



Comptroller of the Currency
Administrator of National Banks

Central District Office
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Chicago, Illinois 60605

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

March 31, 1996

Associated Bank Green Bay, N.A.
Charter Number: 2132

200 North Adams Street
Green Bay, Wisconsin 54307-9006

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

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Associated Bank Green Bay, N.A.** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of **March 31, 1996**. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

ABBREVIATIONS

Associated Banc-Corp	ABC
Associated Bank Green Bay, N.A.	ABGB
Associated Commercial Mortgage, Incorporated	ACMI
Associated Mortgage Corporation	AMI
Automated Teller Machine	ATM
Block Number Area	BNA
Board of Directors	Board
Brown County Affordable Housing, LLC	BCAH
Census Tract	CT
Closing Cost Assistance Program	C-CAP
Community Reinvestment Act	CRA
Federal National Mortgage Association	FNMA
Home Mortgage Disclosure Act	HMDA
Housing Cost Reduction Initiative	HRCI
Low-to-Moderate Income	LMI
Metropolitan Statistical Area	MSA
Neighborhood Housing Services	NHS
North Eastern Wisconsin Habitat For Humanity	NEWHH
Rural Economic and Community Development Services	RECDS
Small Business Administration	SBA
Oneida Tribal Loan Credits	TLC
Veterans Administration	VA
Wisconsin Housing and Economic Development Authority	WHEDA

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, this institution is rated:
Outstanding Record of Meeting Community Credit Needs.

Community Profile:

Associated Bank Green Bay, N.A.(ABGB) has established a delineated community which encompasses all of the Green Bay Metropolitan Statistical Area (MSA) and a small portion of the Appleton/Oshkosh/Neenah MSA. The Green Bay MSA is comprised of Brown County, and the Appleton/Oshkosh/Neenah MSA is comprised of Calumet, Outagamie, and Winnebago Counties although ABGB's delineated community only extends into two census tracts in Outagamie County. In addition, the delineation also includes all of Door, Kewaunee, Marinette, and Oconto Counties, Wisconsin. Based on 1990 Census Data, the population of the delineated community totals 319,000.

The delineated community has 100 census tracts (CT) and block number areas (BNA). There are two low-income CTs/BNAs in the community, with income levels between 0% and 49% of the median family income of the area. A total of nineteen CTs/BNAs are moderate-income, with income levels between 50% and 79% of the median family income for the area; 69 CTs/BNAs are middle-income, with income levels between 80% and 119% of the median family income for the area; and 10 CTs/BNAs are upper-income, with income levels of 120% or more of the median family income for the area. The 1990 Census median family income level for the Green Bay MSA and the Appleton/Oshkosh/Neenah MSA is \$37,121 and \$37,202, respectively. The 1990 Census State Non-Metropolitan median family income level, which is applied to Door, Kewaunee, Marinette, and Oconto Counties is \$30,290. ABGB's community has 148,000 housing units. A total of 84,000 (57%) of the housing units are owner-occupied, with 1,405 (2%) of these units located in low-income CT/BNA's, and 18,648 (22%) of these units located in moderate-income areas. The median housing value for the area is \$53,000.

The Green Bay and Appleton/Oshkosh/Neenah MSAs serve as centers for commercial activity in the Fox River Valley, one of the fastest growing communities in the state of Wisconsin. The community is home to many diversified services, insurance, and industrial companies. The largest employers for the area are Fort Howard Corporation, the Oneida Tribe of Indians of Wisconsin, Employers Health Insurance, American Medical Security, Brown County; St. Mary's, St. Vincent's, and Bellin Hospitals; Kimberly-Clark Corporation, Appleton Papers, Plexus Corporation, and the Aid Association for Lutherans. Door County's economy is

primarily tourism based. Kewaunee, Marinette, and Oconto Counties are predominantly manufacturing and agricultural based. Competition between financial institutions is strong. In 1994, approximately 133 financial institutions originated mortgage loans within ABGB's delineated community. As of December 31, 1995, the unemployment rates for the Green Bay and Appleton areas were stable at 2.9% and 2.5%, respectively. These rates remain below the state unemployment rate of 3.2%.

The scope of this evaluation included contact with several area community organizations and agencies. The individuals contacted held a generally favorable impression of ABGB's involvement in the community.

Bank Profile:

ABGB is wholly owned by Associated Banc-Corp (ABC), a \$4 billion multi-bank holding company as of year-end 1995. Other ABC subsidiaries operating in the delineated community include Associated Commercial Mortgage, Incorporated (ACMI), and Associated Mortgage Corporation (AMI).

ABGB's focus is predominantly business oriented. ABGB had total assets of \$1 billion as of March 31, 1996. The bank had \$881 million in outstanding loans, and a loan-to-deposit ratio of 101%. ABGB's loan portfolio consists of residential real estate loans (34%); commercial real estate loans (28%); commercial loans (26%); consumer loans (10%); and agricultural and other loans (2%). In addition, the bank has outstanding loan commitments of \$261 million, or 26% of total assets. As of March 31, 1996, ABGB had earnings of \$21 million, or a return-on-assets of 1.6%.

ABGB has 17 full-service locations and 2 drive-through locations in the delineated community. The bank also has one branch at a local retirement village, known as Moraine Ridge, which is a deposit-only facility. The bank has 16 full-service and 20 cash-dispensing proprietary automated teller machines (ATM's) located within the delineated community. It should be noted that ABGB has 1 branch, and 2 full-service and 2 cash-dispensing ATMs located in low-income CTs/BNAs; 1 full-service and 4 cash-dispensing ATM's located in moderate income areas; 15 branches, 1 drive-through location, and 11 full-service and 14 cash-dispensing ATM's located in middle income areas; and 1 branch, 1 drive-through, 1 deposit-only facility and 2 full-service ATM's located in upper income CTs/BNAs.

Community Delineation:

ABGB has identified its delineated community as the following counties: Brown, Door, Kewaunee, Marinette, and Oconto. The community also includes CT 130 and 131 in Outagamie County.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

- **ABGB takes a proactive approach in assessing community credit needs through continuous contact with community members.**

ABGB's Board of Directors (Board) and management are actively involved in meeting with local, state, and federal government officials, community development associations, economic development associations, housing authorities, small business associations, non-profit organizations, public utilities, and other individuals. ABGB's community involvement assisted bank management in identifying the following community credit needs: affordable home purchase, home improvement, and home equity loans; and small business financing.

The Board and senior management address community credit needs through product development and innovative lending guidelines. Since the January, 1994 evaluation, ABGB has introduced the following new products: Wisconsin Housing and Economic Development Authority (WHEDA) and State Veterans Administration (VA) purchase money mortgages; Closing Cost Assistance Program (C-CAP) purchase money mortgages for low income individuals; Neighborhood Housing Services Mortgage Closing services; and the Rural Economic and Community Development Services Guaranteed Rural Housing Program (RECDS). ABGB continues to use flexible underwriting standards in extending mortgages that do not meet secondary market guidelines. Additional information on these products is provided under Assessment Factors I and J in this evaluation.

Assessment Factor C - The extent of participation by the institution's Board of Directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

- **The Board is actively involved in the oversight of ABGB's Community Reinvestment Act (CRA) program.**

ABGB's Board is involved in the bank's CRA activities by establishing CRA policies and procedures, and approving the CRA Public Notice and the CRA Statement annually. The bank has expanded the CRA Statement to include a Summary of CRA File Performance which details the bank's efforts in ascertaining, marketing, originating loans, and analyzing the distribution of those loans. The Board has also established a CRA Committee,

comprised of Board members; a CRA Working Committee, comprised of the management team; and an annual CRA Self-Assessment process. ABGB did not identify any significant areas for improvement in the 1995 CRA Self-Assessment.

The Board and senior management actively support CRA training of all personnel. All new employees receive CRA training during employee orientation. Bank employees receive additional training on CRA on an on-going basis. The Board receives CRA training on a periodic basis.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- **ABGB's marketing program is designed to reach all segments of its community.**

ABGB uses a variety of media to inform the community of its credit services, including: newspapers, radio, television, billboards, brochures, lobby posters, statement stuffers, and publications targeting specific segments of the community. In addition to the general marketing plan, ABGB periodically uses direct mail marketing to target mortgage, home improvement, and consumer loan advertising to low- and moderate-income (LMI) CTs/BNAs. The advertising program is monitored for compliance with laws and regulations by ABC's compliance staff.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase of such loans originated in its community.

- **ABGB and AMI address a significant portion of the community's identified credit needs through traditional and non-traditional banking products.**

As of March 31, 1996, ABGB's loan-to deposit ratio was 101%. For the most recent available comparison data, December 31, 1995, the loan-to-deposit ratio was 97%, compared to a national peer ratio of 79%, and a custom peer average ratio of 85%. Custom peer data is comprised of all full-service banks in the Comptroller of the Currency's Central District with total assets between \$800 million and \$1.2 billion. The custom peer bank loan-to-deposit ratios range from 42% to 188%. ABGB's ratio also does not include the volume of residential mortgage loans originated by Associated Mortgage, Incorporated (AMI) in the delineated

community, which totaled over \$23 million in 1995.

Mortgage Loan Activity:

ABGB and AMI are active mortgage lenders in the Green Bay and Appleton/Neenah/Oshkosh MSAs. Overall, the bank has a 11% Home Mortgage Disclosure Act (HMDA) related loan penetration in the delineated community. In 1994, ABGB and AMI ranked second in the total number of mortgage loans originated in the delineated community, with a market share of 11%; ranked first in purchase money mortgage lending, with a market share of 14%; ranked third in mortgage refinance lending, with a market share of 11%; ranked fourth in multi-family lending, with a market share of 8%; and ranked sixth in home improvement lending, with a market share of 5%.

ABGB and AMI originated a significant majority of their mortgage loans within the delineated community. A total of 99% and 97% of the number of HMDA mortgage loans, in 1994 and 1995, respectively, were made within the delineated community. A total of 99% and 96% of the dollar volume of HMDA related mortgage loans, in 1994 and 1995, respectively, were made within the delineated community.

The following table provides an overview of the number and dollar volume of loans originated by ABGB and AMI combined:

HMDA LOANS ORIGINATED BY ABGB AND AMI WITHIN THE DELINEATED COMMUNITY						
Loan Type	1994		1995		March 31, 1996**	
	#	\$*	#	\$*	#	\$*
Home Purchase	486	43,728	585	50,709	53	5,037
Home Improvement	69	1,495	229	4,402	14	360
Refinance	336	25,140	313	20,810	43	4,791
Multi-Family	3	2,513	4	1,532	0	0
Total	894	72,876	1,131	77,453	110	10,188

* Dollars are in thousands. Numbers are actual data.

** AMI data is not available for March 31, 1996.

The following categories from the above table require additional explanation:

- Home Purchase: In addition to traditional mortgage lending programs, this category includes loans originated under the following programs:
 - Oneida Tribal Loan Credit Program (TLC): ABGB, in conjunction with the Bureau of Indian Affairs, assists tribal members in purchasing homes on both trust and

tax land. The Oneida Tribe of Indians provides the purchaser a loan in the amount of 20% of the purchase price plus closing costs, but not to exceed \$50,000. The bank lends the remaining 80%, secured by a first mortgage on the property. The Tribe is secured with a second mortgage. In the event of default, the Tribe pays off the first mortgage, purchases the property, and resells it to another tribal member. In 1994 and 1995, respectively, ABGB extended 26 and 7 loans totaling \$2 million and \$451,000. The decline in volume is attributed to the Tribe financing the program internally.

ABGB services the loans extended by the Oneida Tribe. As of December 31, 1995, ABGB held 74 loans totaling \$1 million for servicing.

- Housing Cost Reduction Initiative (HRCI): This program provides Brown and Door County residents with down payment assistance for purchase money mortgage loans. The program provides a \$2,500 matched-funds loan for down payment or closing costs to qualified individuals. In 1995, ABGB extended one loan totaling \$62,000 under this program.
- Neighborhood Housing Services (NHS) Affordable Green Bay 2/1 Mortgage Loan Program: In 1996, ABGB, in conjunction with ten area lenders, contributed \$3,000 each to a revolving loan fund administered by NHS. The program provides low-income individuals who are purchasing their first home in the Green Bay targeted reinvestment area with down payment assistance. The home would be purchased with only a 3% down payment, consisting of 2% of their own funds and 1% borrowed on a second mortgage through the NHS loan fund. To date, ABGB has not extended any loans under this program.
- Rural Economic and Community Development Services Guaranteed Rural Housing Program (RECDS): This program provides long-term home purchase and rehabilitation funds for rural communities with populations of 10,000 or less. These loans can be up to 100% of the collateral value. This program provides lower income borrowers with long-term loans that are 90% guaranteed by the Federal National Mortgage Association (FNMA). This program was implemented in 1995. One loan totaling \$40,000 was extended under this program as of March 31, 1996.
- Home Improvement: This category includes Wisconsin Housing and Economic Development Authority (WHEDA) home improvement loans, which are described under Assessment Factor J.

The increase in HMDA related loans between 1994 and 1995 can be

primarily attributed to the implementation of the WHEDA and Veterans Administration (VA) mortgage products, and an increase in mortgage refinancings generated by low market interest rates. ABGB ranked first in the total volume of mortgages recorded in Brown County during 1994 and 1995. The bank ranked third for mortgage recordings in Door County for 1995.

ABGB also lends money for housing rehabilitation projects in the Green Bay area. In 1994, ABGB extended eight loans totaling \$708,000 for housing rehabilitation purposes. In 1995, ABGB extended 13 loans totaling \$1 million for this purpose.

Small Business and Small Farm Loans:

ABGB extends a good volume of small business and small farm loans. On a combined basis, commercial, commercial real estate, and agricultural loans approximate 55% of ABGB's loan portfolio. This segment of the portfolio grew approximately 8% in the last year. An analysis of first quarter 1996 commercial loan originations indicates that approximately 86% of the loan volume, and 59% of the dollar volume was inside the delineated community.

The United States Bureau of Labor Statistics identified approximately 8,802 business enterprises within ABGB's delineated community as of the 1990 Census. A small business loan is defined as a loan in the amount of \$1 million or less. A small farm loan is defined as a loan in the amount of \$500,000 or less. The most recent available data, as of June, 1995, indicated that ABGB had 2,710 small business and small farm loans totaling \$170 million outstanding. ABGB ranked third in loan volume, and sixth in dollar volume for all full-service banks in the Comptroller of the Currency's Central District with total assets between \$800 million and \$1.2 billion.

In addition to traditional business loans, ABGB extends civic, nonprofit, religious, and municipal loans. In 1994, the bank extended 18 of these loans totaling \$2 million. In 1995, ABGB extended 19 loans totaling \$7 million under this program. As of December 31, 1995, 43 civic, nonprofit, religious, or municipal loans were outstanding totaling \$9 million.

Consumer Activity:

ABGB originates a good volume of consumer loans, as demonstrated in the tables below:

1994 ABGB CONSUMER LOAN ORIGINATIONS AND OUTSTANDINGS*				
Loan Type	# Originated**	\$ Originated**	# Outstanding**	\$ Outstanding**
Home Equity Line	359	6,477	1,033	12,343
Mobile Home	183	3,050	460	6,732
Automobile	2,401	23,521	4,501	31,660
Consumer Installment	1,349	10,307	1,779	14,199
Credit Card	863	NA	6,689	2,871
Total	5,155	43,355	14,462	67,805

* Dollar figures are in thousands. Number of originations are actual data. NA means that the data is not available.

** Originations are within the calendar year. Outstandings include the total loan balances on the bank's books at year-end.

1995 ABGB CONSUMER LOAN ORIGINATIONS AND OUTSTANDINGS*				
Loan Type	# Originated**	\$ Originated**	# Outstanding**	\$ Outstanding**
Home Equity Line	392	7,792	1,165	15,087
Mobile Home	144	2,219	417	5,880
Automobile	2,660	26,343	4,915	35,888
Consumer Installment	1,222	9,188	1,709	13,857
Credit Card	1,161	NA	6,805	3,054
Total	5,579	45,542	15,011	73,766

* Dollar figures are in thousands. Number of originations are actual data. NA means that the data is not available.

** Originations are within the calendar year. Outstandings include the total loan balances on the bank's books at year-end.

Consumer loans comprise approximately 10% of the loan portfolio, and have grown approximately 6% since the last evaluation. For first quarter 1996 consumer loan originations, approximately 83% of the loan volume, and 80% of the dollar volume was within the delineated community.

Assessment Factor J - The institution's participation in governmentally-insured, guaranteed or subsidized loan programs for housing, small businesses, or small farms.

- **ABGB participates in a variety of government-related loan programs.**

The tables below detail the volume of ABGB and AMI loan originations and outstandings.

1994 ABGB AND AMI GOVERNMENT LOAN ORIGINATIONS AND OUTSTANDINGS*				
Loan Type	# Originated***	\$ Originated***	# Outstanding***	\$ Outstanding***
SBA	11	2,606	68	16,964
FMHA	12	350	22	1,231
WHEDA Home Improvement**	5	40	0	0
WHEDA Mortgage**	14	587	0	0
VA Mortgage**	0	0	0	0
Total	42	3,583	90	18,195

* Dollar figures are in thousands. Number of originations are actual data.

** All WHEDA and VA loans are sold in the secondary market.

*** Originations are within the calendar year. Outstandings include the total loan balances on the bank's books at year-end.

1995 ABGB AND AMI GOVERNMENT LOAN ORIGINATIONS AND OUTSTANDINGS*				
Loan Type	# Originated***	\$ Originated***	# Outstanding***	\$ Outstanding***
SBA	17	4,043	78	16,290
FMHA	15	743	18	1,090
WHEDA Home Improvement**	5	35	0	0
WHEDA Mortgage**	27	1,297	0	0
VA Mortgage**	7	630	0	0
Total	71	6,748	96	17,380

* Dollar figures are in thousands. Number of originations are actual data.

** All WHEDA and VA loans are sold in the secondary market.

*** Originations are within the calendar year. Outstandings include the total loan balances on the bank's books at year-end.

The following loan categories from the above tables require additional explanation:

- Small Business Administration (SBA): ABGB offers SBA loans under the programs detailed below. ABGB is a Certified SBA Lender which substantially reduces the time necessary to process loan applications. ABGB originated approximately 9% of the loan volume and 6% of the dollar volume of all SBA loans originated within the counties that make up the delineated community during 1994. In 1995, ABGB originated 8% of the loan volume and 9% of the dollar volume of SBA loans in the delineated community.
- SBA 7A Program: This program provides guaranteed term loans over \$100,000 for business expansion; financing of real estate purchases; construction of new facilities; or working capital to expand business operations purposes.

- SBA LowDoc Program: This program provides guaranteed term loans under \$100,000 for business purposes. The application process for these loans has been streamlined to expedite the approval process.
- SBA 504 Program: This program provides businesses with guaranteed term loan financing through Community Development Corporations (CDC) for the purchase of real estate or fixed assets in which the customer has a 10% equity position, a bank takes a 50% first security position, and the SBA takes a 40% second lien position.
- Farmers Home Administration (FmHA): This program provides agricultural term loans to farmers. The FmHA typically guarantees up to 80%-90% of the principal amount of these loans.
- Wisconsin Housing and Economic Development Authority (WHEDA): ABGB offers WHEDA loans under the programs described below.
 - WHEDA Home Improvement: This program provides a subsidized interest rate home improvement loan for individuals within specified income brackets.
 - WHEDA Mortgage: This program provides long-term, fixed-rate purchase money mortgage loans at below-market interest rates to first-time homebuyers purchasing property in a targeted area. This program also provides funds for renovation of older homes in the target areas. Loans are provided under two programs: a 5% down payment program; or a 3% down payment program, with an additional 2% from either a gift from a family member or a grant from an employer, government, or nonprofit agency.
- Veterans Administration (VA): This program provides customers with government-backed 1-4 family purchase money residential mortgages.

The increase in government loans from 1994 to 1995 is attributable to the implementation of the WHEDA and VA mortgage products in 1995.

In addition to the government programs described above, ABGB also participates in the following government-related programs:

- Bureau of Indian Affairs (BIA) - ABGB has two loan programs in conjunction with the BIA.
 - Guaranteed Loans: As of December 31, 1995, ABGB had three BIA loans with an outstanding balance approximating \$6 million in this program.

- Tribal Loans: As of December 31, 1995, ABGB had one loan approximating \$2 million outstanding with the Oneida Tribe of Indians.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

- **ABGB's delineated community is reasonable and does not arbitrarily exclude low- or moderate-income areas.**

Refer to the Community Delineation discussion on page six of this Evaluation for a detailed description of ABGB's community delineation. The delineated community is reasonable and meets the requirements of the CRA. The community delineation is based on the area where most of the bank's loans are derived.

Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

- **The distribution of ABGB's loan originations represents a reasonable pattern throughout the delineated community.**

An analysis of the bank's geographic distribution of its applications, extensions, and denials indicates a reasonable disbursement of lending activity throughout its delineated community. Senior management and the Board use various credit distribution reports to review the bank's lending activity. The bank analyzes the distribution of its loans including all mortgage, business, and consumer loans, on a quarterly basis. The bank also analyzes its consumer loan penetration within the delineated community.

Mortgage Loan Activity:

The following tables reflect ABGB's and AMI's HMDA related mortgage loans by CT/BNA characteristic within the delineated community. The following table also compares the bank's data with data of other financial institutions within the same delineated community.

1994 ABGB AND AMI HMDA LOAN ORIGINATIONS BY CENSUS TRACT CHARACTERISTICS*															
Tract Type	Purchase			Refinance			Home Improvement			Multi-Family			Total		
	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%
Low	4	29	14%	2	17	12%	1	7	14%	0	0	0%	7	53	13%
Moderate	73	691	11%	41	407	10%	10	197	5%	1	9	11%	125	1,304	10%
Middle	302	2,019	15%	210	1,786	12%	43	831	5%	2	27	7%	557	4,663	12%
Upper	107	760	14%	83	655	13%	15	304	5%	0	1	0%	205	1,720	12%
NA***	0	35	0%	0	65	0%	0	1	0%	0	0	0%	0	101	0%
Total	486	3,534	14%	336	2,930	11%	69	1,340	5%	3	37	8%	894	7,841	11%

* Table reflects percentages based on the actual number of loan originations and purchases.

** Market means the total for all institutions who originated mortgages in the community.

*** NA means the census tract data was not available.

In 1994, ABGB's and AMI's mortgage loans were reasonably disbursed to borrowers living in low-, moderate-, middle- and upper-income CTs/BNAs within the delineated community. ABGB and AMI had significant market penetration in the low- and moderate-income categories for home improvement and multi-family loans.

The following table provides information regarding mortgage loans originated by ABGB and AMI in 1995:

1995 ABGB AND AMI HMDA LOAN ORIGINATIONS BY CENSUS TRACT CHARACTERISTICS*															
Tract Type	Purchase			Refinance			Home Improvement			Multi-Family			Total		
	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%
Low	1	NA	NA	0	NA	NA	0	NA	NA	0	NA	NA	1	NA	NA
Moderate	87	NA	NA	39	NA	NA	33	NA	NA	1	NA	NA	160	NA	NA
Middle	417	NA	NA	234	NA	NA	165	NA	NA	3	NA	NA	819	NA	NA
Upper	80	NA	NA	40	NA	NA	31	NA	NA	0	NA	NA	151	NA	NA
NA***	0	NA	NA	0	NA	NA	0	NA	NA	0	NA	NA	0	NA	NA
Total	585	NA	NA	313	NA	NA	229	NA	NA	4	NA	NA	1,131	NA	NA

* Table reflects percentages based on the actual number of loan originations and purchases.

** Market means the total for all institutions who originated mortgages in the community.

*** NA means the census tract data was not available.

In the above table, market area information is not yet available. In 1995, the distribution of mortgage loans was reasonable. The 1995 loan volume increased significantly, especially in the purchase money and home improvement categories.

The following table reflects the number of loans originated to borrower's of different income characteristics:

1994 ABGB AND AMI HMDA LOAN ORIGINATIONS BY APPLICANT CHARACTERISTICS*															
Applicant Type	Purchase			Refinance			Home Improvement			Multi-Family			Total		
	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%
Low	31	273	11%	14	183	8%	11	84	13%	0	0	0%	56	540	10%
Moderate	86	766	11%	75	552	14%	9	256	4%	0	0	0%	170	1,574	11%
Middle	150	1,176	13%	113	925	12%	18	473	4%	0	0	0%	281	2,574	11%
Upper	217	1,119	19%	129	1,050	12%	30	458	7%	0	0	0%	376	2,627	14%
NA***	2	200	1%	5	220	2%	1	69	1%	3	37	8%	0	526	0%
Total	486	3,534	14%	336	2,930	11%	69	1,340	5%	3	37	8%	894	7,841	11%

* Table reflects percentages based on the actual number of loan originations and purchases.

** Market means the total for all institutions who originated mortgages in the community.

*** NA means the census tract data was not available.

1995 ABGB AND AMI HMDA LOAN ORIGINATIONS BY APPLICANT CHARACTERISTICS*															
Applicant Type	Purchase			Refinance			Home Improvement			Multi-Family			Total		
	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%	Bank	Market	%
Low	29	NA	NA	20	NA	NA	26	NA	NA	0	NA	NA	75	NA	NA
Moderate	81	NA	NA	51	NA	NA	37	NA	NA	0	NA	NA	169	NA	NA
Middle	164	NA	NA	100	NA	NA	82	NA	NA	0	NA	NA	346	NA	NA
Upper	298	NA	NA	136	NA	NA	83	NA	NA	0	NA	NA	517	NA	NA
NA***	13	NA	NA	6	NA	NA	1	NA	NA	4	NA	NA	0	NA	NA
Total	585	NA	NA	313	NA	NA	229	NA	NA	4	NA	NA	1,131	NA	NA

* Table reflects percentages based on the actual number of loan originations and purchases.

** Market means the total for all institutions who originated mortgages in the community.

*** NA means the census tract data was not available.

In 1994, ABGB and AMI originated a reasonable amount of mortgage loans to borrowers of different incomes when compared to other area financial institutions. ABGB has a significant penetration in the low- and moderate-income individual market for home improvement loans.

Loan volume in 1995 increased significantly, particularly in the moderate- and upper-income categories. The home improvement loan category increased significantly across all income levels. Market data for 1995 is not yet available.

Small Business and Small Farm Loans:

A significant portion of ABGB's loan portfolio is comprised of commercial, commercial real estate, and agricultural loans. ABGB performs a combined analysis of all business, mortgage, and consumer loan originations in LMI CTs/BNAs. The results of this analysis are presented in the table below.

ABGB TOTAL LOAN ORIGINATIONS AND RENEWALS IN LMI TRACTS*				
	1994		1995	
	#	\$	#	\$
Brown County	1,095	28,951	1,096	44,431
Door County	4	35	6	43
Marinette County	191	2,723	280	4,225
Oconto County	133	1,064	209	2,960
Total	1,423	32,773	1,591	51,659

* Dollars are in thousands. Numbers are actual data.

The increase in LMI CT/BNA loan volume is attributable to the acquisition of two branches of North Shore Savings in Oconto County.

Consumer Activity:

The bank analyzes the geographic distribution by households within its delineated community. Consumer loan distribution reports by CT/BNA characteristic reflect the following:

ABGB CONSUMER LOANS OUTSTANDING IN LMI CT/BNA*				
Loan Type	1994		1995	
	#	\$	#	%
Home Equity Line	74	778	83	896
Mobile Home	19	231	20	215
Automobile	441	2,822	451	2,907
Total	534	3,831	554	4,018
Total for Above Products	2,943	33,048	3,196	36,354
LMI as a Percent of Total	18%	12%	17%	11%

* Dollars are in thousands. Numbers are actual data.

As shown by the above table, ABGB consistently originates consumer loans in LMI CTs/BNAs.

Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.

- **ABGB's office locations provide reasonable access to all segments of its community.**

Refer to the "Bank Profile" on page 6 for a description of the bank's offices.

The bank's Brown County and Outagamie County offices are easily accessible through public transportation. ABGB's office hours are reasonable. Office hours are tailored to meet the needs of the depositors served. In 1994, ABGB expanded office hours to include more evening and Saturday hours. ABGB also has a 24-hour D.A.T.A. Line with deposit account information services.

In March, 1994, the bank relocated the Scott Street Office to University Avenue. The relocation was based on achieving better accessibility to the branch's customer base; and demographic patterns relating to housing growth. The relocation did not adversely impact the customer base due to the proximity to the prior location, and better accessibility to traffic patterns. In addition, ABGB acquired two offices in Oconto County from North Shore Savings Bank in November, 1994.

The bank has not opened or closed any offices since the last CRA examination. In the event of a proposed office closing, ABGB's branch closing policy requires an impact analysis be performed to determine its effect on the local community.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- **There is no evidence of practices which would discourage credit applications.**

ABGB solicits credit applications from all segments of its delineated community. The Board and management have adopted written policies and operating procedures to ensure that all loan applications are treated in a fair and consistent manner. The bank provides effective training for all lending and customer contact personnel through periodic Fair Lending Compliance: Understanding Equal Treatment seminars.

ABGB and AMI have a second review program for all 1-4 family, owner-occupied, first mortgages to ensure that every effort is made to approve each loan. Denied loan applications are provided a second chance to qualify by an underwriter independent of the original credit decision. Small business and consumer loan applications are, at a minimum, reviewed by a supervisor prior to

denial. This program ensures that the bank's established credit policies and underwriting guidelines are consistently applied to all mortgage, consumer, and small business applications.

Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.

- **ABGB is in compliance with the substantive provisions of the antidiscriminatory laws and regulations.**

During our examination, we tested a sample of eight purchase money denials and withdrawals on the bases of race. The denied home purchase applications were compared to a sample of 67 approved home purchase applications to determine if all applicants had a similar chance of obtaining a loan.

To accomplish our objective, we conducted an analysis of the applications groups. In each case, unsuccessful applicants were compared to successful applicants to determine the treatment received and the level of assistance provided to each group. Our examination did not identify any disparate treatment of applicants or potential applicants on a prohibited basis.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.

- **ABGB actively participates in local community development and redevelopment programs.**

Associated Commercial Mortgage, Incorporated (ACMI), a holding company affiliate, extends construction loans for housing projects targeted toward LMI individuals. The following projects were completed in ABGB's delineated community since the last evaluation:

- ACMI financed the \$1 million construction of the Oak Ridge Apartments in Wrightstown, Wisconsin. This is a 24-unit apartment complex, with 100% of the units designated for LMI individuals.
- ACMI financed the \$1 million construction of the Scandinavian Village Apartments in Denmark, Wisconsin. This is a 24-unit apartment complex, with 100% of the units designated for LMI individuals.
- ACMI financed the \$3 million construction of the Deer Run Apartments, in Green Bay, Wisconsin. This is a 64-unit apartment complex, with 100% of the units designated for LMI individuals.

In 1995, ABGB contributed \$1 million to the Brown County Affordable Housing, Limited Liability Corporation (BCAH). ABGB took a leadership role in the formation of this corporation. BCAH is a joint venture with three other local financial institutions and one private corporation. BCAH's goal is to promote the construction and rehabilitation of affordable housing facilities for LMI families. To date, BCAH has not begun any projects.

ABGB extends loans through the De Pere Main Street Program. This program offers low interest rates for building or leasehold improvements. Businesses may borrow up to \$25,000 and receive a 2% interest rebate for the first year and a 1% rebate for the next two years of the loan. Since January 1994, ABGB has originated 11 loans under this program totaling \$247,000. ABGB's De Pere East branch location also provides rent-free office space to the Main Street Program.

The De Pere Business Association, in conjunction with the De Pere Main Street Program, began offering the chance for a selected business to receive up to a \$4,000 grant and a \$16,000 low-interest loan. ABGB, along with three local financial institutions, each committed to providing \$1,000 in grants and \$4,000 in financing for the next four years to this effect.

In 1995, ABGB provided a \$100,000 line of credit to the North Eastern Wisconsin Habitat for Humanity (NEWHH) for the relocation and rehabilitation of six homes. ABGB also provided 7,000 donation envelopes to the program.

Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

- **ABGB generally supports the development and implementation of specific projects promoting economic revitalization and growth, in a manner consistent with the bank's size, financial capacity, location, and current local economic conditions.**

The reader is encouraged to refer back to the Community Profile and Bank Profile sections discussed on pages five and six of this report for a detailed description of ABGB's financial capacity and local economic conditions.

Assessment Factor L - Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

- **ABGB has demonstrated a willingness to explore other ways to help meet community credit needs.**

ABGB originates student loans through the Great Lakes Higher Education Authority which are 100% guaranteed by the Federal government. A total of 1,338 loans approximating \$4 million were extended in 1994. In 1995, 1,143 loans totaling \$3 million were extended.

ABGB also provides both monetary and time donations to community groups and charitable organizations throughout the delineated community. These groups include residential housing organizations targeted toward LMI areas and individuals such as Neighborhood Housing Services, Freedom House, and Habitat for Humanity.

ADDITIONAL INFORMATION

A portion of ABGB's community is comprised of the Green Bay MSA, which encompasses Brown County, Wisconsin (MSA #3080); and the Appleton/Oshkosh/Neenah MSA, which encompasses all of Calumet, Outagamie, and Winnebago Counties, Wisconsin (MSA # 0460).

The HMDA data for the Green Bay MSA is available through Mr. Paul G. JanQuart, Office of the City Clerk, Green Bay City Hall, 100 West Jefferson Street, Room 101, Green Bay, Wisconsin 54301 or (414) 448-3015.

The HMDA data for the Appleton/Oshkosh/Neenah MSA is available through Ms. Janice Dibble at the Oshkosh Public Library, 106 Washington Avenue, Oshkosh, Wisconsin 54901 or (414) 236-5214.