended over ten years compared to the normal home improvement loans of three to five years.

## **INVESTMENT TEST**

The bank's performance under the Investment Test is rated "Low Satisfactory." Refer to Table 12 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

### Major Conclusions:

- First Mid-Illinois Bank and Trust, N.A.'s investment activities demonstrate an adequate level of community development investments based on its size, financial capacity and assessment area (AA) opportunities.
- During the evaluation period, FMIB&T made \$11,418 in qualified investments and donations, which benefited its assessment areas. The bank also had \$25,130 in qualified investments still outstanding since the previous examination.

### **Assessment Area #1 -Non-MSA Counties:**

All qualified investments are in assessment area one. Total qualified investments are \$36,548, with \$25,130 of these being remaining investments from the prior assessment period. Information obtained from the Community Reinvestment and Development Specialists at the OCC and from the bank indicates that investment opportunities in the AA are limited.

Major investments are investments in Community Development Corporations that are still outstanding since the last CRA examination. Specific details of the qualified investments follow:

- The bank is involved in the Coles County Community Development and the Effingham County Community Development Corporation. Both of these CDCs were developed to help meet the financial needs of small business and economic development. The bank, which is one of the five largest investors in the CDC, has committed to purchasing \$50,000 of the Coles County CDC. There are a total of nine investors in the Effingham County CDC with FMIB&T committed to purchasing \$22,500. The total committed amount to the Effingham CDC by the nine banks is \$250,000. The bank's outstanding CDC investments are 25,130.

The qualified investments that were made during this assessment period were donations to various community groups and organizations. FMIB&T has established a scholarship fund to assist needy Lake Land College students. Yearly, FMIB&T provide 8 scholarships to low- and moderate-income individuals who will attend Lake Land College. The total amount award during our assessment period equals \$10,000. The bank also made smaller qualified donations to groups that promote affordable housing or community development services to low- and moderate-income families in the assessment area.

### **Assessment Area #2 - Champaign County:**

The bank has not originated any qualified investments or donations in Assessment Area Two. For this assessment period, this is reasonable since the bank has been in this market for a relatively short period of time. The bank also has a low penetration of business in the Champaign Area. As of 6-30-98 deposits, the Urbana branch accounted for only 6 % of bank deposits and only 1.2% of the total deposits in Champaign County.

### **SERVICE TEST**

The bank's performance under the Service Test is rated "High Satisfactory." Refer to Table 13 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch and ATM delivery system.

### ***Major Conclusions:***

- FMIB&T's delivery systems are reasonably accessible to geographies and individuals of different income levels in its AA.
- The bank provides a relatively high level of community development services.

### **Retail Banking Services**

All bank locations provide full banking services. The bank offers numerous loan and deposit products. These include guaranteed mortgage and business loans, as well as affordable housing programs, free electronic accounts, free Senior Checking Accounts, and ATM and debit cards.

**Assessment Area 1 - Non-MSA:** FMIB&T's delivery systems are reasonably accessible to all geographies and individuals of different income levels in this AA. In addition to the main office, FMIB&T operates 12 full-service branch facilities and 16 automated teller machines (ATM's) in the AA. FMIB&T has 7.69% of its branches and 12.5% of its ATMs in the moderate-income tract. This compares very favorably with the demographic data of only 2% of the population living in this tract.

The bank has closed two branches during this evaluation period. One was located in an upper-income BNA, while the other was in a middle-income BNA. Neither closing had a negative effect on low- or moderate-income individuals. Both closings were following a merger or acquisition that resulted in the bank having two locations within a block of one another. The bank does have one branch location in the moderate-income BNA.

Branch hours offer reasonable access and convenience. Each location has drive-up facilities, with the exception of a grocery store facility. Lobby and drive-up hours vary depending on the community's needs and if the location is a high traffic area. All, but three locations, offer lobby hours on Saturday. The branch in the moderate-income tract has both lobby and drive-up hours on Saturday.

### **Assessment Area #2 - Champaign County MSA**

The bank offers one branch and one ATM in this AA. These are located in a middle-income census tract. This branch is within reasonable distance from a low-income census tract. Also, a large portion of the low- and moderate- income census tracts is made up of the University of Illinois Campus.

This branch offers lobby hours on Monday through Friday from 8:30 through 4:30. Drive-up hours are Monday through Thursday from 8:30 through 5:00, Friday from 8:30 through 6:00, and Saturday from 8:30 through Noon. No branches have been closed in this area.

### ***Alternative Delivery Systems***

FMIB&T offers 24-hour telebanking to its customers, which allows them to check balances, transfer funds, make loan payments, order stop payments, request statement reprints, and get rate information on deposits via the telephone. This allows all customers, including low- and moderate-income customers, to inexpensively conduct banking business during non-banking hours.

FMIB&T also offers a PC Home Banking product that allows customers to obtain account information and has report generation, daily statement updates and checkbook balancing, and electronically pay any bill. The bank also has an Internet site that provides information on financial services and loan programs. These services have limited benefits to those low- and moderate-income individuals whom own computers.

### **Community Development Services**

FMIB&T has provided a relatively high level of community development services in its assessment areas.

FMIB&T offers a no fee electronic banking account targeted to low- and moderate-income individuals. The account is a totally electronic account with a Visa check card issued. No checks are involved in this account. A minimum opening balance of \$100 is required, however the minimum balance is only \$1. As of June 30, 1999, there were 106 Direct Access accounts in use. This account is available in both AAs.

### **Assessment Area #1 - Non-MSA Counties**

*Community Development Assistance Program (CDAP) - Business Loans*  
*Community Development Assistance Program (CDAP) - Housing Loans*  
*City of Charleston Tax Increment Financing*

The City of Charleston offers a business CDAP program to provide gap financing to small businesses in Charleston based on job creation. The City of Charleston offers the CDAP housing program to assist low- and moderate-income applicants in obtaining low interest funds to conduct repairs and rehabilitation on single family houses. The Charleston Tax Increment Financing allows small businesses in the TIF district access to low interest money and grants to rehabilitate buildings and/or provide working capital to the business. FMIB&T provides technical assistance in providing proposed amortization schedules for these programs. FMIB&T acts as the loan servicing agent by handling payments, sending collection notices and reporting payments, interest earned, and delinquencies to the City of Charleston on a monthly basis. FMIB&T is currently servicing \$885,666 in loans from these programs for a small servicing fee (only .375% of the monthly outstanding balances).

### *Coles County Habitat for Humanity*

This organization builds and rehabilitates housing, which is sold at no profit and financed with affordable, no-interest loans to low-income families. Two officers at FMIB&T have provided financial education to Habitat for Humanity candidates and have assisted them in completing the Habitat for Humanity application. FMIB&T provides free access to the credit bureau reporting system for Habitat for Humanity. One officer serves on the Family Selection Committee and the Fundraising Committee, where she uses her financial technical expertise to assist this organization. An advisory director of FMIB&T serves on the site selection committee.

### *Mattoon Natural Disaster Fund*

An officer of FMIB&T served as treasurer and coordinator of the Mattoon Natural Disaster Fund. He was also part of the distribution committee that decided how the funds were to be disbursed based on need and loss. Two natural disasters occurred during this assessment period, the May 1998 tornado and the summer of 1999 flooding, which primarily affected a low-income housing development in Mattoon.

### *Private Industry Council*

This council runs the Lake Land College dislocated worker and job training programs. These dislocated workers are primarily low- and moderate-income individuals. An officer of FMIB&T was a director of this council during part of the assessment period. He provided financial advice for the council.

### *Small Business Development Committee of Charleston Chamber of Commerce*

An officer of FMIB&T serves on the Small Business Development Committee. He was also on the committee that organized the Charleston Chamber Small Business Conference which was an education forum for small businesses.

### *City of Neoga Revolving Loan Program*

An officer of FMIB&T serves as an advisor for this program that provides gap financing for small businesses. He has assisted applicants in preparing the application and serves on the application review committee.

### *Cumberland County Development Corporation East Central Illinois Development Corporation*

These corporations provide programs to assist businesses to enhance the economic conditions in the

community. They recruit businesses to the community and assist them in finding funding for expansions. These corporations deal primarily with small businesses. An officer of FMIB&T serves as a director of these corporations and provides financial expertise to the corporations.

#### *Cumberland County Producers Alliance*

This is a new organization, which is related to the Cumberland County Development Corporation, which was developed to provide assistance to farmers, primarily of small farms, in the community. They are providing premiums for certain crops and livestock products. An officer of FMIB&T serves as a director of this alliance and provides financial expertise.

#### *Coles County Community Development Corporation*

This corporation provides loans to small businesses in the county. An executive officer of the bank serves on the board for this CDC and assists in reviewing applications and making loan decisions.

#### *Main Street Tuscola*

Main Street Tuscola is a division of the Tuscola Economic Development, Inc., and is involved in the revitalization of downtown Tuscola by attracting and retaining small businesses in the downtown area. An officer of FMIB&T is the President of this organization. He is providing financial expertise for the organization.

#### **Assessment Area #2 - Champaign County MSA**

The bank has not offered any community development services in this AA. It is important to remember that only a small portion of the bank's business is conducted out of the Urbana facility. Also, the bank has only been in the market since November 1997.

## APPENDIX A: SCOPE OF EXAMINATION

The following table identifies the time period covered in this evaluation, and loan products considered. The table also reflects the metropolitan and nonmetropolitan 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: January 2, 1997 to June 30, 1999<br>Investment Test: January 2, 1997 to June 30, 1999<br>Service Test: January 2, 1997 to June 30, 1999 |                         |                          |
| <b>Financial Institution</b>  | <b>Products Reviewed</b>  |                         |                          |
| First Mid-Illinois Bank & Trust, N.A.   | HMDA Products<br>Small Business<br>Small Farm<br>Community Development Lending  |                         |                          |
| <b>Affiliate(s)</b>   | <b>Affiliate relationship</b>   |                         | <b>Products reviewed</b> |
| None  |   |                         |                          |
| <b>List of Assessment Areas and Type of Examination</b>                         |   |                         |                          |
| <b>Assessment Area</b>  | <b>Type of Exam</b>   | <b>Branches Visited</b> | <b>Other Information</b> |
| Coles, Cumberland, Douglas, Effingham, and Moultrie Counties (Non-MSA Counties) | Full-Scope  | One                     | Main Office - Mattoon    |
| Champaign County MSA #1400  | Full-Scope  | None                    |                          |

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**APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS**

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

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## Assessment Area #1 - Market Profile

### NON-MSA COUNTIES

The table below details pertinent demographic data about families, businesses, and farms in the assessment area. The OCC utilized this data in evaluating the bank's CRA performance.

| Demographic Information for Full-Scope Area: Non-MSA Counties Assessment Area   |         |               |                    |                  |                 |  |
|---|---------|---------------|--------------------|------------------|-----------------|--|
| Demographic Characteristics   | #       | Low<br>% of # | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA<br>% of #   |
| Geographies (Census Tracts/BNAs)  | 32      | 0.00%         | 3.13%              | 84.38%           | 12.50%          | 0%   |
| Population by Geography   | 127,412 | 0.00%         | 2.15%              | 83.76%           | 14.09%          | 0%   |
| Owner-Occupied Housing by Geography   | 33,531  | 0.00%         | 2.19%              | 83.49%           | 14.32%          | 0%   |
| Businesses by Geography   | 4,089   | 0.00%         | 4.01%              | 84.23%           | 11.76%          | 0%   |
| Farms by Geography  | 143     | 0%            | 3.50%              | 83.21%           | 13.29%          | 0%   |
| Family Distribution by Income Level   | 32,719  | 16.46%        | 16.71%             | 23.30%           | 43.54%          | 0%   |
| Distribution of Low- and Moderate- Income Families throughout AA Geographies  | 10,851  | 0.00%         | 3.70%              | 86.77%           | 9.53%           | 0%   |
| Median Family Income = \$29,694<br>HUD Adjusted Median Family Income for 1999 = \$41,500<br>Households below the Poverty level = 13.17% |         |               |                    |                  |                 | Median Housing Values = \$46,814<br>Unemployment Rate= 6.68% |

Source: 1990 U.S. Census and 1999 HUD updated MFI.

### SUMMARY OF INSTITUTION'S OPERATIONS IN THE NON-MSA COUNTIES ASSESSMENT AREA

The main office and five branches are located in Coles County, two branches are in each Douglas County, Moultrie County, and Effingham County, and one branch in Cumberland County. Each branch has an ATM on the premises. Three additional ATMs are located in Mattoon and Charleston Areas. A large majority of the bank's deposits are located in this AA. In fact, FMIB&T has 21% of all deposits in financial institutions located in the AA. Of the loans made within the Assessment Areas, Ninety-two percent of the loans were in this AA. The banks main competitors consist of smaller community institutions, branches of larger institutions headquartered elsewhere, and credit unions.

### DESCRIPTION OF THE NON-MSA COUNTIES ASSESSMENT AREA

This assessment area contains Coles, Cumberland, Douglas, Effingham, and Moultrie counties. According to the 1990 Census, the total population in this area is 127,412. The assessment area

contains a total of 32 block numbering areas. None of these BNAs are designated as low-income tracts, 1 (3%) is a moderate-income tract, 27 (84%) are middle-income tracts, and 4 (13%) are upper-income tracts.

The total number of families is 32,719. Of this total population, 16% are low-income, 17% are moderate-income, 23% are middle-income and 44% are upper-income. According to census data, 96.30% of all low- and moderate- income families reside in middle- and upper- income areas.

There are 49,957 housing units within the assessment area. Of this total, 67% of the housing units are owner occupied, 27% are rental occupied, and 6% are vacant. Owner occupied housing is lower (52%) in the moderate-income BNA. Only 1,409 of the housing units are located in the moderate-income BNA. The weighted average median housing price was \$46,814 in 1990. The weighted average median age of housing was 30 years old.

The total number of businesses located in the assessment area is 4,089. Each income tract has small businesses. Of the total, there are 4% that are in the moderate-income tract, 84% that are in middle-income BNAs, and 12% are located in upper-income tracts.

Based on 1990 census information, there are a total of 143 farms in the assessment area. The census data indicates that only 3% of the farms are in the moderate-income BNA. The majority of farms (83%) are located in middle-income tracts, leaving 14% of the farms in upper-income BNAs.

There are thirty-four other financial institutions located in this AA. FMIB&T is the largest bank headquartered inside the AA.

**ASSESSMENT AREA #2**

**CHAMPAIGN COUNTY MSA #1400**

The table below details pertinent demographic data about families, businesses, and farms in the assessment area. The OCC utilized this data in evaluating the bank’s CRA performance.

| <b>Demographic Information for Full-Scope Area: Champaign County MSA</b>   |          |                       |   |                          |                         |                      |
|--|----------|-----------------------|---|--------------------------|-------------------------|----------------------|
| <b>Demographic Characteristics</b>   | <b>#</b> | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b>  | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA<br/>% of #</b> |
| <b>Geographies (Census Tracts/BNAs)</b>  | 37       | 13.51%                | 27.03%  | 40.54%                   | 18.92%                  | 0%                   |
| <b>Population by Geography</b>   | 173,025  | 15.52%                | 15.40%  | 47.39%                   | 21.70%                  | 0%                   |
| <b>Owner-Occupied Housing by Geography</b>   | 34,857   | 1.34%                 | 7.61%   | 60.23%                   | 30.82%                  | 0%                   |
| <b>Businesses by Geography</b>   | 5,901    | 10.29%                | 26.98%  | 40.04%                   | 22.69%                  | 0%                   |
| <b>Farms by Geography</b>  | 140      | 3.57%                 | 10.71%  | 60.72%                   | 25.00%                  | 0%                   |
| <b>Family Distribution by Income Level</b>   | 38,957   | 19.69%                | 18.15%  | 24.59%                   | 37.56%                  | 0%                   |
| <b>Distribution of Low- and Moderate- Income Families throughout AA Geographies</b>  | 14,743   | 10.09%                | 19.94%  | 57.21%                   | 12.76%                  | 0%                   |
| <b>Median Family Income = \$35,630</b><br><b>HUD Adjusted Median Family Income for 1999 = \$52,500</b><br><b>Households below the Poverty level = 15.42%</b> |          |                       | <b>Median Housing Values = \$71,003</b><br><b>Unemployment Rate= 2.788%</b> |                          |                         |                      |

Source: 1990 U.S. Census and 1999 HUD updated MFI.

**SUMMARY OF INSTITUTION’S OPERATIONS IN THE CHAMPAIGN COUNTY METROPOLITAN STATISTICAL AREA**

Only one branch is located in this AA. This branch conducts a small portion of the bank’s business. Only 6% of the bank’s deposits are located at this branch. FMIB&T has only 1% of the deposits in Champaign County. Of the loans made by FMIB&T inside its Assessment Areas, only 8% of these loans are in Champaign County.

## **DESCRIPTION OF CHAMPAIGN COUNTY MSA ASSESSMENT AREA**

According to the 1990 Census, the total population in this area is 173,025. The assessment area contains a total of 37 census tracts that are all within the MSA #1400. Only 5 (14%) of the census tracts are designated as low-income tracts, including the campus area of the University of Illinois. Ten (27%) are moderate-income tracts, 15 (41%) are middle-income tracts, and 7 (19%) are upper-income tracts.

The total number of families is 38,957. Of this total population, 20% are low-income, 18% are moderate-income, 25% are middle-income and 38% are upper-income. According to census data, 70% of all low- and moderate- income families reside in middle- and upper- income areas.

There are 68,416 housing units within the assessment area. Of this total, 51% of the housing units are owner occupied, 42% are rental occupied, and 7% are vacant. Owner occupied housing is very low (6%) in the low-income census tracts. Only 7,655 of the housing units are located in the low-income census tracts, with only 467 being owner-occupied units. The weighted average median housing price was \$71,003 in 1990. The median age of housing was 25 years old.

The total number of businesses located in the assessment area is 5,901. Each income tract has small businesses. Of the total, there are 10% which are located in low-income census tracts, 27% which are in moderate-income tracts, 40% which are in middle-income census tracts, and 23% are located in upper-income tracts.

Based on 1990 census information, there are a total of 140 farms in the assessment area. The census data indicates that only 4% of the farms are in the low-income tracts and 11% are in moderate-income tracts. Sixty-one percent of the county's farms are in middle-income tracts and twenty-five percent are in upper-income tracts.

A community contact from this assessment area did state that the community did need a "second chance" loan product. This product would be for individuals that have a flawed credit history, but are getting their financial picture back on track.

## APPENDIX C: TABLES OF PERFORMANCE DATA

### Content of Standardized Tables (Examiner Guidance Discussion)

The tables cover the entire CRA evaluation period. The following is a listing and brief description of the tables included in each set.

**Table 1. - Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MSA/AA.

**Table 2. - Geographic Distribution of Home Purchase Loan Originations** - 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 rank and market share information based on the most recent aggregate market data available.

**Table 3. - Geographic Distribution of Home Improvement Loan Originations** - See Table 2.

**Table 4. - Geographic Distribution of Home Mortgage Refinance Loan Originations** - See Table 2.

**Table 5. - Geographic Distribution of Small Business Loan Originations** - The percentage distribution of the number of small loans (<\$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 rank and market share information based on the most recent aggregate market data available.

**Table 6. - Geographic Distribution of Small Farm Loan Originations** - The percentage distribution of the number of small loans (<\$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 rank and market share information based on the most recent aggregate market data available.

**Table 7. - Borrower Distribution of Home Purchase Loan Originations** - 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 MSA/AA. The table also presents market rank and market share information based on the most recent aggregate market data available.

**Table 8. - Borrower Distribution of Home Improvement Loan Originations** - See Table 7.

**Table 9. - Borrower Distribution of Home Mortgage Refinance Loan Originations** - See Table 7.

**Table 10. - Borrower Distribution of Small Business Loan Originations** - Compares the percentage distribution of the number of small loans (<\$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. The table also 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 11. - Borrower Distribution of Small Farm Loan Originations** - Compares the percentage distribution of the number of small loans (<\$500 thousand) 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. The table also 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.

**Table 12. - Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period.

**Table 13. - Distribution of Branch and ATM Delivery System** - Compares the percentage distribution of the number of the banks retail branches and ATM's in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each geography.

**Table 1. Lending Volume**

| LENDING VOLUME            |                                  | Evaluation Period: 01/01/1997 TO 06/30/1999 |            |                |            |            |            |                       |            |                      |           |                                       |
|---------------------------|----------------------------------|---|------------|----------------|------------|------------|------------|-----------------------|------------|----------------------|-----------|---------------------------------------|
| MSA/Assessment Area       | % of Rating Area Deposits in AA* | Home Mortgage                               |            | Small Business |            | Small Farm |            | Community Development |            | Total Reported Loans |           | % of Rating Area Loans in AA (% of #) |
|                           |                                  | #   | \$ (000's) | #              | \$ (000's) | #          | \$ (000's) | #                     | \$ (000's) | #                    | \$(000's) |                                       |
| <b>Full Scope</b>         |                                  |   |            |                |            |            |            |                       |            |                      |           |                                       |
| FMIB&T - Non-MSA Counties | 0.00                             | 1,569                                       | 100,737    | 2,181          | 133,634    | 1,601      | 73,336     | 0                     | 0          | 5,351                | 307,707   | 92.85                                 |
| FMIB&T - Champaign MSA    | 0.00                             | 388   | 35,325     | 20             | 4,787      | 4          | 514        | 0                     | 0          | 412                  | 40,626    | 7.15                                  |

The Home Mortgage section only includes 01/01/1998 to 06/30/1999. The bank was not a HMDA reporting institution in 1997. The bank originated 777 home mortgage loans totaling \$40,510,000 in 1997.

\* Deposit Data as of June 30, 1998

**Table2. Geographic Distribution of Home Purchase Loan Originations**

| Geographic Distribution: HOME PURCHASE |                        |              |                             |              |                           |              |                          |              |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |      |      |      |                           |               |
|--|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|----------------------|---|------|------|------|------|---------------------------|---------------|
| MSA/Assessment Area                    | Low Income Geographies |              | Moderate Income Geographies |              | Middle Income Geographies |              | Upper Income Geographies |              | Overall Market Rank* | Market Share by Geography*                  |      |      |      |      | Total Home Purchase Loans |               |
|  | % 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  | #                         | % of Total ** |
| <b>Full Scope</b>                      |                        |              |                             |              |                           |              |                          |              |                      |   |      |      |      |      |                           |               |
| FMIB&T - Non-MSA Counties              | 0.00                   | 0.00         | 2.19                        | 1.82         | 83.49                     | 74.82        | 14.32                    | 23.36        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 548                       | 79.08         |
| FMIB&T - Champaign MSA                 | 1.34                   | 1.38         | 7.61                        | 5.52         | 60.23                     | 40.00        | 30.82                    | 53.10        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 145                       | 20.92         |
| 97' Sample - Non-MSA Counties          | 0.00                   | 0.00         | 2.19                        | .65          | 83.49                     | 73.01        | 14.32                    | 26.34        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 21                        | 87.50         |
| 97' Sample - Champaign MSA             | 1.34                   | 0.00         | 7.61                        | 0.00         | 60.23                     | 17.21        | 30.82                    | 82.79        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 3                         | 12.50         |

\* Based on 1997 Aggregate HMDA Data only. No market share information is available, since FMIB&T was a non-HMDA reporting institution.

\*\* Home purchase loans within an MSA/AA as a % of all home purchase loans in the rating area.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

| Geographic Distribution: HOME IMPROVEMENT |                        |              |                             |              |                           |              |                          |              |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |      |      |      |                              |             |
|---|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|----------------------|---|------|------|------|------|------------------------------|-------------|
| MSA/Assessment Area                       | Low Income Geographies |              | Moderate Income Geographies |              | Middle Income Geographies |              | Upper Income Geographies |              | Overall Market Rank* | Market Share by Geography                   |      |      |      |      | Total Home Improvement Loans |             |
|   | % 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  | #                            | % of Total* |
| <b>Full Scope</b>                         |                        |              |                             |              |                           |              |                          |              |                      |   |      |      |      |      |                              |             |
| FMIB&T - Non-MSA Counties                 | 0.00                   | 0.00         | 2.19                        | 8.13         | 83.49                     | 82.50        | 14.32                    | 9.38         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 160                          | 99.38       |
| FMIB&T - Champaign MSA                    | 1.34                   | 0.00         | 7.61                        | 0.00         | 60.23                     | 100.00       | 30.82                    | 0.00         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 1                            | 0.62        |
| 97' Sample - Non-MSA Counties             | 0.00                   | 0.00         | 2.19                        | 0.00         | 83.49                     | 60.92        | 14.32                    | 39.08        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 6                            | 100.00      |
| 97' Sample - Champaign MSA                | 1.34                   | 0.00         | 7.61                        | 0.00         | 60.23                     | 0.00         | 30.82                    | 0.00         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 0                            | 0.00        |

\* Based on 1997 Aggregate HMDA Data only. No market share information is available, since FMIB&T was a non-HMDA reporting institution.

\*\* Home improvement loans within an MSA/AA as a % of all home improvement loans in the rating area.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                        |              |                             |              |                           |              |                          |              |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |      |      |      |                                     |               |
|--|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|----------------------|---|------|------|------|------|-------------------------------------|---------------|
| MSA/Assessment Area                              | Low Income Geographies |              | Moderate Income Geographies |              | Middle Income Geographies |              | Upper Income Geographies |              | Overall Market Rank* | Market Share by Geography                   |      |      |      |      | Total Home Mortgage Refinance Loans |               |
|  | % 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  | #                                   | % of Total ** |
| <b>Full Scope</b>                                |                        |              |                             |              |                           |              |                          |              |                      |   |      |      |      |      |                                     |               |
| FMIB&T - Non-MSA Counties                        | 0.00                   | 0.00         | 2.19                        | 1.18         | 83.49                     | 74.24        | 14.32                    | 24.59        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 850                                 | 77.98         |
| FMIB&T - Champaign MSA                           | 1.34                   | 0.42         | 7.61                        | 3.75         | 60.23                     | 50.00        | 30.82                    | 45.83        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 240  | 22.02                               |               |
| 97'Sample - Non-MSA Counties                     | 0.00                   | 0.00         | 2.19                        | 0.00         | 83.49                     | 73.19        | 14.32                    | 26.81        | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 23   | 95.83                               |               |
| 97'Sample - Champaign MSA                        | 1.34                   | 0.00         | 7.61                        | 0.00         | 60.23                     | 100.00       | 30.82                    | 0.00         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 1    | 4.17                                |               |

\* Based on 1997 Aggregate HMDA Data only. No market share information is available, since FMIB&T was a non-HMDA reporting institution.

\*\* Refinance loans within an MSA/AA as a % of all refinance loans in the rating area.

**Table 5. Geographic Distribution of Small Business Loan Originations**

| Geographic Distribution: SMALL BUSINESS |                        |              |                             |              |                           |              |                          |              |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |       |       |       |                            |               |
|---|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|----------------------|---|------|-------|-------|-------|----------------------------|---------------|
| MSA/Assessment Area                     | Low Income Geographies |              | Moderate Income Geographies |              | Middle Income Geographies |              | Upper Income Geographies |              | Overall Market Rank* | Market Share by Geography*                  |      |       |       |       | Total Small Business Loans |               |
|   | % of Business es       | % Bank Loans | % of Business es            | % Bank Loans | % of Business es          | % Bank Loans | % of Business es         | % Bank Loans |                      | Overall                                     | Low  | Mod   | Mid   | Upp   | #                          | % of Total ** |
| <b>Full Scope</b>                       |                        |              |                             |              |                           |              |                          |              |                      |   |      |       |       |       |                            |               |
| FMIB&T - Non-MSA Counties               | 0.00                   | 0.00         | 3.46                        | 3.12         | 84.07                     | 83.54        | 12.47                    | 13.34        | 4                    | 65.09                                       | 0.00 | 73.81 | 65.98 | 57.95 | 2,181                      | 99.09         |
| FMIB&T - Champaign MSA                  | 9.87                   | 10.00        | 25.79                       | 0.00         | 40.54                     | 60.00        | 23.79                    | 30.00        | 15                   | 0.28  | 0.00 | 0.00  | 0.53  | 0.19  | 20                         | 0.91          |

\* Based on 1997 Aggregate Small Business Data only. Market rank is for all income categories combined.

\*\* Small Business loans within an MSA/AA as a % of all Small Business loans in the rating area.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

| Geographic Distribution: SMALL FARM |                        |              |                             |              |                           |              |                          |              |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |        |       |       |                              |               |
|-------------------------------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|----------------------|---|------|--------|-------|-------|------------------------------|---------------|
| MSA/Assessment Area                 | Low Income Geographies |              | Moderate Income Geographies |              | Middle Income Geographies |              | Upper Income Geographies |              | Overall Market Rank* | Market Share by Geography*                  |      |        |       |       | Total Loans Small Farm Loans |               |
|                                     | % of Farms             | % Bank Loans | % of Farms                  | % Bank Loans | % of Farms                | % Bank Loans | % of Farms               | % Bank Loans |                      | Overall                                     | Low  | Mod    | Mid   | Upp   | #                            | % of Total ** |
| <b>Full Scope</b>                   |                        |              |                             |              |                           |              |                          |              |                      |   |      |        |       |       |                              |               |
| FMIB&T - Non-MSA Counties           | 0.00                   | 0.00         | 0.95                        | 1.62         | 83.21                     | 78.39        | 13.29                    | 19.99        | 1                    | 78.32                                       | 0.00 | 100.00 | 74.93 | 93.20 | 1,601                        | 99.75         |
| FMIB&T - Champaign MSA              | 0.86                   | 0.00         | 4.60                        | 0.00         | 77.22                     | 100.00       | 25.00                    | 0.00         | 9                    | 0.59  | 0.00 | 0.00   | 0.75  | 0.00  | 4                            | 0.25          |

\* Based on 1997 Aggregate Small Business Data only. Market rank is for all income categories combined.

\*\* Small Farm loans within an MSA/AA as a % of all Small Farm loans in the rating area.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

| Borrower Distribution: HMDA HOME PURCHASE |                      |                    |                           |                    |                         |                    |                        |                    |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |      |      |      |                           |            |
|---|----------------------|--------------------|---------------------------|--------------------|-------------------------|--------------------|------------------------|--------------------|----------------------|---|------|------|------|------|---------------------------|------------|
| MSA/Assessment Area                       | Low Income Borrowers |                    | Moderate Income Borrowers |                    | Middle Income Borrowers |                    | Upper Income Borrowers |                    | Overall Market Rank* | Market Share by Borrower Income*            |      |      |      |      | Total Home Purchase Loans |            |
|   | % of Families        | % Bank Loans*<br>* | % of Families             | % Bank Loans*<br>* | % of Families           | % Bank Loans*<br>* | % of Families          | % Bank Loans*<br>* |                      | Overall                                     | Low  | Mod  | Mid  | Upp  | #                         | % of Total |
| <b>Full Scope</b>                         |                      |                    |                           |                    |                         |                    |                        |                    |                      |   |      |      |      |      |                           |            |
| FMIB&T - Non-MSA Counties                 | 16.46                | 5.47               | 16.71                     | 18.98              | 23.30                   | 25.18              | 43.54                  | 47.99              | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 548                       | 79.08      |
| FMIB&T - Champaign MSA                    | 19.69                | 9.66               | 18.15                     | 24.83              | 24.59                   | 30.34              | 37.56                  | 34.48              | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 145  | 20.92                     |            |
| 97' Sample - Non-MSA Counties             | 16.46                | 0.00               | 16.71                     | 0.65               | 23.30                   | 6.43               | 43.54                  | 92.42              | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 21   | 87.50                     |            |
| 97' Sample - Champaign MSA                | 19.69                | 0.00               | 18.15                     | 0.00               | 24.59                   | 33.33              | 37.56                  | 66.67              | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 3    | 12.50                     |            |

\* Based on 1997 Aggregate HMDA Data only. No market share information is available, since FMIB&T was a non-HMDA reporting institution.

\*\* As a percentage of loans with borrower income information available.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

| Borrower Distribution: HOME IMPROVEMENT |                      |               |                           |               |                         |               |                        |               |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |      |      |      |                              |            |
|---|----------------------|---------------|---------------------------|---------------|-------------------------|---------------|------------------------|---------------|----------------------|---|------|------|------|------|------------------------------|------------|
| MSA/Assessment Area                     | Low Income Borrowers |               | Moderate Income Borrowers |               | Middle Income Borrowers |               | Upper Income Borrowers |               | Overall Market Rank* | Market Share By Borrower Income*            |      |      |      |      | Total Home Improvement Loans |            |
|   | % of Families        | % Bank Loans* | % of Families             | % Bank Loans* | % of Families           | % Bank Loans* | % of Families          | % Bank Loans* |                      | Overall                                     | Low  | Mod  | Mid  | Upp  | #                            | % of Total |
| <b>Full Scope</b>                       |                      |               |                           |               |                         |               |                        |               |                      |   |      |      |      |      |                              |            |
| FMIB&T - Non-MSA Counties               | 16.46                | 15.00         | 16.71                     | 26.88         | 23.30                   | 16.25         | 43.54                  | 32.50         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 160                          | 99.38      |
| FMIB&T - Champaign MSA                  | 19.69                | 100.00        | 18.15                     | 0.00          | 24.59                   | 0.00          | 37.56                  | 0.00          | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 1                            | 0.62       |
| 97' Sample - Non-MSA Counties           | 16.46                | 29.93         | 16.71                     | 17.04         | 23.30                   | 0.00          | 43.54                  | 53.03         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 6                            | 100.00     |
| 97' Sample - Champaign MSA              | 19.69                | 0.00          | 18.15                     | 0.00          | 24.59                   | 0.00          | 37.56                  | 0.00          | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 0                            | 0.00       |

\* Based on 1997 Aggregate HMDA Data only. No market share information is available, since FMIB&T was a non-HMDA reporting institution.

\*\* As a percentage of loans with borrower income information available. Nine percent (or 15 loans) of the home improvement loans did not have borrower income information available.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

| Borrower Distribution: HOME MORTGAGE REFINANCE |                     |               |                          |               |                        |               |                       |               |                      | Evaluation Period: 01/01/1997 TO 06/30/1999 |      |      |      |      |             |            |
|--|---------------------|---------------|--------------------------|---------------|------------------------|---------------|-----------------------|---------------|----------------------|---|------|------|------|------|-------------|------------|
| MSA/Assessment Area                            | Low Income Families |               | Moderate Income Families |               | Middle Income Families |               | Upper Income Families |               | Overall Market Rank* | Market Share by Borrower Income*            |      |      |      |      | Total Loans |            |
|  | % of Families       | % Bank Loans* | % of Families            | % Bank Loans* | % of Families          | % Bank Loans* | % of Families         | % Bank Loans* |                      | Overall                                     | Low  | Mod  | Mid  | Upp  | #           | % of Total |
| <b>Full Scope</b>                              |                     |               |                          |               |                        |               |                       |               |                      |   |      |      |      |      |             |            |
| FMIB&T - Non-MSA Counties                      | 16.46               | 3.53          | 16.71                    | 12.94         | 23.30                  | 22.71         | 43.54                 | 58.94         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 850         | 77.98      |
| FMIB&T - Champaign MSA                         | 19.69               | 5.00          | 18.15                    | 12.50         | 24.59                  | 35.42         | 37.56                 | 46.67         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 240         | 22.02      |
| 97' Sample - Non-MSA Counties                  | 16.46               | 2.03          | 16.71                    | 28.06         | 23.30                  | 12.50         | 43.54                 | 57.41         | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 23          | 95.83      |
| 97' Sample - Champaign MSA                     | 19.69               | 0.00          | 18.15                    | 0.00          | 24.59                  | 100.00        | 37.56                 | 0.00          | 0                    | 0.00  | 0.00 | 0.00 | 0.00 | 0.00 | 1           | 4.17       |

\* Based on 1997 Aggregate HMDA Data only. No market share information is available, since FMIB&T was a non-HMDA reporting institution.

\*\* As a percentage of loans with borrower income information available. Two percent (or 16 loans) of the home refinance loans did not have borrower income information available.

**Table10. Borrower Distribution of Small Business Loan Originations**

| Borrower Distribution: SMALL BUSINESS |   |                | Evaluation Period: 01/01/1997 TO 06/30/1999 |  |                         |                           |               |                          |                            |            |               |
|---------------------------------------|---|----------------|---|--|-------------------------|---------------------------|---------------|--------------------------|----------------------------|------------|---------------|
| MSA/Assessment Area                   | Businesses With Revenues of \$1 million or less |                |   | % Distribution of Loans by Original Amount Regardless of Business Size |                         |                           | Market Share* |                          | Total Small Business Loans |            |               |
|                                       | % Business**                                    | % Bank Loans** | % Market Loans*                             | \$100,000 or less  | >\$100,000 to \$250,000 | >\$250,000 to \$1,000,000 | All           | Rev \$ 1 Million or Less | #                          | % of Total | Avg Loan Size |
| <b>Full Scope</b>                     |   |                |   |  |                         |                           |               |                          |                            |            |               |
| FMIB&T - Non-MSA Counties             | 90.15   | 76.20          | 65.23                                       | 84.47  | 10.62                   | 4.91                      | 65.09         | 71.76                    | 1,644                      | 99.04      | 40            |
| FMIB&T - Champaign MSA                | 91.18   | 80.00          | 53.24                                       | 50.00  | 15.00                   | 35.00                     | 0.28          | 0.33                     | 16                         | 0.96       | 138           |

\* The market consists of all other Small Business reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data Only

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

\*\*\* Loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No revenue information was available for 1.4% of small loans to businesses reported by FMIB&T.

**Table11. Borrower Distribution of Small Farm Loan Originations**

| Borrower Distribution: SMALL FARM |   |                |                 | Evaluation Period: 01/01/1997 TO 06/30/1999                     |                         |                         |               |                          |                        |            |               |
|-----------------------------------|---|----------------|-----------------|---|-------------------------|-------------------------|---------------|--------------------------|------------------------|------------|---------------|
| MSA/Assessment Area               | Businesses With Revenues of \$ 1million or less |                |                 | % Distribution Loans by Original Amount Regardless of Farm Size |                         |                         | Market Share* |                          | Total Small Farm Loans |            |               |
|                                   | % Farms **                                      | % Bank Loans** | % Market Loans* | \$100,000 or less   | >\$100,000 to \$250,000 | >\$250,000 to \$500,000 | All           | Rev \$ 1 Million or Less | #                      | % of Total | Avg Loan Size |
| <b>Full Scope</b>                 |   |                |                 |   |                         |                         |               |                          |                        |            |               |
| FMIB&T - Non-MSA Counties         | 99.21   | 99.43          | 98.02           | 91.39   | 7.35                    | 1.26                    | 78.32         | 78.74                    | 1,570                  | 99.75      | 45            |
| FMIB&T - Champaign MSA            | 98.45   | 25.00          | 88.17           | 0.07  | 2.68                    | 0.00                    | 0.59          | 0.67                     | 4                      | 0.25       | 129           |

\* The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data Only

\*\* As a Percentage of Farms with known revenues.

\*\*\* As a percentage of loans with borrower income information available. No revenue information was available for 1.0% of small loans to farms reported by FMIB&T.

**Table 12. Qualified Investments**

| QUALIFIED INVESTMENTS         |                           |               | Evaluation Period: 01/01/1997 TO 06/30/1999 |                            |               |       |                  |               |            |
|-------------------------------|---------------------------|---------------|---|----------------------------|---------------|-------|------------------|---------------|------------|
| 5<br>MSA/Assessment<br>Area   | Prior Period Investments* |               |   | Current Period Investments |               |       | Total Investment |               |            |
|                               | #                         | \$<br>(000's) | %**   | #                          | \$<br>(000's) | %**   | #                | \$<br>(000's) | % of Total |
| <b>Full Scope</b>             |                           |               |   |                            |               |       |                  |               |            |
| FMIB&T - Non-<br>MSA Counties | 0                         | 0             | 0.00  | 5                          | 12            | 32.43 | 0                | 37            | 0.00       |
| FMIB&T -<br>Champaign MSA     | 0                         | 0             | 0.00  | 0                          | 0             | 0.00  | 0                | 0             | 0.00       |

\* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

\*\* Percentage of the dollars invested in that MSA/Assessment area that are prior period investments or current period investments.

**Table13. Distribution of Branch and ATM Delivery System**

| DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM |   |                    |                                 |   |      |        |      |                |                            |   |      |        |       |  |       |       | Evaluation Period: 01/01/1997 TO 06/30/1999 |  |  |  |
|--|---|--------------------|---------------------------------|---|------|--------|------|----------------|----------------------------|---|------|--------|-------|--|-------|-------|---|--|--|--|
| MSA/Assessment Area                            | Deposits<br>% of Rating Area Deposits in AA | Branches           |                                 |   |      |        |      | ATMs           |                            |   |      |        |       | Population                               |       |       |   |  |  |  |
|  |   | # of Bank Branches | % of Rating Area Branches in AA | % Distribution of Branches by Income Level of Geography |      |        |      | # of Bank ATMs | % of Total Bank ATMs in AA | % Distribution of ATMs by Income Level of Geography |      |        |       | % of the Population with Each Geography* |       |       |   |  |  |  |
|  |   |                    |                                 | Low   | Mod  | Mid    | Upp  |                |                            | Low   | Mod  | Mid    | Upp   | Low                                      | Mod   | Mid   | Upp   |  |  |  |
| <b>Full Scope</b>                              |   |                    |                                 |   |      |        |      |                |                            |   |      |        |       |  |       |       |   |  |  |  |
| FMIB&T - Non-MSA Counties                      | 0.00  | 13                 | 92.86                           | 0.00  | 0.00 | 84.62  | 7.69 | 16             | 94.12                      | 0.00  | 6.25 | 68.75  | 25.00 | 0.00                                     | 2.15  | 83.76 | 14.09                                       |  |  |  |
| FMIB&T - Champaign MSA                         | 0.00  | 1                  | 7.14                            | 0.00  | 0.00 | 100.00 | 0.00 | 1              | 5.88                       | 0.00  | 0.00 | 100.00 | 0.00  | 15.52                                    | 15.40 | 47.39 | 21.70                                       |  |  |  |

\* The percentage of the population in the MSA/AA that resides in these geographies.