

PUBLIC DISCLOSURE

April 14, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Citizens First National Bank of Princeton
Charter Number 2413
606 South Main Street
Princeton, Illinois 61356-2080**

**Office of the Comptroller of the Currency
111 W. Washington Street, Suite 300
East Peoria, Illinois 61611**

NOTE: This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

General Information	3
Definitions and Common Abbreviations	4 - 5
Overall CRA Rating	6
Description of Institution	7
Scope of Evaluation	8 - 9
Fair Lending Review	9
Conclusions with Respect to Performance Tests	
Lending Test	10 - 16
Investment Test	17 - 18
Service Test	19 - 23
Appendix A: Scope of Evaluation	24
Appendix B: Market Profiles for Areas Receiving Full-Scope Reviews	25 - 31
Appendix C: Tables of Performance Data	32 - 46

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 the examination's conclusion, 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 CRA performance of **Citizens First National Bank of Princeton** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **April 14, 1999**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all, of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

This evaluation covers the period from January 1, 1997, to December 31, 1998. The prior CRA evaluation dated February 20, 1997, rated this institution "Outstanding."

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.

Citizens or CFNB- Citizens First National Bank of Princeton

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.

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 loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Income-Levels- These relate to individuals, families, the CT's in an MSA or BNA's in non-MSA areas.

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 Record of Meeting Community Credit Needs.”

The following table indicates the performance level of **Citizens First National Bank of Princeton** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Citizens First National Bank of Princeton 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:

- C Lending to borrowers of different income levels, including low- and moderate-income individuals, is good. In the NonMSA assessment area (AA), ten percent of the home purchase loans originated were to low- and 19% to moderate-income individuals.
- C CFNB’s record of lending to small businesses and small farms within its assessment area is good. During the evaluation period, 1,227 small business loans and 690 small farm loans were originated. In the NonMSA area, 99% of the small farm and 87% of the small business loans originated were to farms and businesses with revenues less than \$1 million.
- C A majority (78%) of CFNB’s loan originations are located within the bank’s assessment areas.
- C CFNB has demonstrated an adequate level of responsiveness to the investment needs of its communities. Research indicates that opportunities for qualified community development investment are limited.
- C The bank’s services are reasonably accessible to geographies and individuals of different income levels throughout the assessment areas.

DESCRIPTION OF INSTITUTION

Citizens First National Bank of Princeton (CFNB) is a full-service \$478 million rural bank. CFNB is an intrastate bank which, in addition to the main office, operates thirteen branches in North Central Illinois. The bank is headquartered in Princeton, Illinois, which is located approximately sixty-five miles north of Peoria. The branches are dispersed throughout the communities of Princeton, DePue, Genoa, Hampshire, Henry, Minooka, Oglesby, Peru, Sandwich, and Spring Valley. The bank's assessment areas are also served by thirteen Automated Teller Machines (ATM's). Branches and ATM's are located throughout the area, in middle- and upper-income Block Numbering Areas (BNA's) and Census Tracts (CT's).

CFNB is wholly-owned by Princeton National Bancorp, Inc., a one-bank holding company. The bank offers traditional banking services and lending products. The primary business focus is agricultural, small business lending, and residential real estate. The bank has historically been a leader in agricultural lending. The loan mix indicates the bank is also a large real estate lender as 58% of the loan portfolio is for real estate purposes. The loan portfolio mix is as follows: commercial 34% (19% in real estate), agricultural 26% (12% in real estate), residential real estate 29%, and consumer 11%. At December 31, 1998, Tier 1 Capital was \$38 million with a net loans to assets ratio of 56%.

The institution is capable of meeting the community's credit needs based on its financial condition and size, products offerings, absence of legal impediments, and other factors.

The market for financial services is very competitive. There are numerous financial institutions in the AA. CFNB's primary competitors consist of banks, thrift institutions, and Farm Credit Services. Union Bank of Streator, National Bank & Trust of Sycamore, and Amcore Bank of North Central are the similarly situated institutions within the AA which were identified based on asset size and/or business focus.

SCOPE OF THE EVALUATION

Evaluation Period/Products Evaluated

We reviewed HMDA (home purchase, home improvement, home refinance, and multi-family), small business, small farm, and community development loans for the time period of January 1, 1997, through December 31, 1998. CFNB elected not to have its consumer lending activity included in the CRA evaluation. The prior CRA evaluation dated February 20, 1997, rated this institution “Outstanding.”

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 HMDA, small business, and small farm loans. We reviewed a sample of HMDA reportable transactions to ensure the purpose, action taken, race, gender, applicant income, and loan size were accurately included on the Loan Application Register (LAR). Our review of the HMDA and small farm loans noted only minor clerical errors. The review of small business loans noted errors significant enough that the bank refiled their small business data during the examination. Our analysis is based on the corrected data.

We also reviewed 100% of the loans the bank was reporting as community development. In addition, we reviewed all the donations the bank made from January 1, 1997, through December 31, 1998. With assistance from bank personnel, we determined which organizations met the definition of community development and only included those under the investment test. Overall, the data was considered to include only insignificant errors.

Selection of Areas for Full-Scope Review

Our analysis included full scope examination procedures for all the bank’s assessment areas. Our review consisted of two separate analyses. One analysis was performed on the assessment area located in the NonMSA area (NonMSA AA), and the other analysis included a review of the three assessment areas located in the Chicago MSA 1600 (Chicago MSA AA).

Ratings

The bank's overall rating is based on both areas that received the full-scope reviews. The NonMSA AA includes 79% of the total census tracts in the assessment areas and includes the location of nine of the bank's thirteen branches (69% of the branches). Additionally, over 79% of the bank's deposits are located in this assessment area. Therefore, this area was the most influential in the overall assessment of the bank's performance.

Other

A community contact was made with one local Realtor during the examination. The contact indicated local financial institutions are responsive to community credit needs. This contact was not aware of any significant unmet credit needs in the community.

FAIR LENDING REVIEW

Our Fair Lending review consisted of a comparative file analysis of used car applications for denied female applicants versus approved male applicants. CFNB has a satisfactory record of complying with the anti-discrimination laws (Equal Credit Opportunity Act, Fair Housing Act, and Home Mortgage Disclosure Act). No violations of the substantive provisions of the anti-discrimination laws and regulations were discovered during our examination.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

CFNB's overall CRA performance is **Satisfactory**. CFNB has met the intent of the Community Reinvestment Act.

LENDING TEST

The bank's performance under the Lending Test is rated "High Satisfactory." Based on full scope reviews, the bank's performance in both the NonMSA and the Chicago MSA is good. Our analysis focused heavily on the lending performance in the NonMSA AA as 90% of the loans originated were in this assessment area.

Major Conclusions:

- C CFNB's lending levels for HMDA, small business, small farm, and community development loans reflect good responsiveness to assessment area credit needs. CFNB originated 2,848 loans totaling almost \$184 million in its assessment areas in the past two years.
- C A majority of the loans originated (78% of the number of loans) is made within the institution's assessment area.
- C The bank's distribution of borrowers reflects good penetration among customers of different income levels. In the NonMSA AA, 10% of the home purchase loans originated were to low- and 19% to moderate-income borrowers. Thirteen percent of the home purchase loans were originated to low- and 13% to moderate-income borrowers in the Chicago MSA AA.
- C The bank's record of lending to small businesses and small farms is good. Over 90% of the small farm loans and 80% of the small business loans were made to farms and businesses with revenues of less than \$1 million. In the NonMSA area, over 99% of the small farm and 87% of the small business loans were to entities with revenues of less than \$1 million.
- C Community development lending is reasonable as this bank has contributed to the community needs. The bank made one loan for community development purposes. Additionally, four loans which met the definition of community development lending were reported in HMDA and small business data.
- C The bank is responsive to the credit needs by offering flexible loan products. The bank offers some flexible residential mortgage loan products to serve the assessment area credit needs.

Lending Activity

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's lending activity.

CFNB extended a significant amount of credit in the assessment area. As reflected in the following tables, the bank made 2,848 loans totaling \$183,719,000 in their assessment area during the evaluation period. CFNB's largest volume product by number of loans made in the evaluation period is small business lending with 1,227 loans for \$73,671,000. CFNB's commitment to meeting its AA credit needs is demonstrated by the volume of small business loans in the area. The bank ranked first out of 134 institutions with a 29.37% market share for small business lending in the NonMSA AA. The bank's market share was 18.58% for small business lending in the Chicago MSA AA.

The bank's second highest volume of lending is HMDA lending with 930 loans for \$62,682,000 made in the AA during the evaluation period. CFNB's HMDA lending levels reflect good responsiveness to the housing needs of the AA. During 1997, CFNB's overall market share of 26% for HMDA lending resulted in a market rank of 1st out of 101 institutions in the NonMSA area. During the same time period, CFNB's market share in their AA's portion of the Chicago MSA was 1.73%, which resulted in a market rank of 14th out of 274 institutions for HMDA lending.

CFNB's small farm lending reflects good responsiveness to the credit needs of the assessment areas. The bank originated 690 loans for a total of \$47,266,000 within the assessment area during the last two years (1997 and 1998). CFNB's market share of 56.77% for small farm lending resulted in a market rank of 3rd out of 64 institutions in the NonMSA area and 7th of 51 institutions in its AA's portion of the Chicago MSA.

Assessment Area Concentration

A majority of the bank's loans are located within the AA. The location of loans shows the bank focuses on meeting the credit needs within its assessment area.

- C *Home Purchase*- CFNB made 302 home purchase loans during the evaluation period. Two hundred forty-two (242) or 80% of these loans were extended within the bank's AA.
- C *Refinance*- During this evaluation period, 728 refinance loans were originated. Five hundred ninety-six (596) or 82% were extended inside the bank's AA.
- C *Home Improvement*- CFNB originated 111 home improvement loans during 1997 and 1998. Ninety-two (92) or 83% were originated in the bank's AA.

- C *Small Business*- CFNB originated 1,486 small business loans during the evaluation period. One thousand two hundred twenty seven (1,227) or 83% were originated within the AA.
- C *Small Farm*- During 1997 and 1998, CFNB originated 1,020 small farm loans. Six hundred ninety (690) or 68% were made within the bank's AA.

Distribution of Loans by Income Level of the Geography

We did not analyze the geographic distribution of loans as it was determined this analysis would not be meaningful. The NonMSA assessment area consists of only one BNA designated as a moderate-income area which represents only 4% of the BNA's and 3% of the population of the assessment area. In addition, this tract only has 648 owner-occupied units, which is only 2% of the owner-occupied units in the bank's AA. There were no low- or moderate-income CT's in the Chicago MSA assessment area.

Distribution of Loans by Income Level of the Borrower

The distribution of lending to borrowers of different income levels reflects good penetration among retail customers and business and farm customers of different size. In the NonMSA area, 10% of the home purchase loans originated were to low- and 19% to moderate-income individuals. Ninety-nine percent of the small farm and eighty-seven percent of the small business loans originated in this area were to farms and businesses with revenues less \$1 million.

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

NonMSA AA

CFNB's excellent responsiveness to assessment area credit needs is further supported by its market rank for HMDA lending in this AA. CFNB ranked 1st out of 19 lenders for low-income originations and 2nd out of 36 lenders for moderate-income originations during 1997.

CFNB's loans show the bank made 7% of the HMDA loans to low-income individuals, 19% to moderate-, 27% to middle-, and 47% to upper-income individuals. The make-up of the assessment area shows 16% low-, 17% moderate-, 23% middle-, 44% upper-income families in the area.

Although the 7% of loans originated is somewhat less than the level of opportunity represented by the 16% low-income families in the area, the level is reasonable. Considering that 11% of all households in the assessment area are living below the poverty level, the opportunity to extend home mortgage credit to low-income borrowers is reduced. These households would have a limited ability to assume debt obligations. The comparison of lending for other income level individuals is slightly higher than the demographic make-up of the AA.

CFNB's market rank for home purchase loans is 1st out of eight lenders for low-income individuals and 2nd out of fourteen lenders for moderate-income borrowers. CFNB's market share for home purchase loans is 37.50% to low- and 17.65% to moderate-income borrowers. The bank ranked 2nd out of seven for home improvement originations to low- and 2nd out of nine to moderate-income borrowers. For refinance originations, the bank ranked 1st out of fourteen lenders for low- and 1st out of twenty-four lenders to moderate-income borrowers.

Chicago MSA AA

CFNB's good responsiveness to this assessment area's credit needs is supported by the market rank for HMDA lending. Seven percent of the residential real estate loans were originated to low-income borrowers. An additional 10% were originated to moderate-income borrowers. Although this is below population demographics of 13% low-income and 20% moderate-income, the bank's rank for low-income applicants is 2nd out of 61 institutions, and 25th out of 124 institutions for moderate-income borrowers which is considered reasonable.

Small Business Loans

Refer to Table 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's small business loan originations. Market share reports were customized to calculate market share based on activity at the census tract level. This was necessary since the standardized market share reports calculate market share at the county level and this bank has an assessment area which includes very small portions of several counties.

NonMSA AA

CFNB's lending levels for small business loans reflect good responsiveness to community credit needs. Eighty-seven percent of the small business loans reported were made to companies with annual revenues less than \$1 million. This performance is reflective of the market in which 92% percent of the businesses in the assessment area have revenues less than \$1 million.

We also looked at loan size as an indication of lending to businesses of different sizes. As noted in Table 10, 966 or 88% of the reported small business loans were for original amounts of \$100,000 or less. Eight percent of CFNB's loans were for original amounts between \$100,000 and \$250,000 with an additional 4% for original amounts between \$250,000 and \$1,000,000. Table 10 illustrates the distribution of loans by original loan amount for the number of loans and loans to businesses with

revenues less than \$1 million. CFNB's market rank for businesses with revenues less than \$1 million is 2nd out of 134 institutions.

Chicago MSA AA

CFNB's small business lending activity reflected good responsiveness to the credit needs of commercial borrowers in this AA. Eighty-three percent of the small business loans reported were made to companies with annual revenues less than \$1 million. This performance is reflective of the market in which 90% percent of the businesses in the assessment area have revenues less than \$1 million.

Seventy-four percent of reported small business loans were for original amounts of \$100,000 or less. Two percent of CFNB's loans were for original amounts between \$100,000 and \$250,000 with an additional 8% originated for amounts between \$250,000 and \$1,000,000. Table 10 illustrates the distribution of loans by original loan amount for the number of loans and loans to businesses with revenues less than \$1 million.

Small Farm Loans

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's small farm loan originations. The bank's market share calculations were based on census tract level activity versus the standardized county level market share reports.

NonMSA AA

CFNB's origination of small farm loans reflects an excellent distribution. Ninety-nine percent of CFNB's small farm loans were made to farms with revenues less than \$1 million. When considering the size of the loans, a substantial majority of the loans (86%) were for original amounts of \$100,000 or less. This level of performance is considered excellent given the distribution in the size of farms in the assessment area. In this assessment area, 96% of the farms with known revenue have gross annual revenue of less than \$1 million.

Chicago MSA AA

CFNB's small farm distribution is excellent. Ninety-one percent of the small farm loans were made to farms with revenues less than \$1 million. Additionally, 89% of the loans were originated for amounts of \$100,000 or less. Given the distribution in the size of farms, this level of performance is considered good. Ninety-six percent of the farms with known revenue have gross annual revenue of less than \$1 million.

Community Development Lending

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's level of community development lending.

C CFNB has made an adequate level of community development loans.

NonMSA AA

The bank originated one loan for community development purposes. The loan is for the development of a senior citizen housing site in Princeton. This development will have 32 units with rent affordable for low- or moderate-income individuals.

Additionally, the bank made four loans totaling \$192,340 which meet the definition of community development but are included in HMDA and small business data within this evaluation.

Chicago MSA AA

The bank did not originate any loans which qualified as community development loans in this AA.

Product Innovation and Flexibility

CFNB offers innovative and/or flexible lending products in order to serve its AA's credit needs, including below-market interest rates, extended terms, and closing cost assistance. Below is a description of some of the flexible loan programs offered in both the NonMSA and Chicago MSA AA. Bank production numbers during this evaluation period are also shown.

C *Veterans Administration (VA)*- 2 loans - \$121,500

The bank offers this government mortgage product to qualified veterans which features no down payment requirements at loan rates established by the VA. The product assists buyers with limited resources for the significant up-front costs often associated with buying a home. More flexible debt-to-income ratio requirements than conventional mortgage loans are another positive feature of this product.

C *Illinois State Treasurers Agricultural Production/Loan Deposit Program*-
195 loans - \$8,447,766

This program is funded by the state of Illinois and provides a lower interest rate to farm customers for farm operating expenses.

C *Illinois Farm Development Authority Program (IFDA-Tax Free)- 3 loans - \$1,192,964*

This is a program for beginning farmers who are first-time buyers of farmland. Loans are originated for normal terms offered by the bank. However, the interest income earned by the bank is tax-free so the rates offered to the customer are below market.

C *CFNB Downtown Investment program- 22 loans - \$1,240,303*

CFNB developed this loan program to offer below market rates to qualified small businesses. The program was established to encourage business growth through fixed asset acquisition or improvements.

The bank did not have the ability to break down the number and dollar of loans originated under the following programs:

C *Rural Housing Development-Guaranteed Rural Housing Program-*

Low-income families may purchase single family homes with no down payment through this program. Additionally, closing costs may be either paid by the seller or can be gift funds from family. This government funded program also offers more flexible credit underwriting.

C *Downpayment Plus*

The project is designed to provide financial assistance in the form of grants to low- or moderate-income borrowers who qualify for home financing but lack adequate resources to pay closing costs or meet downpayment requirements. The program provides home ownership education in addition to the grant as the low- or moderate-income applicants must complete a pre-purchase homebuyer counseling session. The program is sponsored by the Illinois League of Financial Institutions and funded by the Federal Home Loan Bank.

C *Alt 97 program*

This program is for first-time homebuyers or low- and moderate-income borrowers. Borrowers need only 3% downpayment and it can come from a variety of sources.

C *95% Fixed-Rate Loan Program*

CFNB offers this program to low- or moderate-income borrowers or first-time homebuyers. This program only requires a 5% downpayment after buyers participate in a home buyer education program. This program provides a fixed-rate financing alternative to borrowers who may not otherwise qualify for conventional financing.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Low Satisfactory," based on the full-scope reviews in both the NonMSA and Chicago MSA areas. Refer to Table 12 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Major Conclusions:

- C The institution has made a limited level of qualified community development investments and donations. During the evaluation period, CFNB made \$64,634 in qualified investments.
- C CFNB exhibited adequate responsiveness to the community development investment needs of its community. Information gathered from community representatives, Community Reinvestment and Development Specialists at the OCC, and bank management indicated that CRA qualified investment opportunities in the area are limited.

NonMSA AA

CFNB made a total of \$60,634 in donations to community development organizations. The qualifying investments are as follows:

Affordable Housing

- C \$2,000 to Gateway Center which provides housing for low- and moderate-income individuals with physical and mental handicaps in the Princeton area.
- C \$2,000 to Horizon Home which provides housing for low- and moderate-income individuals with physical and mental handicaps in the LaSalle/Peru area.
- C \$1,000 to Illinois Valley Labor of Love in LaSalle/Peru which assists low-income homeowners with home rehabilitation.
- C \$250 to Marshall County Habitat For Humanity in Henry which provides housing for low- to moderate-income families in the Marshall County area.

Economic Development

- C \$50,000 to the Upper Illinois River Valley Community Development Corporation which assists small businesses with down payment needs or start-up capital.

- C \$1,200 to Henry Economic Development Committee which attracts new business and industry to the Henry area. The primary focus of the organization is job creation and attracting small businesses.

Revitalize or Stabilize

- C \$3,334 to the Princeton Main Street program which provides assistance to revitalize the downtown area. This is a State of Illinois program to revitalize the deteriorating downtown business sections throughout the state.

Community Service

- C \$250 to the Bureau County Food Pantry which provides food to low- and moderate-income individuals.
- C \$600 to Bureau County Christmas Basket Fund which provides food and other household supplies to low- and moderate-income individuals at Christmas.

Chicago MSA AA

CFNB made four donations which totaled \$4,000 in this AA. Financial contributions were made to the following organizations:

Affordable Housing

- C \$500 to Kishwaukee Valley Habitat for Humanity which provides housing for low- or moderate-income individuals in the Dekalb area.

Economic Development

- C \$1,000 to Grundy County Economic Development Corporation whose purpose is to attract small businesses into the local community. The corporation works with potential employers and both new and existing businesses in an effort to expand the industrial base to provide additional jobs in the area.
- C \$500 to Dekalb County Economic Development Corporation whose purpose is to attract small businesses into the local community. The corporation works to attract new businesses to the local area and create additional jobs.

Revitalize or Stabilize

C \$2,000 to Genoa Main Street, Inc. which provides assistance to local retailers to promote and revitalize downtown areas. This is a State of Illinois program to revitalize the deteriorating downtown business sections throughout the state. The bank also provides office space for the Genoa Main Street program.

SERVICE TEST

The bank's performance under the Service Test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in both the NonMSA area and the Chicago MSA is good.

Major Conclusions:

- C CFNB's delivery systems are reasonably accessible to all geographies and individuals of different income levels in the bank's AA.
- C The institution has closed one branch during this evaluation period. The closing did not adversely affect the accessibility of its delivery systems, particularly in the moderate-income geography and/or to low- and moderate-income individuals.
- C Services, including business hours, are tailored to the convenience and needs of the assessment area, particularly low- and moderate-income individuals and geographies.
- C CFNB provides a relatively high level of community development services.

Retail Banking Services

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.

The bank has closed one branch and has not opened any branches in the past two years. The Plano branch, located in a middle-income area, was closed May 31, 1998. Prior to the closing, the bank installed a drive-up ATM at the Plano Plaza. Additionally, the Sandwich branch is located only five miles from the closed branch location. This is a rural area and customers can get to the other branch easily. This closing has not affected the accessibility of delivery systems, particularly in the moderate-income BNA or to low- or moderate-income individuals. Branch closings are guided by a branch closing policy.

No banking facilities or ATM's are located inside the one moderate-income BNA in the assessment area. However, three bank branches and two ATM's are in bordering BNA's and are readily accessible to bank customers.

All branches are full service except for the Princeton East branch. All full service branches are staffed with a loan officer except for the DePue branch. There are no differences in services available at the branch locations.

The bank maintains twelve full service ATM's. The remaining one is a cash-dispensing ATM. ATM's are available twenty-four hours a day. Bank ATM's and automated telephone service enhance the provision of retail banking services and add to the convenience of customers throughout the assessment area, including low- and moderate-income individuals and residents of the moderate-income geography.

Business hours and services are tailored to the convenience and needs of the AA. Saturday hours and extended Friday hours are available. CFNB has extended banking hours through its drive-through facilities six days a week.

CFNB offers a low-cost checking account, with no per-check or monthly charges, if the customer maintains a minimum balance of \$100. Additionally, check cashing services are provided to non-customers at a reasonable fee.

CFNB offers several of the prevalent types of alternative delivery services including ATM machines, drive-up banking, night depository, bank-by-mail, direct deposits, and several electronic card services (including ATM and credit). However, since information was not available regarding how effective these alternative methods were in reaching low- and moderate-income people or low- and moderate-income geographies, we could not place significant weight on these facts in reaching our CRA performance conclusions. Below is a description of some additional alternative delivery services which are offered in both the NonMSA and Chicago MSA AA's:

- C CFNB provides 24-hour access to account information through its *Telebanker* automated telephone service. Information available includes withdrawal and deposit amounts, ATM information, direct deposit confirmations, current interest rate information for both deposit and loan accounts. In addition, customers can make transfers between their CFNB accounts, make loan payments, order a periodic statement via fax, and reorder their checks.
- C CFNB Electronic Banking Services (EBS), a new electronic banking service (via telephone or personal computer), has been developed in the past two years. The EBS system is available to customers twenty-four hours a day. Customers may access their CFNB accounts to obtain balance information and make transfers not only to CFNB accounts, but also to accounts at other financial institutions. State and federal taxes may also be paid electronically.

Community Development Services

In light of the limited opportunities in the bank's assessment area, CFNB provides a relatively high level of community development services. The number of community development organizations within the bank's assessment area is low. CFNB is involved with the majority of the organizations which operate within its assessment area. The following community development services were offered by the bank:

NonMSA AA

C Upper Illinois River Valley Community Development Corporation

The bank was instrumental in the development of the Upper Illinois River Valley Community Development Corporation. This CDC makes loans to businesses to assist with down payment needs or start-up capital. It also makes below market rate loans to assist new businesses locating in the market area, thereby providing new jobs. This program is designed to stimulate economic development and job creation for low- and moderate-income persons and families, underserved rural communities, or governmentally designated redevelopment areas. A CFNB Senior Vice President serves as the Vice President of the Corporation. He uses his commercial lending skills to assist this corporation in making sound lending decisions. CFNB has committed \$100,000 to this CDC (\$50,000 was prior to this evaluation period). CFNB provides additional funds to the CDC so they can support more projects.

C Henry Economic Development Council (EDC)

This EDC is committed to attracting new business and industry to the Henry area. The primary focus of the organization is job creation and attracting small businesses. A CFNB Assistant Vice President serves on this board. The EDC relies heavily on this AVP's strong financial background to council businesses on the financial aspects of operations in their area.

C Habitat For Humanity

A CFNB commercial loan officer is on the board at the LaSalle County Habitat for Humanity. He provides financial information to the board and utilizes relationships with contractors and builders to support the project. Habitat For Humanity allows low-income individuals the opportunity to own a new home. The program only requires the new homeowner to make principal payments.

C Food Pantry

The Food Pantry provides food and other household supplies to low-income families. The bank staff has organized and supported several fund raising campaigns for the food pantry in the Illinois Valley and in Princeton.

C Main Street program

Main Street is a planning and implementation program for the revitalization of Main Street Princeton. This is a State of Illinois program to revitalize the deteriorating downtown business sections throughout the state. A CFNB Vice President in commercial banking is the chairman of the organizational committee. This committee completes the feasibility study and application process for the designation as a Main Street community. The CFNB employee provides his expertise in commercial development and provides business contacts for the committee.

C Princeton Revolving Loan Fund Committee

This loan fund was created to assist small businesses in financing expansion and new business development. An Executive Vice President at CFNB serves on this committee. He reviews loan requests to utilize the revolving funds that have been committed.

C Bank At School

This is an educational program to teach fifth to eighth grade students the importance of saving money and other financial instruction. The classes are taught by bank staff. Program assistance and bank/teller day is observed each month at the Princeton, Peru, and Oglesby grade schools. The DePue Grade School also observes the bank/teller day program.

C Partnership for Work Force Development

Private Industry Council is the governing body for the Job Training Partnership Act. This act was enacted to provide job training and an educational program funded by government to low-income individuals. The Business Employment Skills Team provides job and life skills training for low-income individuals. Welfare To Work administers the grant to provide job skills and job placement for welfare recipients. An Assistant Vice President of CFNB serves on this board providing communication between the board, grant recipients, and the private sector.

Chicago MSA AA

C Dekalb County Habitat for Humanity

This organization provides new houses for low- to moderate-income individuals. A Senior Vice President of CFNB serves on the board. He provides financial guidance and contacts to contractors and builders.

C Genoa Main Street

This is part of the Illinois Main Street program. The purpose of the program is to facilitate monetary and professional support to local retailers to promote and revitalize the downtown area. A CFNB employee is on the committee for this project.

C Grundy County Economic Development Council (EDC)

This EDC works with potential employers and new and existing small businesses in an effort to expand the industrial base to provide additional jobs in the area. This EDC works with the Private Industry Council to coordinate and promote business and education partnerships. A CFNB Vice President serves on the finance committee and business retention committee.

C *Grundy County Private Industry Council*

This Private Industry Council administers the Welfare to Work Program, Job Training Partnership Act, and the Business Employment Skills Team. This council serves the same function as the Partnership for Work Force Development (see comments under the NonMSA AA above). A CFNB Vice President serves on this council.

C *Financial Seminars*

CFNB and Hampshire Park District co-sponsored financial education seminars to educate the community on financial matters. The three seminars were on the following subject matter:

- C How to Finance the Construction of a Home
- C How to Finance a Start Up of a Small Business
- C How to Develop and Manage an Investment Portfolio and Position Your Assets to Protect Them For Your Heirs

APPENDIX A: SCOPE OF THE 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”).

Time Period Reviewed	Lending Test: January 1, 1997 - December 31, 1998 Investment Test: January 1, 1997 - December 31, 1998 Service Test: January 1, 1997 - December 31, 1998	
Financial Institution	Products Reviewed	
Citizens First National Bank of Princeton, IL	HMDA Products Small Business Small Farm Community Development Lending	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
NonMSA	Full-Scope	
Chicago MSA #1600	Full-Scope	

APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS

TABLE OF CONTENTS

Market Profiles for Areas Receiving Full-Scope Reviews

Nonmetropolitan Statistical Area (NonMSA) 26 - 28

Chicago MSA #1600 29 - 31

**PRINCETON
NONMETROPOLITAN STATISTICAL AREA
(NONMSA Assessment Area)**

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: Princeton Nonmetropolitan Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNA's)	26	0%	4%	81%	15%	0%
Population by Geography	90,451	0%	3%	81%	16%	0%
Owner-Occupied Housing by Geography	26,014	0%	2%	81%	17%	0%
Businesses by Geography	3,636	0%	8%	71%	21%	0%
Farms by Geography	93	0%	0%	84%	16%	0%
Family Distribution by Income Level	25,127	16%	17%	23%	44%	0%
Distribution of Low- and Moderate- Income Families throughout AA Geographies	8,326	0%	5%	83%	12%	0%
Median Family Income = \$29,694		Median Housing Value = \$47,222				
HUD Adjusted Median Family Income for 1998 = \$39,500		Unemployment Rate = 3%				
Households below the Poverty Level = 3,972 or 11%						

Source: 1990 U.S. Census and 1998 HUD updated MFI.

**SUMMARY OF INSTITUTION'S OPERATIONS IN THE NONMETROPOLITAN
STATISTICAL AREA**

Our ratings relied heavily on the analysis of this assessment area. Sixty-nine percent of the bank branches and sixty-two percent of the ATM's are located in this AA. Additionally, over 79% of the bank deposits are located in this AA. Six branches and six ATM's are located in middle-income areas while three branches and two ATM's are located in upper-income areas. A stand-alone drive-up facility is located in a middle-income area. As stated earlier in this evaluation, our community contact was not aware of any unmet community credit needs in this area.

DESCRIPTION OF NONMSA ASSESSMENT AREA

NonMSA Assessment Area Profile:

The bank's assessment area consists of portions of Bureau, LaSalle, Marshall, and Putnam Counties. It consists of twenty-six BNA's, one moderate-income, twenty-one middle-income, and four upper-income. There are no low-income BNA's. The AA meets the legal requirements of the CRA regulation. The location of the BNA's by income level is as follows:

- C Moderate-income: 9633 in LaSalle County
- C Middle-income: 9647, 9649, 9650, 9651, 9652, 9653, 9655 & 9656 in Bureau County
9620, 9622, 9626, 9627, 9628, 9629, 9631,
9632 & 9634 in LaSalle County
9612, & 9613 in Marshall County
9545 & 9546 in Putnam County
- C Upper-income: 9654 in Bureau County
9619, 9630 & 9636 in LaSalle County

Branches are located in Princeton, DePue, Henry, Oglesby, Peru, and Spring Valley. Six of the bank's branches are located in middle-income BNA's with three in upper-income BNA's in this AA. Six of the ATM's are in middle-income and two in upper-income BNA's.

There are 38,282 housing units of which 68% are owner-occupied, 26% are rental-occupied and 6% are vacant. The median housing price was \$47,222 in 1990. The median year of housing built is 1948.

Princeton's economy is considered strong and is primarily centered around agriculture. The area surrounding the AA is rural. Some of the major employers in the Princeton area are Harbor Wyman, Champion Pneumatic Machinery Co., and LCN Closers. Branch communities are supported by many industrial, retail, service, and agribusiness establishments, including Illinois Valley Community College, the Peru Mall, and St. Margaret's Hospital in Spring Valley. Unemployment is low at 3% in Bureau, Putnam, LaSalle, and Marshall Counties. Competition in the AA is strong. Significant credit needs include small business loans for business expansion and home mortgage loans.

According to the business demographic data for this area, the distribution of businesses shows only 8% of businesses are located in moderate-income BNA's. Middle- and upper-income BNA's have 71% and 21% of the businesses, respectively. The distribution of small businesses (those with gross annual revenue less than \$1 million) mirrors the total business distribution. Annual revenues are unknown for eighteen percent of the businesses in this assessment area. Of the remaining businesses, ninety-two percent of the businesses have gross revenues of less than \$1 million and 8% have revenues greater than \$1 million.

There are 93 farms in this AA. Seventy-eight or 84% of these farms are in middle-income BNA's. The other 16% are in upper-income BNA's. There are no farms in the moderate-income BNA. Revenues are unknown for only 2% of the farms in this assessment area. Eighty-five of the 93 (96%) farms have revenues less than \$1 million, while the other four farms have revenue greater than \$1 million.

**CHICAGO MSA #1600
(Chicago MSA AA)**

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: Chicago MSA #1600						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNA's)	7	0%	0%	86%	14%	0%
Population by Geography	34,693	0%	0%	85%	15%	0%
Owner-Occupied Housing by Geography	9,115	0%	0%	86%	14%	0%
Businesses by Geography	1,185	0%	0%	78%	22%	0%
Farms by Geography	61	0%	0%	97%	3%	0%
Family Distribution by Income Level	9,300	13%	20%	30%	37%	0%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	3,053	0%	0%	93%	7%	0%
MSA Median Family Income = \$42,758		Median Housing Value = \$88,881				
HUD Adjusted Median Family Income for 1998 = \$59,500						
Households below the Poverty Level = 613 or 5%						
		Unemployment Rate = 2%				

Source: 1990 U.S. Census and 1998 HUD updated MFI.

SUMMARY OF INSTITUTION'S OPERATIONS IN THE CHICAGO MSA 1600-ILLINOIS (Chicago MSA AA)

This area comprises only seven of the total 33 census tracts/BNA's in the bank's combined assessment area. The bank operates four of its thirteen branches/offices (31%) and five of its thirteen ATM's within this MSA. Only 21% of the bank's deposits are from this AA. Bank

officers indicated the major credit need in this area is for low downpayment home mortgage loans.

DESCRIPTION OF CHICAGO MSA #1600 (Chicago MSA AA)

Chicago MSA Assessment Area Profile:

This area is comprised of a portion of the Chicago MSA (#1600) in Illinois. The bank has designated three separate assessment areas in this MSA. The AA's meet the legal requirements of the CRA regulation. Since these 3 assessment areas are all within the Chicago MSA, we combined the performance for all census tracts in these areas for analysis purposes. This combined area consists of seven CT's: six are middle-income, and one is upper-income. The location of the CT's by income level is as follows:

- Ⓒ Middle-income: 1 & 2 in Dekalb County
1 in Grundy County
8507.02 in Kane County
8905 in Kendall County
8833.01 in Will County
- Ⓒ Upper-income: 8832.07 in Will County

The branch locations in this AA are in Genoa, Hampshire, Minooka, and Sandwich. The bank branches and ATM's are all located in middle-income areas.

There are 12,225 housing units of which 75% are owner-occupied, 22% are rental-occupied, and 3% are vacant. The median housing cost is \$88,881 with the average age of housing approximately 34 years old.

Economic conditions in the AA are stable. The branch communities are supported by many industrial, retail, service, and agribusiness establishments. Major employers include Caterpillar, Commonwealth Edison, Mobil Oil, Polar Tech Industries, to name a few. The large number of banks, thrift institutions, and Farm Credit Services provide a high level of competition in the financial services market.

According to the business demographic data for the area, the distribution of businesses shows 78% of the businesses are located in middle- and 22% in upper-income tracts. The distribution of small businesses (those with gross annual revenue less than \$1 million) mirrors the total business distribution, except there are 82% of the small businesses in middle-income and 18% in upper-income census tracts. Gross annual revenues are unknown for 21% of the businesses in this assessment area. Of the remaining businesses, 90% have gross income less than \$1 million and 10% have revenue greater than \$1 million.

Of the total 61 farms in the entire assessment area, there are 59 or 97% in middle-income census tracts. The other 3% are in upper-income census tracts. Annual revenues are unknown for eight

(13%) farms in the assessment area. Of the remaining farms, 51 (96%) have revenue less than \$1 million and 2 reported revenue greater than \$1 million.

APPENDIX C: TABLES OF PERFORMANCE DATA

Content of Standardized Tables

The tables cover the entire CRA evaluation period. For purposes of reviewing the Lending Test tables, the following are applicable: purchased loans are treated as originations; market rank is based on the number of loans made by the bank as compared to all other lenders in the MSA/assessment area; and market share is the number of loans originated by the bank as a percentage of the aggregate number of reportable loans originated by all lenders in the MSA/assessment area. 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 by the bank over the evaluation period by MSA/assessment area.
- Table 2. Geographic Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated 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 HMDA Home Improvement Loan Originations** - See Table 2.
- Table 4. Geographic Distribution of HMDA 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 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 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 HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage distribution of families by income level in each MSA/assessment area. 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 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 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 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 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/assessment area.
- Table 13. Distribution of Branch and ATM Delivery System** - Compares the percentage distribution of the number of the bank's retail branches and ATM's in low-, moderate-,

middle- and upper-income geographies to the percentage of the population within each geograph

Table 1. Lending Volume

LENDING VOLUME													State: Illinois	Evaluation Period: January 1, 1997 TO December 31, 1998	
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)				
Full-Scope:															
NonMSA	79%	813	51,795	1,103	63,434	647	44,332	1	100	2,564	159,661	90%			
Chicago MSA	21%	117	10,887	124	10,237	43	2,934	0	0	284	24,058	10%			

Table 2. Geographic Distribution of Home Purchase Loan Originations

Geographic Distribution: HOME PURCHASE										State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998					
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	
Full-Scope:																	
NOT APPLICABLE																	

(*) Based on 1997 & 1998 Aggregate HMDA Data only.

Table 3. Geographic Distribution of Home Improvement Loan Originations

Geographic Distribution: HOME IMPROVEMENT																State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998			
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					
Full-Scope:																					
NOT APPLICABLE																					

(*) Based on 1997 & 1998 Aggregate HMDA Data only.

Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations

Geographic Distribution: HOME MORTGAGE REFINANCE																	State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998	
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				
Full-Scope:																				
NOT APPLICABLE																				

(*) Based on 1997 & 1998 Aggregate HMDA Data only.

Table 5. Geographic Distribution of Small Business Loan Originations

Geographic Distribution: SMALL BUSINESS		State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998												
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 Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
NOT APPLICABLE																

(*) Based on 1997 & 1998 Aggregate Small Business Data only.

Table 6. Geographic Distribution of Small Farm Loan Originations

Geographic Distribution: SMALL FARM																State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total 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			
Full-Scope:																			
NOT APPLICABLE																			

(*) Based on 1997 & 1998 Aggregate Small Farm Data only.

Table 7. Borrower Distribution of Home Purchase Loan Originations

Borrower Distribution: HMDA HOME PURCHASE																State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998	
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*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
NonMSA	16%	10%	17%	19%	23%	26%	44%	45%	2	21.35	37.5	17.65	19.86	24.51	218	90%			
Chicago MSA	13%	13%	20%	13%	30%	45%	37%	29%	19	1.46	4.17	1.08	1.52	2.26	24	10%			

(*) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated by BANK.

(**) Based on 1997 & 1998 Aggregate HMDA Data only.

Table 8. Borrower Distribution of Home Improvement Loan Originations

Borrower Distribution: HOME IMPROVEMENT																
State: Illinois																
Evaluation Period: January 1, 1997 TO December 31, 1998																
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
Full-Scope:																
NonMSA	16%	13%	17%	23%	23%	35%	44%	29%	2	16.56	22.2	18.18	19.10	11.02	75	85%
Chicago MSA	13%	15%	20%	8%	30%	54%	37%	23%	11	2.69	6.25	2.5	2.41	2.41	13	15%

(*) As a percentage of loans with borrower income information available. No information was available for 5% of loans originated by BANK in the NonMSA AA.

(**) Based on 1997 & 1998 Aggregate HMDA Data only.

Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations

Borrower Distribution: HOME MORTGAGE REFINANCE																State: Illinois		Evaluation Period: January 1, 1997 TO December 31, 1998	
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 Mortgage Refinance Loans				
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
NonMSA	16%	5%	17%	18%	23%	26%	44%	51%	1	36.51	26.9	37.65	38.58	39.57	514	87%			
Chicago MSA	13%	4%	20%	10%	30%	48%	37%	38%	11	1.79	5.71	.79	2.40	2.08	80	13%			

(*) As a percentage of loans with borrower income information available. No information was available for 1% of loans originated by BANK in NonMSA AA.
 (**) Based on 1997 & 1998 Aggregate HMDA Data only.

Table 10. Borrower Distribution of Small Business Loan Originations

Borrower Distribution: SMALL BUSINESS			State: Illinois	Evaluation Period: January 1, 1997 TO December 31, 1998							
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% 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
Full-Scope:											
NonMSA	92%	87%	58%	966	84	53	29.37	24.72	1,103	90%	\$32
Chicago MSA	90%	83%	34%	92	22	10	18.58	26.34	124	10%	\$85

(*) As a percentage of businesses with known revenues.
 (**) As a percentage of loans with revenue information available. No information was available for XX% of loans originated by BANK.
 (***) The market consists of all other Small Business reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data only.
 (****) Based on 1997 Aggregate Small Business Data only.

Table 11. Borrower Distribution of Small Farm Loan Originations

Borrower Distribution: SMALL FARM											
			State: Illinois			Evaluation Period: January 1, 1997 TO December 31, 1998					
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of 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
Full-Scope:											
NonMSA	96%	99%	89%	553	75	19	60.85	61.26	647	94%	\$75
Chicago MSA	96%	91%	90%	38	4	1	28.40	26.92	43	6%	\$67

(*) As a percentage of farms with known revenues.
 (**) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.
 (***) The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1997 Aggregate Small Farm Data only.
 (****) Based on 1997 Aggregate Small Farm Data only.

Table 12. Qualified Investments

QUALIFIED INVESTMENTS												State: Illinois	Evaluation Period: January 1, 1997 TO December 31, 1998
MSA/Assessment Areas:	Affordable Housing		Community Service		Economic Development/ Small Business		Revitalize or Stabilize		Total Investments				
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of Total \$'s		
Full-Scope:													
NonMSA	4	5	2	1	2	51	1	3	9	60	64%		
Chicago MSA	1	1	0	0	2	2	1	2	4	4	36%		

Table 13. Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				State: Illinois				Evaluation Period: January 1, 1997 TO December 31, 1998									
MSA/Assessment Area:	Deposits	Branches						ATM's				Population					
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATM's	% of Total BANK ATM's	Location of ATM's by Income of Geographies				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
NonMSA	79%	9	69%	0	0	6	3	8	62%	0	0	6	2	16%	17%	23%	44%
Chicago MSA	21%	4	31%	0	0	4	0	5	38%	0	0	5	0	13%	20%	30%	37%