



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

November 18, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Greenville National Bank
Charter Number 13944

446 South Broadway, Greenville, OH 45331

Office of the Comptroller of the Currency

655 Metro Place South, Suite 625, Dublin, Ohio 43017-5371

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Outstanding.

- Greenville National Bank's (GNB or the bank) loan-to-deposit (LTD) ratio is more than reasonable.
- The bank made a majority of their loan originations within its assessment areas (AAs).
- GNB's borrower distribution reflects reasonable penetration among borrowers of different incomes.
- GNB's geographic distribution demonstrates reasonable dispersion.
- GNB's community development activities exhibit outstanding performance in relation to the needs in its assessment areas.

Scope of Examination

Our office conducted a Community Reinvestment Act (CRA) examination to assess the bank's record of meeting the credit needs of its entire community, including low- and moderate-income borrowers and moderate-income areas. We used small bank examination procedures to evaluate the bank's performance.

GNB has two assessment areas (AA); one AA is the non-Metropolitan Statistical Area (MSA) area known as Darke County, Ohio, and the other AA is the western third of Miami County, which is included in the Dayton, Ohio MSA #19380. GNB's AAs comply with regulatory requirements and do not arbitrarily exclude any low- or moderate-income areas. Neither AA has any low-income census tracts (CTs). Only one AA has a moderate-income CT. The evaluation period included the last 15 quarters since the prior CRA examination dated December 29, 2009.

We reviewed the bank's primary loan products of residential real estate, farm loans, and business loans for this CRA examination. The primary loan products are based on financial statement balances as of September 30, 2013 and the volume of loan originations during the evaluation period. Our review compared 2011 loan originations to 2000 census data and 2012 through year-to-date 2013 loan originations to 2010 census data. We used data the bank reported for residential real estate loans under the Home Mortgage Disclosure Act (HMDA) and sampled business and farm loans originated during the evaluation period.

To conduct our analysis of lending inside the AA, we randomly tested 20 Farm and 20 Business loan originations and used all residential real estate loan originations reported on the HMDA loan application register for the evaluation period. To perform the analysis of borrower and geographic distributions, we removed any loans in the original sample that were outside the AAs and replaced them with additional Farm and Business

loans located inside the AAs as necessary to maintain sample sizes from each AA. We conducted separate analyses on each AA based on the availability of census and loan data.

Description of Institution

GNB is a wholly owned subsidiary of Greenville National Bancorp, a one-bank holding company. As of September 30, 2013, the bank had total assets of \$385.4 million, total deposits of \$321.1 million, and net loans of \$240.1 million. GNB and its holding company, Greenville National Bancorp, are headquartered in Greenville, Ohio. Greenville is the county seat of Darke County, Ohio and is approximately 40 miles north of Dayton, Ohio. GNB has six full-service branches (including the main office) and one loan production office located in Darke County, and one full-service branch in Miami County. The bank has four full-service ATMs located in Darke County at various full-service branches and one full-service ATM in Miami County. GNB also has four stand-alone cash dispensing ATMs at various points in Darke County.

GNB is a full-service bank and offers a wide array of banking products. The bank's primary lines of business are residential and agricultural lending followed by commercial and consumer lending. Table 1 below illustrates GNB's loan originations between January 1 2011, and year-to-date September 30, 2013, and demonstrates the bank's loan mix.

Table 1 - Loan Originations by Type During Evaluation Period		
Loan Type	% by Dollar Amount	% of Total Number
Agricultural Loans	32.0%	8.1%
Residential Loans	31.0%	16.6%
Commercial Loans	23.1%	15.1%
Consumer Loans	13.9%	60.2%

Source: GNB Loan originations 2011, 2012, and YTD September 30, 2013 as per Bank's Compliance Officer

Table 1a - Loan Portfolio Mix as per September 30, 2013 Call Report Data		
Loan Type	Dollar Volume	% by Dollar Volume
Residential Loans	\$102,017	42.0%
Agricultural Loans	\$62,399	25.7%
Commercial Loans	\$51,765	21.4%
Consumer Loans	\$26,549	10.9%

Source: GNB Loan originations 2011, 2012, and YTD September 30, 2013 as per Bank's Compliance Officer

No legal or financial impediments exist that would restrict the bank's ability to meet the credit needs of its assessment areas. The last CRA examination, dated December 29, 2009, resulted in an overall Satisfactory rating.

Description of Assessment Areas

The bank has full-service depository branches in two AAs; one is all of Darke County, a Non-MSA AA, and the other is comprised of the five CTs that line the western inside border of Miami County, which is part of the Dayton MSA. We found no evidence that the bank is excluding low- or moderate-income geographies.

The economic environment of both AAs reflect August 2013 unemployment rates of 6.1 percent in Darke County and 6.7 percent in Miami County, which were lower than the State of Ohio average rate of 6.9 percent or the U.S.A. national average rate of 7.3 percent for the month. Based on our discussion with the president of the chamber of commerce in Darke County, Whirlpool returned some higher paying manufacturing jobs to Darke County from China. One hundred good jobs with health insurance benefits and other perks were added at the Whirlpool assembly plant. The largest employers in Darke County are Greenville Technology, Whirlpool/Kitchen Aid, and Midmark Corp. The largest employers in Miami County are Upper Valley Medical Center, Clopay Building Products, F&P America, UTC Aerospace Systems and Meijer Distribution Center.

Non-MSA Darke County AA

This AA consists of one moderate-income CT, nine middle-income CTs, and two upper-income CTs covering all of Darke County as per the 2000 census. The 2010 census showed one moderate-income CT, ten middle-income CTs and one upper-income CT. There are no low-income CTs in this AA according to either census. The 2012 Updated Median Family Income for non-MSA areas in the state of Ohio is \$54,038. As of the 2010 Census, the total population in this AA was 52,959 with 20,769 households and 22,654 housing units.

Competition for loans and deposits is strong with eight local community banks and branches of five large national and/or regional banks accepting deposits and making loans in Darke County. Our discussion with the director of the local chamber of commerce indicated that the primary credit need in Darke County is agriculture loans. This contact also indicated financial institutions are doing a great job in meeting the credit needs of the community, including low- and moderate-income families and individuals. This community contact also indicated opportunities for community development are limited, particularly those that meet the technical definition for low-income assistance under CRA.

Dayton, Ohio MSA #19380

This AA consists entirely of five middle-income CTs covering the western third of Miami County and contiguous with the eastern edge of Darke County. There are no low- or moderate-income CTs in this AA, and there was no change between the 2000 and the 2010 census. The 2012 Updated Median Family Income for MSA #19380 is \$58,561. As of the 2010 Census, the population of this AA was 19,743 with 7,731 households and 8,296 housing units.

Competition for loans and deposits is strong with branches of seven large national banks and four local community banks accepting deposits and making loans in Miami County.

Conclusions with Respect to Performance Tests

LENDING TEST

Based on the criteria for the CRA lending test, Greenville's lending performance is satisfactory.

Loan-to-Deposit Ratio

GNB's LTD ratio averaged 76.8 percent for the 15 quarters since the previous CRA evaluation; the ratio is more than reasonable and represents satisfactory performance. As of September 30, 2013, the bank's ratio equaled 74.8 percent. GNB's LTD ratio ranged from a low of 71.1 percent to a high of 83.0 percent over the 15-quarter period. Our review of 16 financial institutions headquartered within or close to GNB's AAs revealed a range of average LTD ratios from 50.0 percent to 112.5 percent, with an overall average of 77.2 percent. Excluding the one outlier of 112.5 percent, the average over the 15 quarters for the peer institutions is 74.8 showing GNB's ratios are satisfactory and commensurate with peer averages.

Lending in Assessment Area

A majority of GNB's lending activity occur inside the bank's AAs and supports a satisfactory performance rating. We evaluated the bank's record of lending within its two AAs. Our review revealed that from January 1, 2011 through September 30, 2013 (YTD), the bank originated 80.0 percent of the number of all residential real estate, farm, and business loans within its AAs, a substantial majority. Table 2 on the following page details the bank's lending within the AA in these loan categories.

Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	264	78.8	71	21.2	335	\$26,278	70.1	\$11,230	29.9	\$37,508
Home Refinance	355	78.9	95	21.1	450	\$40,448	76.3	\$12,543	23.7	\$52,991
Home Improvement	62	89.9	7	10.1	69	\$5,551	84.2	\$1,040	15.8	\$6,591
Agriculture Sample	46	83.6	9	16.4	55	\$3,848	72.6	\$1,455	27.4	\$5,303
Business Sample	23	82.1	5	17.9	28	\$1,452	81.0	\$341	19.0	\$1,793
Totals	750	80.0	187	20.0	937	\$77,577	74.5	\$26,609	25.5	\$104,186

Source: HMDA loans originated from January 1, 2011 through YTD September 30, 2013 and Farm and Business loan samples through same time period.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

GNB's lending to borrowers of different income levels reflects reasonable penetration to low- and moderate-income borrowers when compared to the demographics of its AAs.

Performance in the Darke County Non-MSA AA

GNB's distribution of residential loans reflects reasonable distribution among borrowers of different income levels. The penetration among moderate-income borrowers of 26.8 percent in 2011 and of 17.1 percent in 2012-YTD 2013 is reasonable for residential real estate loan products. GNB's record of residential real estate lending to low-income borrowers of 10.4 percent in 2011 and of 7.2 percent in 2012-YTD 2013 is less than the percentages of low-income families in the AA of 15.4 percent in 2011 and 16.9 percent in 2012 –YTD 2013. However, there is a high percentage of those households living below the poverty level which limits lending opportunities. The 2000 Census data showed 7.9 percent of the households in the AA are living below the poverty level, a number that increased to 10.5 percent for the 2010 Census. Refer to Tables 4 and 4a below for additional detail.

Borrower Income Level	N/A	Low		Moderate		Middle		Upper	
Loan Type	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	3.5	15.4	14.0	17.9	28.1	25.6	12.3	41.1	42.1
Home Improvement	0.0		0.0		46.7		6.7		46.6
Refinance	2.2		9.8		22.8		23.9		41.3
Total	2.4		10.4		26.8		18.3		42.1

Source: All HMDA reportable residential loans originated 2011 in Non-MSA AA; 2000 U.S. Census Data

Borrower Income Level	N/A	Low		Moderate		Middle		Upper	
Loan Type	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	2.8	16.9%	10.6	18.6	21.7	24.3	27.8	40.2	37.1
Home Improvement	0.0		10.0		12.5		12.5		65.0
Refinance	1.8		4.0		14.2		25.8		54.2
Total	2.0		7.2		17.1		25.4		48.3

Source: All HMDA reportable residential loans originated January 1, 2012 – September 30, 2013 In Non-MSA AA; 2010 U.S. Census Data

The bank's distribution of commercial and agriculture loans demonstrates excellent penetration among borrowers of different income levels. GNB made over 90 percent of their business and farm loans to borrowers with businesses and farms with annual incomes less than \$1 million. Refer to Table 4B and 4C for detail.

Table 4B - Borrower Distribution of Loans to Businesses in Darke County Non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	78.2%	3.2%	18.6%	100%
% of Bank Loans in AA by #	94.7%	5.3%	0.0%	100%
% of Bank Loans in AA by \$	98.1%	1.9%	0.0%	100%

Source: Loan sample Business Loans Originated January 1, 2011 – YTD September 30, 2013

Table 4C - Borrower Distribution of Loans to Farms in Darke County Non-MSA AA				
Farm Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Farms	97.7%	1.0%	1.3%	100%
% of Bank Loans in AA by #	93.0%	7.0%	0.0%	100%
% of Bank Loans in AA by \$	68.3%	31.7%	0.0%	100%

Source: Loan sample Farm Loans Originated January 1, 2011 – YTD September 30, 2013

Performance in the Dayton MSA AA

The bank’s distribution of home loans in the Dayton MSA AA is reasonable. See the following tables 4D and 4E for details.

Table 4D Borrower Distribution of Residential Real Estate Loans in MSA AA 2011									
Borrower Income Level	N/A	Low		Moderate		Middle		Upper	
Loan Type	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	3.5	16.0%	14.0	21.5%	28.1	28.4%	12.3	34.1%	42.1
Home Improvement	0.0		0.0		46.7		6.7		46.6
Refinance	2.2		9.8		22.8		23.9		41.3
Total	2.4		10.4		26.8		18.3		42.1

Source: All HMDA reportable residential loans originated 2011 in Non-MSA AA; 2000 U.S. Census Data.

Table 4E Borrower Distribution of Residential Real Estate Loans in MSA AA 2012 & YTD 2013									
Borrower Income Level	N/A	Low		Moderate		Middle		Upper	
Loan Type	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	2.8%	16.9%	10.6%	18.6%	21.7%	24.3%	27.8%	40.2%	37.1%
Home Improvement	0.0%		10.0%		12.5%		12.5%		65.0%
Refinance	1.8%		4.0%		14.2%		25.8%		54.2%
Total	2.0%		7.2%		17.1%		25.4%		48.3%

Source: All HMDA reportable residential loans originated January 1, 2012 – September 30, 2013 in Non-MSA AA; 2010 U.S. Census Data.

The bank’s distribution of commercial and agriculture loans demonstrates excellent penetration among borrowers of different income levels. GNB made 100 percent of their business and farm loans to borrowers with businesses and farms with annual incomes less than \$1 Million. Refer to Table 4F and 4G for detail.

Table 4F - Borrower Distribution of Loans to Businesses in Western Third of Miami County MSA AA

Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	79.6%	3.0%	17.4%	100%
% of Bank Loans in AA by #	100.0%	0.0%	0.0%	100%
% of Bank Loans in AA by \$	100.0%	0.0%	0.0%	100%

Source: Loan sample Business Loans Originated January 1, 2011- YTD September 30, 2013.

Table 4G - Borrower Distribution of Loans to Farms in Western Third of Miami County MSA AA

Farm Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Farms	99.5%	0.5%	0.0%	100%
% of Bank Loans in AA by #	100.0%	0.0%	0.0%	100%
% of Bank Loans in AA by \$	100.0%	0.0%	0.0%	100%

Source: Loan sample Farm Loans Originated January 1, 2011 – YTD September 30, 2013.

Geographic Distribution of Loans

GNB’s geographic distribution of loans reflects reasonable dispersion to all areas within its Non-MSA AA. Our analysis reflected lending in all but one middle-income CT and no conspicuous gaps or areas of low penetration in GNB’s lending pattern. The Dayton MSA AA consists of five middle-income geographies according to both the 2000 and the 2010 census. As the AA does not contain any low- or moderate-income CTs, a geographic analysis for this AA as it would not be meaningful.

Performance in the Darke County Non-MSA AA

The bank’s geographic distribution of home loans in the Non-MSA AA reflects a reasonable dispersion throughout CTs of different income levels. Refer to Table 5 and 5A for details.

Table 5 Geographic Distribution of Residential RE Loans in non-MSA AA 2011

Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	0.0	0.0	6.8	14.0	74.2	64.9	19.0	21.1
Home Improvement		0.0		0.0		80.0		20.0
Refinance		0.0		3.3		83.7		13.0

Source: All HMDA reportable residential loans originated during 2011 in the Non-MSA AA; 2000 U.S. Census data.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	0.0	0.0	6.2	5.6	86.2	91.1	7.6	3.3
Home Improvement		0.0		2.5		90.0		7.5
Refinance		0.0		4.9		91.5		3.6

Source: All HMDA reportable residential loans originated during 2012 and through September 30, 2013 in the Non-MSA AA; 2010 U.S. Census data.

The geographic distribution of agriculture and business loans in the Darke County, Non-MSA AA is reasonable. The level of lending to businesses in moderate income CTs is excellent. There were no farm loans within the moderate income CT as this CT lies within city limits.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses /Farms	% of Number of Loans	% of AA Businesses/ Farms	% of Number of Loans	% of AA Businesses /Farms	% of Number of Loans	% of AA Businesses /Farms	% of Number of Loans
Agriculture	0.0	0.0	8.3	0.0	83.3	88.4	8.4	11.6
Business	0.0	0.0	8.3	17.4	83.3	65.2	8.4	17.4

Source: GNB Ag and Business loan samples January 1, 2011 through YTD September 30, 2013.

Responses to Complaints

GNB has not received any complaints about its performance in helping to meet the credit needs in its AAs during the evaluation period. Nor did the Office of the Comptroller of the Currency’s Community Assistance Group receive any complaints about GNB’s CRA performance.

COMMUNITY DEVELOPMENT TEST

GNB showed outstanding commitment to serving the Community Development needs of the AAs. The bank provides grants to many eligible organizations annually. These organizations encompass several Darke County organizations, including local school organizations, churches, and local boy/girl scout troops. The bank donates money to schools to help offset the cost of lunches as more than 60 percent of the students in the district are on free or reduced lunch programs.

Number and Amount of Community Development Loans

GNB originated two community development loans within the review period, which totalled \$3,648,127 or 8.7 percent of capital at September 30, 2013. These loans include the following:

- \$3,503,127 (participation) loan on October 20, 2011 to refinance and rehabilitate a strip-shopping center on Wagner Avenue in Greenville as part of city revitalization.
- \$145,000 Greenville Citizens Baseball on April 20, 2010 to refinance and provide additional funds to repave a parking lot located in the moderate-income area as part of city revitalization.

The bank also participates in the Housing and Community Investment Department of the Federal Home Loan Bank's 'Welcome Home' program supporting low-income, first-time homeowners program. GNB has funded three loans totaling \$198,254 through this program.

Extent to Which the Bank Provides Community Development Services

Bank management and other personnel are active in each community in which the bank has a branch. Members of the bank sit on boards of community development organizations and have different roles on these boards. These organizations include:

- Community Improvement Corporation of Darke County – Matt Kolb, Treasurer, John Marchal, Steve Burns, and Dan Esarey.
- City of Greenville Community Improvement Corporation – Steve Burns.
- Darke County Economic Foundation – John Warner, Sam Suter.
- Main Street Greenville – Brian Griesdorn and Dave Ernst serve on this non-profit organization committed to revitalizing downtown Greenville, Ohio.
- Village of Hollansburg – Tammie Wilcox, Treasurer.
- Community Christmas Drive - Mike Boyer, Treasurer.
- Council on Rural Service Programs: A Learning Place – Dan Franz, Chairman.
- Darke County Board of Developmental Disabilities – Brad Bixler, Board member.
- Ohio Benefit Bank – Dana Rex, Tax Counselor.
- Tri-Village Cops for Kids – Lisa Eadler, Treasurer.
- State of the Heart Home Health and Hospice – Kent James, Treasurer.
- Ansonia Area Joint Ambulance District – Jerry Koverman, Treasurer.
- Darke County YMCA – John Warner, Finance Committee member.

Responsiveness to Community Development Needs

GNB showed excellent responsiveness to the needs of its assessment areas.

**FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES
REVIEW**

Pursuant to 12 C.F.R. 25.28(c), in determining a national bank's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.