

Bank

PUBLIC DISCLOSURE

March 8, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Associated Bank Lakeshore, N.A.
Charter Number 23701**

**1000 Franklin Street
Manitowoc, Wisconsin 54221**

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

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General Information

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

This document is an evaluation of the CRA performance of **Associated Bank Lakeshore, N.A.** (ABL) prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **March 8, 1999**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area (AA) evaluation may include 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. That section of the regulation became effective on January 1, 1996.

Definitions and Common Abbreviations

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

Assessment Area(s) (AA) - The geographic area(s) which an institution selects as the community within which its regulator will assess the institution's record of CRA performance.

Associated Bank Lakeshore N.A. (ABL) - Associated Bank Lakeshore, N.A., Manitowoc, Wisconsin.

Associated Mortgage, Inc. (AMI) - A mortgage corporation owned by Associated Banc-Corp. AMI is an affiliate of ABGB.

Associated Commercial Mortgage, Inc. (ACMI) - The commercial mortgage corporation owned by Associated Banc-Corp. ACMI is an affiliate of ABGB.

Block Numbering Area (BNA) - A small, locally defined statistical area. A BNA is smaller than a Census Tract and is usually not in a Metropolitan Statistical Area. Throughout this report, BNA's are referred to as "geographies" and the definition of BNA is only provided for informational purposes.

Census Tract (CT) - A small, locally defined statistical area. These are in a Metropolitan Statistical Area and are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries and contain between 2,500 and 8,000 inhabitants. A CT is also called a "geography."

Community Development Purpose - A community development purpose is defined per 12 C.F.R. 25.12(h) as affordable housing (including multi-family rental housing) for low- and moderate-income (LMI) individuals; community services targeted to LMI individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of 13 C.F.R. 121.802(a)(2) or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize LMI geographies.

Community Reinvestment Act (CRA) - A statute that requires federal regulators to evaluate a financial institution's record of meeting community credit needs in the institution's local community. *(This is a generic description of the bank's requirements and not a legal explanation of the requirements contained in 12 U.S.C. 2901, as amended, and 12 C.F.R. 25, as amended).*

Home Mortgage Disclosure Act (HMDA) - A statute that requires certain mortgage lenders that do business or have banking offices in Metropolitan Statistical Areas to file annual summary reports of their lending activity. The reports include such data as the race, gender, and the income of the applicant(s), the amount of loan requested and its disposition (e.g. made, turned down, withdrawn). The types of loan applications reported include governmentally-guaranteed home purchase and home improvement loans, conventional home purchase loans, home improvement loans, refinancing of home purchase and home improvement loans and loans for the purchase of multi-family (5 or more units) dwellings. *(This is a generic description of the bank's requirements and not a legal explanation of the requirements contained in 12 U.S.C. 2801, as amended, and 12 C.F.R. 203 as amended.)*

Income Levels - These relate to individuals, families, or the CTs in an MSA area; or the BNA's in a non-MSA area.

Low-Income - An income level that is less than 50 percent of the median income.

Moderate-Income - An income level that is at least 50 percent and less than 80 percent of the median income.

Low-and Moderate-Income (LMI) - An income level that is less than 80 percent of the median income.

Middle-Income - An income level that is at least 80 percent and less than 120 percent of the median income.

Upper-Income - An income level that is 120 percent or more of the median income.

Median Family Income (MFI) - The median family income for a specific MSA as determined by the United States Census Bureau. The Department of Housing and Urban Development (HUD) updates this figure annually using an estimated inflation factor.

Metropolitan Statistical Area (MSA) - An area containing a city with a population of at least 50,000 or an urbanized area with a population of at least 50,000 and a total metropolitan population of at least 100,000. Generally, MSAs consist of one or more whole counties that have a high degree of interaction.

Small business or farm - A business or farm that has \$1 million or less in gross annual revenues.

Small Loan to a business or farm - A loan of \$1 million or less to a business or farm of any size.

Institution’s CRA Rating: This institution is rated “**Satisfactory record of meeting community credit needs.**”

The primary reasons for this rating are:

- C ABL has exhibited good responsiveness to the credit needs of its AAs.
- C ABL has a good distribution of loans among individuals of different income levels and businesses and farms of different size.
- C ABL made a substantial majority of loans in its AAs.
- C The bank’s geographic distribution of loans represent an adequate penetration throughout the AAs.
- C ABL makes an adequate level of community development loans.
- C Based on the opportunities available in the AAs, ABL has an adequate level of qualified community development investments and grants.
- C The bank’s service delivery systems are reasonably accessible to geographies and individuals of different income levels.
- C ABL provides a relatively high level of community development services in both of its AAs.

The following table indicates the performance level of ABL with respect to the lending, investment, and service tests.

Performance Levels	Associated Bank Lakeshore, N.A. 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.

At our last Performance Evaluation, dated June 17, 1996, we rated ABL as having a “Satisfactory record of helping to meet the community credit needs.”

Description of Institution

ABL is an intrastate bank located in Manitowoc, Wisconsin with total assets equaling \$547 million as of December 31, 1998. ABL is 100% owned by Associated Banc-Corp (ABC), an \$11.8 billion multi-bank holding company headquartered in Green Bay, Wisconsin. ABC has over 200 banking locations in Wisconsin, Illinois and Minnesota. ABC also operates subsidiaries engaged in commercial banking, mortgage banking, trust and investment services, and insurance activities. ABC subsidiaries operating in ABL's AAs include Associated Mortgage, Incorporated (AMI) and, Associated Commercial Mortgage, Incorporated (ACMI). At the request of ABL, we considered the lending activities of these affiliates in the performance evaluation of ABL.

The bank has six full-service offices located in Manitowoc, Fond du Lac and Sheboygan Counties. The bank also operates two limited-service branches at local retirement villages, known as Felician Village, in Manitowoc County, and Pine Haven, in Sheboygan County. The two limited service branches offer deposit and trust services. ABL owns and operates 10 Automated Teller Machines (ATMs), 9 of which are in the bank's AAs. The ATM outside of the bank's AAs does not take deposits. Table 14 in the Appendix details the locations of ABL's offices and ATMs.

ABL's business strategy is to operate with a community bank orientation while offering a large-bank range of products. ABL maintains a fairly balanced loan portfolio with this philosophy. Commercial lending is a strength of ABL and small business lending is one of the bank's market niches. Residential real estate loans represent the majority of the bank's retail lending. Both ABL and its affiliate, AMI, make residential-related lending in the AAs. ABL primarily originates variable-rate home purchase and refinance loans as well as home improvement loans. AMI focuses on originating fixed-rate home purchase and refinance loans. The tables in the Appendix relating to home purchase, home improvement, and home refinance lending (Tables 1, 2, 3, 4, 8, 9, and 10) show the combined performance of ABL and AMI.

There are no impediments which would hamper the bank's ability to help meet the needs of its communities. The institution's ability to meet various credit needs is based on its financial condition and size; product offerings; prior performance; legal impediments; and other factors. As of December 31, 1998, ABL had earnings of \$6 million for a return on average assets of 1.39%. Net loans represented 65.7% of total assets as of year end 1998. ABL's loan portfolio consists of commercial and commercial real estate loans (44% of total loans); residential real estate loans (34%); consumer loans (17%); and agricultural loans (5%). In addition, the bank has outstanding loan commitments of \$167 million or 31% of total assets.

Description of Assessment Areas

ABL has two separate but contiguous AAs. One AA consists of all geographies in Manitowoc and Fond du Lac Counties. These counties are not part of an MSA. The bank's other AA consists of all CTs in Sheboygan County. Sheboygan County is an MSA (#7620). The majority of the bank's deposits and lending volume is done within the non-MSA, particularly in Manitowoc County where

ABL has four of its six full-service branches. ABL's AAs meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income areas.

Demographics

Both AAs combined include a total of 65 CTs. Table A below shows the distribution of these tracts by the income level of the tract. There are no low-income CTs, 3 moderate-income CTs (4.6% of all geographies in the AAs), 50 middle-income CTs (76.9%), and 12 upper-income CTs (18.5%). The percentage of the population and owner-occupied housing in the AAs are distributed fairly consistently with the distribution of the CTs. The distribution of businesses and farms, by the income level of the geography where they are located, and the distribution of families, by the income of the family, is shown for information purposes. In both AAs combined, there are 9,883 low-income families. Of these families, 3,870, or 39.2% of all low-income families, have incomes below the poverty level. These families may have difficulty qualifying for housing-related products. The data presented in Table A, as well as in Tables B & C, is relevant when discussing opportunities for the bank to make loans or provide services to the community.

TABLE A Demographic Information for both of ABL's Assessment Areas						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	65	0	4.6	76.9	18.5	0
Population by Geography	274,381	0	3.8	76.2	20.0	0
Owner-Occupied Housing by Geography	72,791	0	2.3	76.4	21.3	0
Businesses by Geography	8,403	0	7.8	76.6	15.6	0
Farms by Geography	345	0	1.4	75.4	23.2	0
Family Distribution by Income Level	73,857	13.4	17.6	28.5	40.5	0

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

The bank's CRA rating is arrived at by assessing ABL's performance in meeting community credit needs in both AAs. Within this evaluation, and in the Tables in the Appendix, we discuss and illustrate ABL's performance in terms of its performance in both AAs as a whole as well as its performance in the non-MSA AA and Sheboygan MSA separately. We also present a separate conclusion in regards to the bank's performance in the MSA AA in the Appendix of this performance evaluation. This is done because the demographics of the non-MSA area are different from the demographics of the MSA. Because of the separate conclusion in regards to the bank's performance in the MSA AA, demographic information is broken out by the MSA and non-MSA AAs in Tables B and C below.

Table B provides demographic information for the non-MSA AA, while Table C provides this same demographic information for the Sheboygan MSA. An analysis of the two tables show some of the demographic differences between the non-MSA and MSA AAs. A higher percentage of the

population, owner-occupied housing, businesses and farms are located in moderate-income CTs in the MSA when compared to the non-MSA. A greater percentage of the population, owner-occupied housing, businesses and farms are located in upper-income tracts in the non-MSA. There is a slightly higher percentage of families that are low- or moderate-income in the MSA; however, the MFI of the MSA is higher than the non-MSA. Additionally, a majority of the population, owner-occupied housing, businesses and farms are located in the non-MSA. Both AAs have unemployment rates that compare favorably to the state-wide unemployment rate of 3.5%.

TABLE B Demographic Information for ABL's non-MSA Assessment Area - Manitowoc and Fond du Lac Counties						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	41	0.0	2.5	70.7	26.8	0.0
Population by Geography	170,504	0.0	0.4	70.0	29.6	0.0
Owner-Occupied Housing by Geography	45,675	0.0	0.1	68.9	31.0	0.0
Businesses by Geography	5,242	0.0	5.4	72.3	22.3	0.0
Farms by Geography	243	0.0	1.2	68.3	30.5	0.0
Family Distribution by Income Level	45,662	12.5	16.4	26.8	44.3	0.0
Median Family Income	= \$30,290	Unemployment Rate* (Manitowoc Co.)				= 3.3%
HUD Adjusted MFI for 1998	= \$41,800	Unemployment Rate* (Fond du Lac Co.)				= 2.9%
Median Housing Value (Manitowoc Co.)	= \$49,879	% Families Below the Poverty Level				= 5.7%
Median Housing Value (Fond du Lac Co.)	= 56,617					

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

* Source: Bureau of Labor Statistics and the University of Wisconsin-Milwaukee Employment and Training Institute

TABLE C Demographic Information for ABL's MSA Assessment Area (#7620 Sheboygan County)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	24	0.0	8.3	87.5	4.2	0.0
Population by Geography	103,877	0.0	9.5	86.4	4.1	0.0
Owner-Occupied Housing by Geography	27,116	0.0	6.2	88.9	4.9	0.0
Businesses by Geography	3,161	0.0	11.7	83.9	4.4	0.0
Farms by Geography	102	0.0	2.0	92.1	5.9	0.0
Family Distribution by Income Level	28,195	14.7	19.6	31.2	34.5	0.0
Median Family Income	= \$36,707	Unemployment Rate *				= 2.0%
HUD Adjusted MFI for 1998	= \$50,500	% Families Below the Poverty Level				= 4.6%
Median Housing Value	= \$58,189					

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

* Source: Bureau of Labor Statistics and the University of Wisconsin-Milwaukee Employment and Training Institute

Economy, Major Industries and Employers

The economy of ABL's AAs is healthy. Unemployment rates in both AAs are low (see Tables B and C above). Manitowoc County is predominantly a manufacturing community with fabricated metals and industrial machinery employing one third of those employed in the top ten industry groups. However, the service industry has been the sector with the largest growth in Manitowoc County. Manitowoc County's major employers are Newell Operating Company (Mirro), Manitowoc Company, Incorporated, Holy Family Memorial Group, Fisher Hamilton Incorporated, and AE Goetze Incorporated.

Industrial machinery continues to be Fond du Lac County's largest industry. Nevertheless, the service industry is the sector with the largest work force in this county. Eating and drinking places have shown the greatest numeric increase in employment in Fond du Lac County over the past few years. Major employers in Fond du Lac county include Brunswick Corporation, Quad Graphics, Giddings and Lewis, St. Agnes Hospital and Ripon Foods, Incorporated.

Sheboygan County continues to have a strong manufacturing employment base. The City of Sheboygan, though, is diversifying its employment base with recent office and commercial development. Major employers in the Sheboygan MSA include Kohler Company, Sheboygan County, Sheboygan Area School District, Bemis Manufacturing and Sargento Foods.

Financial Competition

Financial competition in ABL's AAs is strong. In Manitowoc, Fond du Lac, and Sheboygan Counties there are 32 financial institutions with offices, not including credit unions. A number of them are large regional institutions. As of June 30, 1998 ABL ranks second in total assets among all financial institutions headquartered in the three-county area and first among those headquartered in Manitowoc County. In deposit market share as of June 30, 1998, ABL ranked second in Manitowoc County with a 21.7% market share, ninth in Fond du Lac County at 2.2%, and sixth in Sheboygan County with a 4.2% market share. In addition to banking competition, ABL faces competition from insurance companies, mortgage companies and loan brokers.

Community Contacts and Credit Needs

In an effort to assess credit needs of the area, we contacted a housing-related community action agency in conjunction with this examination. In addition to our contact, we reviewed contacts conducted by other regulatory agencies during 1997. The most frequently cited need was education relating to home ownership, default, and foreclosure prevention for LMI individuals. Another cited need for LMI borrowers was first-time home purchase loans. Contacts also mentioned small business loans for start-up expenses as a community need.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

ABL's performance under the Lending Test was evaluated in terms of the volume of lending, the geographic distribution of loans originated and purchased, the borrower dispersion of loans originated and purchased, the responsiveness to community needs, the level of innovation and flexible products offered as well as community development lending activities.

Conclusions

- C ABL has demonstrated good responsiveness to credit needs in its AAs, taking into account the number and amount of home mortgage, small business and farm, and consumer loans in its AAs.
- C A substantial majority of loans are made in ABL's AAs.
- C ABL's geographic distribution of loans represent an adequate penetration throughout the AAs.
- C ABL has a good distribution of loans among individuals of different income levels and businesses and farms of different size.
- C ABL exhibits an adequate record of serving the credit needs of the most economically disadvantaged areas of its AAs and low-income individuals. The bank's record of serving businesses with gross annual revenues of less than \$1 million is good.
- C ABL makes use of innovative and flexible lending practices to help serve the AAs credit needs, particularly those of LMI borrowers.
- C ABL makes an adequate level of community development loans.

Supporting Information

Lending Activity

ABL demonstrates good responsiveness to credit needs in its AAs. During 1997 and 1998, ABL originated 3,927 HMDA reportable loans totaling \$281 million within its AA. Based on 1997 market share information, the latest available, ABL ranked first of 217 lenders reporting HMDA loan originations within its AAs. The bank's market share of HMDA-reportable loans is 10.7%. This is quite positive as ABL's deposit market share in both AAs combined ranks fourth. In 1997 and 1998, the bank also originated over 550 small loans to businesses in its AAs totaling almost \$62 million. ABL ranked sixth in its AAs in market share for this category of loan. Because commercial and housing-

related loans comprise the bulk of ABL's loan portfolio, we weighed these categories of loans the most when assessing the bank's performance under the lending test. Furthermore, within the housing-related loans, home purchase loans were weighted more heavily than home improvement or home refinance loans. We weighed home purchase loans more heavily based on community contact information (see page 8 of this evaluation).

ABL also originated 274 agricultural loans totaling \$10.5 million during 1997 and 1998. Among banks reporting agricultural loans, ABL had the third highest market share in its AAs with a market share of 13.5%. We were also asked to analyze the bank's consumer loan activity under the lending test. Agricultural and consumer lending represent only 5% and 17% of ABL's loan portfolio respectively. As such, these categories were not weighed as heavily in assessing the bank's performance. Still, they were used to help us assess the bank's lending patterns.

Assessment Area Concentration

ABL made a substantial majority of loans originated during this evaluation period in its AAs. During 1997 and 1998, ABL originated 95% of the number and 91% of the dollar volume of HMDA-reportable loans within its AAs. This information is based on HMDA-Loan Application Register information for ABL only and does not include loans originated by AMI. Based on ABL's 1997 and 1998 Small Business Data Collection Register, the bank originated 85% of the number and 64% of the dollar volume of small loans to businesses within the AAs. Finally, ABL originated 91% and 71% of the number and dollar volume respectively of small loans to farms within its AAs.

Geographic Distribution

ABL's geographic distribution of HMDA-reportable loans is satisfactory and does not exhibit any conspicuous gaps. We base this conclusion on an analysis of the percentage of ABL's HMDA originations in comparison to the owner-occupied housing characteristics of the AAs, analyzing the bank's market share in moderate-income tracts in comparison to the bank's overall market share, and taking into account the context in which the bank operates. As stated earlier, ABL ranks first in total HMDA-reportable product originations with market share of 10.7%. A review of individual HMDA product market share in both AAs combined indicates that ABL ranks second in home purchase and home refinance lending, and sixth in home improvement lending. In moderate-income geographies, the bank ranks fifth in total HMDA originations with a market share of 5.7%.

The majority of lending in moderate-income geographies takes place in the Sheboygan County AA. There are only 48 owner-occupied units in the non-MSA AAs' moderate-income geography located in Fond du Lac County. ABL has only one branch office located in this county and a deposit market share of only 2.2%. Furthermore, all lenders combined to originate only 10 HMDA-product loans in this geography. There are no moderate-income geographies in Manitowoc County where ABL is headquartered, operates five of its eight branches, and has 80% of the bank's deposit base. As such, the majority of the analysis on lending in moderate-income geographies will focus on the two moderate-income geographies in Sheboygan County. Finally, as stated under Description of Assessment Areas

above, since there are no low-income geographies in ABL's AAs, an analysis of the bank's lending performance in low-income geographies is not possible. Tables 2 through 5 in the Appendix illustrate the bank's geographic distribution of HMDA-reportable loans.

The bank's geographic distribution of small loans to businesses reflects satisfactory dispersion throughout the AAs with no conspicuous gaps. ABL ranks sixth in its AAs with a market share of small loans to businesses of 6.9%. The bank's market share in the three moderate-income geographies in the AAs is 5.5%. Details on ABL's geographic distribution of loans by individual HMDA product, small business, small farm, and consumer lending follows.

Home Purchase Loans

The bank's geographic distribution of home purchase loans is adequate and is illustrated in Table 2 in the Appendix - Geographic Distribution of Home Purchase Loan Originations. In market share, ABL ranks first in the Sheboygan County AA and second in the non-MSA AA. Combining both AAs, ABL's market share of home purchase originations ranks second. This performance is considered very good considering the bank ranks fourth in deposit market share in its AAs. Although ABL's market share of home purchase loans in moderate-income geographies (7.6%) is below its overall market share (12.1%), ABL ranks sixth in market share in moderate-income geographies only nine loans below the market share leader. The bank's percentage of home purchase loans in moderate-income geographies is also slightly below the owner-occupied characteristics of these geographies. The bank's performance is satisfactory, though, considering that the majority of lending in moderate-income geographies is done in the Sheboygan County AA where ABL has only one branch, one limited service facility and ranks only sixth in deposit market share at 4%. Also, while 5.2% of all families in the AAs have income levels below the poverty level, 12.7% of all families in the moderate-income geographies have below poverty income levels. As stated earlier, these families may have more difficulty qualifying for housing-related loan products.

Home Improvement Loans

ABL's overall geographic distribution of home improvement loans within the AA is considered adequate. ABL ranked sixth in its AAs in market share at 6% with a significant majority of home improvement loans being originated in the non-MSA assessment area. While ABL did not make any home improvement loans in moderate-income census tracts in 1997, there were only 47 loans originated in these census tracts by all lenders that year; 46 of them in the Sheboygan County AA. Other factors playing a role in the lack of home improvement lending in moderate-income tracts in 1997 are the same as those discussed under *home purchase* lending above. In 1998 ABL made 5.8% of its loans in the moderate-income geographies of the Sheboygan County AA. That percentage is very comparable to the owner occupied characteristics of these tracts. In 1997 and 1998, ABL made a substantial portion of its home improvement loans in middle-income geographies, where a significant majority of the AAs owner-occupied units are located. Details on the bank's geographic distribution of home improvement loans can be found in Table 3 in the Appendix.

Home Refinance Loans

ABL has an adequate geographic distribution of home refinance loans. According to 1997 aggregate HMDA data, ABL ranks second of 176 lenders originating a home refinance loan in the AAs with a market share of 10.9%. Although ABL's market share in moderate-income geographies is below its overall market share, the bank still ranks 3rd in market share in these tracts. The bank's percentage of refinance loans in moderate-income geographies also lags the owner-occupied characteristics of those tracts. However, given that the bank has only two of its six full-service locations in counties with moderate-income census tracts, and again considering the percentage of families with income below the poverty level in comparison to the rest of the AAs, ABL's home refinance loan penetration in moderate-income tracts is satisfactory. Also, the interest rate environment in 1998 caused a significant increase in home refinance lending that year. With significantly more owner-occupied housing in middle- and upper-income tracts, the refinance surge resulted in more refinance loans in the middle- and upper-income tracts in comparison to the moderate-income tracts. Details on the bank's home refinance lending performance can be found in Table 4 in the Appendix.

Multifamily Loans

We placed very little weight on the bank's performance in multifamily lending. Only 11 lenders reported originating a total of 31 multifamily loans in 1997. The small volume of multifamily lending is not conducive to a meaningful analysis. Still, ABL ranked tied for sixth in market share in 1997 at 3.2%. Only three multifamily loans were made by all lenders in moderate-income geographies. The majority of multifamily housing loans originated by all lenders takes place in middle-income geographies where a significant majority of the multifamily housing stock is located. Table 5, in the Appendix, details ABL's multifamily lending performance.

Small Business Lending

ABL has an adequate geographic distribution of small loans to businesses. This is detailed in Table 6 in the Appendix. Market share data for 1997 show ABL ranked sixth in its AAs with an overall market share of 6.9%. The bank's market share of small loans to businesses in moderate-income geographies is slightly below its overall market share at 5.5%, yet the bank ranked fourth in market share in moderate-income tracts. Nearly 60% of all non-farm businesses in moderate-income tracts are in the Sheboygan County AA where ABL's market share in moderate-income tracts (10.3%) exceeds their overall market share in that AA (5.9%). In market rank, the bank ranks sixth in the non-MSA AA and third in the Sheboygan County AA in making small loans to businesses in moderate-income tracts.

The bank's percentage of loans to small businesses in comparison to the percentage of non-farm businesses located by geography indicates an adequate distribution. In 1997 and 1998, the bank's percent of small loans to businesses in moderate-income geographies in the Sheboygan County AA approximates the demographic characteristics of the area. The bank's percentage of loans to small businesses in moderate-income tracts in the non-MSA AA is below the characteristics of that area.

When analyzing the bank's market share in moderate-income geographies, ABL's performance of lending to smaller businesses exceeds its overall performance. ABL has a market share of 13% to businesses located in moderate-income census tracts that have gross annual revenues less than \$1 million.

Small Farm Lending

Table 7 in the Appendix indicates that ABL has an adequate geographic of small loans to farms. In its AAs, ABL ranks third with a market share of 13.5%. This performance reflects satisfactory responsiveness to agricultural needs of the AAs. While Table 7 shows no small farm loan originations in moderate income geographies, there are only a total of five farms in both AAs moderate- income geographies combined.

Consumer Loans

ABL has an adequate geographic of consumer loans. This information is detailed in Table 15 in the Appendix - Geographic and Borrower Distribution of Consumer Loan Originations. Table 15 indicates that the bank's percentage of consumer lending is in line with the demographic characteristics of the AAs, including moderate-income geographies. Market share data is not available for consumer loans.

Borrower Distribution

ABL has a good distribution of HMDA-reportable loans to borrowers of different income levels. Based on 1997 market share information, ABL ranks first in total HMDA product originations. To low- and moderate-income borrowers, ABL ranks fourth and second respectively in total HMDA-reportable originations. The bank's lending performance in HMDA-reportable loans reflects positive responsiveness to the needs of the most economically disadvantaged borrowers.

ABL also has a good distribution of small loans to businesses and farms of different sizes. The bank has a higher market share of loans to businesses and farms with revenues less than \$1 million that its overall market share of small loans to businesses. Also, while the bank ranked sixth in market share in total small loans to businesses in its AAs, ABL's market share ranked fourth in loans to businesses with revenues less than \$1 million. Details on the borrower distribution of ABL's loans by individual HMDA product, business, farm, and consumer lending follows.

Home Purchase Loans

The bank has a good distribution of home purchase loans to borrowers of different income levels. Table 8 in the Appendix indicates ABL's overall market share to moderate-income borrowers exceeds its overall market share. The bank ranks first in market share to moderate- income borrowers when its AAs are combined. In the Sheboygan County AA, ABL ranks third in home purchase loans to moderate-income borrowers; in the non-MSA AA it ranks first. The bank's percentage of home purchase loans to moderate-income borrowers is also slightly higher than the demographics of these

borrowers. The bank's percentage of lending to moderate-income borrowers is slightly better in the non-MSA AA than in the Sheboygan County AA. This is to be expected given the bank has more offices in the non-MSA.

The bank's market share to low-income borrowers is below their overall market share. Still, ABL ranked fifth in both the Sheboygan County AA and the non-MSA AA in home purchase loans to low-income borrowers. The bank's percentage of loans to low-income borrowers lags the demographics of the AAs, however, given the percentage of low-income families with income below the poverty level, ABL's lending performance to low-income borrowers is considered reasonable.

Home Improvement Loans

ABL has an adequate distribution of home improvement loans to borrowers of different income levels. In both AAs combined, ABL has a 6.0% market share of home improvement loan originations. This is equal to the bank's market share to moderate-income borrowers but does exceed ABL's market share to low-income borrowers. The bank's percentage of loans to moderate-income borrowers exceeds the demographics of the AAs. This is due to ABL's excellent performance in the Sheboygan County AA where the bank made 33% of the bank's home improvement loans to moderate-income borrowers in 1997.

The bank's percentage of loans to low-income borrowers is below the demographic characteristics of the AAs. This was especially true in 1997. In 1998, however, the bank's percentage of loans to low-income borrowers reflects very good penetration considering the number of low-income families below the poverty level. Details on the bank's home improvement lending performance can be found in Table 9 in the Appendix.

Home Refinance Loans

Table 10 in the Appendix indicates that ABL has an adequate distribution of home refinance loans to borrowers of different income levels. The bank's overall market share of 10.9% ranks second of over 100 lenders originating a refinance loan in the AAs. ABL's market share to LMI borrowers trails its overall market share, but the bank does rank fourth and second to LMI borrowers respectively.

The bank's percentage of home refinance loans to LMI borrowers is below the demographics of the area. In 1998, however, the percentage of home refinance loans to moderate-income borrowers is comparable to the demographics of the area. ABL's percentage of loans to low-income borrowers, in comparison to the demographics of the area, lags the bank's performance in the other HMDA products. As mentioned earlier, though, ABL still ranks fourth in market share to low-income borrowers in both AAs combined.

Small Business Lending

Table 11 - Borrower Distribution of Small Business Loan Originations in the Appendix details ABL's

loan penetration to business customers of different sizes. In 1997, ABL originated 83% of its business loans to businesses with revenues less than \$1 million. This compares very favorably to the percentage of loans originated by all lenders in the AAs to businesses with revenues less than \$1 million. The bank's percentage of small loans to businesses with revenues less than \$1 million is also in line with the percentage of businesses with revenues less than \$1 million in its AAs. ABL's percentage of loans to businesses with less than \$1 million in revenues did decline in 1998. However, data is not available to compare ABL's share of loans to businesses with revenues less than \$1 million to that of the market.

Table 11 also shows that ABL's market share to businesses with revenues less than \$1 million is higher than its overall market share of small loans to businesses. In fact, while the bank ranks sixth in overall market share of small loans to businesses, ABL ranks fourth in overall market share to businesses with revenues less than \$1 million. Finally, the bank made a significant majority of its loans in amounts of \$100,000 or less. All of the above demonstrate very good performance on the part of ABL to meet the credit needs of businesses that traditionally have a harder time accessing credit.

Small Farm Lending

ABL has exhibited an excellent distribution of small loans to farms of different sizes. All of ABL's loans to farms were to farms with revenues less than \$1 million. Furthermore, the bank's market share of loans to farms with revenues less than \$1 million exceeds their overall farm loan market share. The number of loans originated in dollar amounts less than \$100,000 also represents the vast majority of agricultural loans.

Table 12 in the Appendix - Borrower Distribution of Small Farm Loan Originations, indicates that the majority of ABL's agricultural lending takes place in the non-MSA AA. This is primarily due to the presence of an agricultural lending specialist in a branch located in Valders, Wisconsin. This branch is situated in Manitowoc County.

Consumer Loans

ABL has an excellent distribution of consumer loans to borrowers of different income levels. Table 15 in the Appendix illustrates this conclusion. While low-income households represent 19% of all households in the AAs, ABL originated 22% and 32% of all of its consumer loans to low-income borrowers in 1997 and 1998 respectively. Moderate-income households represent 16% of all households in the AAs. ABL originated 25% and 32% of its consumer loans to moderate-income borrowers in 1997 and 1998 respectively. This performance represents good responsiveness to the consumer lending needs of LMI borrowers. As consumer loans do not represent as large a percentage of ABL's portfolio as residential real estate or commercial loans, and because banks in general show good performance in this loan category, we placed less weight on this loan category than either residential or commercial lending.

Community Development Lending

ABL has originated an adequate dollar level of community development loans. Opportunities for qualified community development loans are not as prevalent as in larger communities. Existing opportunities in the AAs include lending to agencies or corporations that have a community development purpose. However, there are not a significant number of these types of agencies or corporations in ABL's AAs. Furthermore, we already considered several loans that have a community development purpose under the other lending tests above. As detailed below, ABL made two large and one smaller community development loans during this assessment period.

- C In 1997, ABL participated in a \$2.7 million construction loan to an affordable housing partnership. The project was for the construction of affordable housing for LMI families in the Manitowoc area. ACMI and ABL combined to finance the project.
- C In 1998, ABL issued a \$2.7 million letter of credit to enhance a low-income housing bond issued by a Community Development Authority in the bank's non-MSA AA. The bond proceeds funded the construction of an apartment building for LMI individuals.
- C In 1998, the bank provided a \$64,000 construction loan to a non-profit affordable housing agency in the non-MSA assessment area. The proceeds were used to construct homes and make them available to LMI individuals and/or families. The homes are located within ABL's non-MSA AA.

Flexible Lending Practices

ABL makes use of flexible lending practices to help serve the AA's credit needs. The bank works with government offices and nonprofit organizations to seek creative solutions to difficult credit needs. For example, ABL makes use of programs sponsored by the Wisconsin Housing and Economic Development Authority (WHEDA). These programs include the Home Ownership Mortgage Loan (HOME) and Home Improvement Loan program. The Home program provides first-time home buyers with long-term, fixed-rate loans to purchase a principal residence. For example, single family homes require only a minimum down payment of 3%. The Home Improvement program offers lower than market rates and terms. These programs are geared to LMI borrowers. ABL originated 24 loans totaling \$1.2 million in 1998 and 36 loans for \$1.7 million in 1997 under the HOME program. The bank funded four WHEDA Home Improvement Loans in 1998 for a total of \$26,100.

ABL has committed more than \$200,000 to Lakeshore CAP's Homebuyer Program. Under this program, ABL can offer below market fixed-rate financing to LMI first time homebuyers. These loans are all made within ABL's AAs and are considered under the other lending tests above.

The Advocacy Committee Action Program, Incorporated (ADVOCAP) assists LMI borrowers in the home purchase or rehabilitation application process by directing them clients to institutions that participate with ADVOCAP. ABL commits up to \$100,000 annually under ADVOCAP programs.

Loans made under this program are reported under the other lending tests above.

INVESTMENT TEST

We evaluated ABL's performance under the Investment Test in terms of the volume of qualified investments and grants; the level of innovation and complexity associated with the investments; the degree to which the investments and grants responded to the credit and community development needs of the bank's AAs; and, the degree to which these investments and activities are not routinely provided by private investors.

Conclusions:

- C ABL has an adequate level of qualified community development investments and grants based on the opportunities available in the AAs,.

Supporting Information

ABL has an adequate level of investments and grants given the opportunities available in the AAs. To be considered a qualified investment, it must have as its primary purpose community development. Our analysis of investment opportunities did not reveal a significant number of investment vehicles within ABL's AAs. There are a few social service agencies and community action agencies in which to grant funds; however, ABL is involved with two major community action agency in the AAs. These are: Lakeshore Cap and ADVOCAP, Incorporated (see the Community Development Lending and Community Development Service test sections of this report). Our review of CRA performance evaluations of other local financial institutions did not reveal any additional types of investments that ABL could be participating in. Qualified investments and grants over this assessment period total \$80,000. ABL's grant activity is outlined below:

- C In 1997 and 1998, ABL contributed \$35,000 to groups affiliated with the United Way of Manitowoc and United Way of Sheboygan. The United Way provides many services primarily benefitting LMI individuals including health counseling, legal aid, crisis intervention, home nursing care, substance abuse counseling and treatment, and day care for a child or dependent adult. The amounts contributed went to organizations that target LMI individuals and families. All of the organizations funded through these donations serve individuals within ABL's AAs.
- C The bank provided \$5,000 in funding to a non-profit organization providing scholarships to youths from LMI families. ABL contributed \$2,500 in both 1997 and 1998.
- C In 1997 and 1998, ABL provided a total funds of \$30,000 to a local non-profit social services agency. The agency targets its services to LMI individuals within ABL's AAs.
- C During this assessment period, the bank also contributed an additional \$9,000 to various local community development or social service agencies. All of monies went to agencies that provide housing or services for LMI individuals or promote economic development by financing small businesses within the bank's AAs.

SERVICE TEST

We evaluated ABL's performance under the Service Test in terms of Retail Banking Services (the accessibility of delivery systems, changes in branch locations and the reasonableness of business hours and services to help meet the assessment area's needs) and the level of community development services provided in the AAs.

Conclusions:

- C The bank's service delivery systems are reasonably accessible to geographies and individuals of different income levels.
- C To the extent changes have been made, ABL's record of opening and closing branches has not adversely affected the accessibility of its delivery systems.
- C ABL's services do not vary in a way that inconveniences any portions of its AAs.
- C ABL provides a relatively high level of community development services in both of its AAs.

Supporting Information

Retail Banking Services

Branch Network

ABL makes its retail services reasonably accessible to all portions of its AAs with no conspicuous gaps in the distribution of the bank's branch or ATM network. There are six full service branches located in the AAs. In addition to the six full service locations, the bank also operates branches at two retirement villages, known as Felician Village and Pine Haven. The limited service facilities, located in the Cities of Manitowoc and Sheboygan Falls respectively, offer deposit and trust services. In addition to the full service and retirement village offices, the bank has nine ATMs throughout its AAs. Each full-service branch has an ATM and three others are located within the AAs. One non-deposit taking ATM is located just outside the AAs. Although there are no branches or ATMs in a moderate-income geography, branches are located close to major thoroughfares and loan officers are able to travel to moderate-income geographies. Table 15 - Distribution of Branch and ATM Delivery System, in the Appendix, details ABL's branch and ATM network.

ABL's record of opening and closing offices since the last examination has not adversely impacted the accessibility of its delivery systems. Since the last examination, the bank added additional ATMs at existing branches and convenience store locations. In 1997, ABC acquired a financial institution that had a branch located less than one mile from ABL's main office in downtown Manitowoc. ABC decided to close that branch in order to avoid duplication of facilities. Because of the close proximity to the Franklin Street office, the closing had no effect on LMI individuals.

All six of the full-service branches have loan officers present, but commercial loan officers are on-site only at the Manitowoc, Valders, Sheboygan, and Fond du Lac offices. Commercial customers are generally referred to one of these locations; however, commercial lenders can meet with customers at a location of the customer's convenience. Deposit services are available at all locations. The bank also offers trust services to customers in bank locations and at customer homes if requested.

Branch hours are reasonable and are tailored to customer convenience. Full-service branch locations are typically open from 9 a.m. to 5 p.m. on weekdays and from 9 a.m. to noon on Saturday. Drive-through facilities have extended hours, generally being open from 8:30 a.m. until 5:30 p.m. On Fridays, the drive-through facilities are open until 7 p.m. The extended Friday hours promote convenience on a traditionally busy banking day. On Saturday, the drive-through facilities are generally open until noon.

Alternative Delivery Systems

ABL's alternative delivery systems make services more accessible. The bank operates nine proprietary ATMs within its AAs; eight in the non-MSA AA and one in the Sheboygan MSA. The location of the ATMs is in line with the population distribution of the AAs as only 4% of the total population in the AAs reside in moderate-income CTs. Furthermore, the ATM distribution is commensurate with the deposit market share that ABL has in the AAs.

We did not place significant weight on alternative delivery systems other than ATMs when assessing ABL's performance under this test. This was because we were unable to determine how effective the systems were in serving LMI individuals or geographies. However, the following services do add convenience or are tailored to meet the needs of specific customers:

- C **Direct Connect** - A telephone banking service where customers can access deposit and loan information. The service is available 24 hours a day, seven days a week.
- C **Associated Basic Business Checking** - A checking account available for businesses with a low number of monthly transactions. This account is primarily for the benefit of small businesses. The account minimizes banking costs while enabling the bank to establish a relationship with the business.
- C **Associated Student Checking** - A checking account available for students between the ages of 18-24. The account minimizes banking costs while enabling the bank to establish a relationship with the customer.

Community Development Service

ABL provides a relatively high number of community development services which address needs within the AAs. The bank's employees participate in a variety of charitable activities that benefit the

community. However, not all of those activities qualify under the definition of community development services. Nevertheless, many employees do provide community development services to organizations that have as their primary purpose economic development and revitalization, or affordable housing and social services targeted to low- and moderate-income persons. A complete list of ABL's participation in community development services is detailed below:

ABL employees played a leadership role in the creation of a lender consortium formed with Lakeshore CAP, Incorporated of Wisconsin (LC). LC is a community action agency providing many services targeted to LMI individuals. The consortium provides below-market fixed rate financing to qualifying homebuyers who complete an education program with LC. At this time, the consortium serves only Manitowoc County but will likely expand to other areas.

The bank is a member of the Wisconsin Bankers Association (WBA) Team Network, a statewide program which includes ABL's Aas. WBA refers small business loan applicants to consultants who may assist them with the application presentation process. ABL participates in this referral process. ABL's involvement in this program demonstrates a commitment to provide financial services targeted to smaller businesses that may have a more difficult time obtaining credit.

ABL employees participate on ADVOCAP, Incorporated's Fond du Lac County Program Loan Committee (PLC). ADVOCAP is a community action agency serving an area that includes portions of ABL's AAs. ADVOCAP provides a variety of services targeted to LMI individuals. The PLC focuses on addressing the needs of LMI individuals, specifically housing needs. Bank employees lend financial expertise to the committee by helping to make prudent lending decisions for the benefit of non-traditional borrowers.

A bank mortgage lender participated in a first time homebuyers seminar geared toward LMI individuals. The seminar was part of a Hmong Housing Workshop. Seminar topics included information on the home purchase process and responsibility of buying and owning a home.

The bank has provided technical assistance to the Federal Home Loan Bank's Affordable Housing Program (AHP). ABL provides a high level of technical assistance to prospective LMI borrowers in preparing the application for AHP funds.

ABL participates with Lakeshore CAP in the establishment of Individual Development Accounts (IDA's) for LMI families. IDA's are matched savings accounts designed to help LMI families accumulate savings for education, job training, closing or down payment costs for a new home, or start up capital for a small business. Once IDA participants have funded their accounts, the savings are matched by a public or private entity. ABL structures these accounts in a manner that will best suit the need of the individual or family.

Several members of senior management serve on various committees devoted to revitalizing areas of ABL's assessment areas by providing financing options as well as business expertise to small businesses. Economic development committees bank employees participate on include the City of

Manitowoc's Community Development Authority, the Manitowoc Industrial Development Corporation, the Sheboygan Industrial Development Corporation, the Sheboygan Economic Development Corporation, the Fond du Lac County Economic Development Corporation, the Valders Improvement Corporation, and the Manitowoc Chamber of Commerce Small Business Committee. In all cases, bank employees provide financial expertise to these groups in connection with the allocation of the group's resources. These groups, which operate within ABL's AAs, focus on fostering private/public partnerships to promote economic development projects. In some cases, seed money is provided by these groups.

ABL employees have participated in Family Service Association (FSA) Credit Counseling activities. The counseling is geared towards LMI individuals and helps consumers avoid bankruptcy and stabilize their finances. Bank employees have provided financial expertise to the Association by serving on the Board and as Treasurer. Their expertise has helped the Association in the allocation of their resources.

A bank lender sits on the loan committee of the Wisconsin United Coalition of Mutual Assistance Associations, Incorporated (WUCMAA). The WUCMAA manages a Minority Business Development Revolving Loan Fund targeted to small businesses. The lender provides expertise by helping make credit decisions for the committee. The revolving loan fund will make funds available to small businesses operating within ABL's assessment area.

A department manager of the bank provides expertise to Marco Services (MS), a local social services agency that focuses its efforts on LMI individuals. MS provides drug and alcohol rehabilitation programs while furnishing temporary housing for clients who are recuperating. ABL employees have also provided financial expertise for other social service agencies specializing in providing domestic abuse and runaway shelters. The expertise provided aids these agencies in making decisions regarding the allocation of resources.

A bank employee is a member of the Sheboygan United Way (UW). This employee provides the group with expertise to help with the allocation and administration of available resources. The UW provide services primarily for the benefit of LMI individuals or families.

A Community Branch Manager provides financial expertise as a Board member of the Fond du Lac County Department of Social Services. This Department provides a variety of services geared toward LMI individuals and families.

FAIR LENDING REVIEW

The OCC conducted a fair lending examination of ABL concurrently with its CRA examination. Our review targeted home purchase loans using the bank's 1998 HMDA-Loan Application Register (LAR). We compared 7 approved owner-occupied home purchase loans to females with no co-applicant to 11 approved owner-occupied home purchase loans to males with no co-applicant. The review focused on the terms and conditions granted to the borrowers to identify any loan term variances between the two groups. The emphasis was to determine if any variances in the terms and conditions granted was due to gender. The results of the comparative analysis showed no disparate treatment between female and male applicants during the time period reviewed with respect to home purchase loans.

APPENDIX

CONCLUSIONS WITH RESPECT TO METROPOLITAN STATISTICAL AREA #7620 (SHEBOYGAN COUNTY)

Our review included a separate analysis of ABL's CRA performance in the Sheboygan County MSA (#7620). The objective of the review was to determine if the bank's CRA performance in this MSA is consistent with that of the bank as a whole.

Description of ABL's Operations in the Sheboygan County MSA

ABL operates one full-service branch in Sheboygan County. The branch is located in the City of Sheboygan. The bank also operates one limited-service branch in a retirement facility known as Pine Haven. Twenty percent of ABL's total deposits come from within this MSA, however, as of June 30, 1998 ABL's market share of deposits in Sheboygan County is only 4.1%. A detailed description of the demographics of this MSA can be found earlier in this evaluation on pages 5 through 8.

Conclusions about Performance Tests in the Sheboygan County MSA

C ABL's performance under the Lending, Investment and Service Tests is consistent with the overall ratings assigned to the bank.

Lending Test

ABL's lending performance in the Sheboygan County MSA reflects good responsiveness to the area's credit needs. This is evident in the fact that a higher percentage of ABL's loans are made within this MSA than the percentage of deposits that come from this area (see Table 1 - Lending Volume).

The geographic distribution of HMDA-reportable loans is consistent with the bank's overall lending patterns. This is particularly true as two of the three moderate-income geographies in ABL's AAs are located within Sheboygan County. The discussion in the body of this evaluation reviews the bank's performance in lending to different geographies. Tables 2 through 5 illustrate the bank's HMDA product performance within this MSA.

ABL's geographic distribution of small business loans in this MSA is better than the bank's overall performance. The bank's market share in moderate-income geographies in the Sheboygan County MSA exceeds the bank's overall market share in this MSA. Also, the bank's percentage of small loans to businesses in moderate-income geographies is comparable to the percentage of businesses located in those geographies. Table 6 in this Appendix details the bank's geographic distribution of small loans to businesses.

The geographic distribution of small loans to farms is consistent with the bank's overall small farm lending patterns. There were no reported small loans to farms in any moderate-income geography in this MSA in 1997. Finally, ABL's geographic distribution of consumer loans is also consistent with the

bank's overall lending patterns. ABL's geographic lending performance in small loans to farms and consumer loans is illustrated in Tables 7 and 15 in is Appendix respectively.

ABL's borrower distribution of HMDA-reportable loans is fairly consistent with the bank's overall performance (see Tables 8 through 10). The bank's market share of home purchase and home improvement loans to LMI borrowers is slightly lower tn the bank's overall market share. However, in this MSA, ABL's percentage of home improvement loans in comparison to the percentage of moderate-income borrowers is very good. The bank's market share of refinance loans to low-income borrowers is consistent with the bank's overall performance. In the Sheboygan County MSA, ABL has a slightly higher market share of home refinance loans to moderate-income borrowers. Similarly, the bank's percentage of loans to moderate-income borrowers in comparison to the demographics of the MSA is better than the bank's as a whole.

The bank's borrower distribution of small loans to businesses in this MSA is also consistent with the bank's overall lending patterns. This is illustrated in Table 11 in this Appendix. ABL has originated few farm loans in this MSA; but as discussed earlier in this evaluation, ABL originates a vast majority of their agricultural loans out of its Valders office in Manitowoc County. There are other more specialized lenders in this MSA meeting the agricultural needs of this MSA.

Finally, the bank's borrower distribution of consumer loans is consistent with the overall performance of the bank. In 1998, though, the banks' percentage of loans to low-income borrowers in Sheboygan County in comparison to the demographics of the area exceeded the bank's overall performance.

Investment Test

As discussed in the overall performance of the bank, there are few opportunities for making qualified investments in this MSA. We discussed qualified grants in this MSA under the Investment Test above. The percentage of qualified grants in this MSA is slightly below the percent of bank deposits from this MSA.

Service Test

The type of retail banking services ABL provides in this AA is the same as in the non-MSA AA. The bank also provides an adequate number of community development services in this AA. The services bank personnel provide are consistent with those provided by the bank as a whole. A discussion of the various services provided can be found under the Service Test above.

Table 1. Lending Volume

LENDING VOLUME													State: Wisconsin		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)					
Total 1997	100.0	1,117	86,383	284	24,795	155	7,003	1	2,700	1,557	120,881	100.0				
Non MSA	80.0	569	41,542	215	15,739	142	6,488	1	2,700	927	66,469	59.5				
Sheboygan MSA	20.0	548	44,841	69	9,056	13	515	0	0	630	54,412	40.5				
Total 1998	100.0	2,810	194,606	279	36,484	119	3,532	2	2,744	3,210	237,366	100.0				
Non MSA	80.0	1,486	100,882	195	25,638	111	3,467	2	2,744	1,794	132,731	55.9				
Sheboygan MSA	20.0	1,324	93,724	84	10,846	8	65	0	0	1,416	104,635	44.1				

Table 2. Geographic Distribution of Home Purchase Loan Originations

Geographic Distribution: HOME PURCHASE																
State: Wisconsin																
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
Total 1997	N/A	N/A	2.3%	1.9%	76.4%	80.4%	21.3%	17.7%	2	12.1	N/A	7.6	13.4	8.9	536	100%
Non MSA	N/A	N/A	0.1%	0.0%	68.9%	76.3%	31.0%	23.7%	2	11.6	N/A	0.0	13.6	8.0	299	56%
Sheboygan MSA	N/A	N/A	6.2%	4.2%	88.9%	85.7%	4.9%	10.1%	1	12.8	N/A	7.9	13.1	13.6	237	44%
Total 1998	N/A	N/A	2.3%	1.3%	76.4%	75.9%	21.3%	22.8%	N/A	N/A	N/A	N/A	N/A	N/A	539	100%
Non MSA	N/A	N/A	0.1%	0.0%	68.9%	66.6%	31.0%	33.4%	N/A	N/A	N/A	N/A	N/A	N/A	308	57%
Sheboygan MSA	N/A	N/A	6.2%	3.0%	88.9%	88.3%	4.9%	8.7%	N/A	N/A	N/A	N/A	N/A	N/A	231	43%

(*) Based on 1997 Aggregate HMDA Data only.

Table 3. Geographic Distribution of Home Improvement Loan Originations

Geographic Distribution: HOME IMPROVEMENT																State: Wisconsin		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			
Total 1997	N/A	N/A	2.3%	0.0%	76.4%	82.8%	21.3%	17.2%	6	6.0	N/A	0.0	6.3	5.5	87	100%			
Non MSA	N/A	N/A	0.1%	0.0%	68.9%	78.3%	31.0%	21.7%	4	8.5	N/A	0.0	9.6	6.0	60	69%			
Sheboygan MSA	N/A	N/A	6.2%	0.0%	88.9%	92.6%	4.9%	7.4%	8	3.6	N/A	0.0	3.8	3.5	27	31%			
Total 1998	N/A	N/A	2.3%	1.4%	76.4%	71.0%	21.3%	27.6%	N/A	N/A	N/A	N/A	N/A	N/A	145	100%			
Non MSA	N/A	N/A	0.1%	0.0%	68.9%	69.1%	31.0%	30.1%	N/A	N/A	N/A	N/A	N/A	N/A	110	76%			
Sheboygan MSA	N/A	N/A	6.2%	5.8%	88.9%	77.1%	4.9%	17.1%	N/A	N/A	N/A	N/A	N/A	N/A	35	24%			

(*) Based on 1997 Aggregate HMDA Data only.

Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations

Geographic Distribution: HOME MORTGAGE REFINANCE																State: Wisconsin		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			
Total 1997	N/A	N/A	2.3%	1.6%	76.4%	75.9%	21.3%	22.5%	2	10.9	N/A	6.0	10.9	11.6	493	100%			
Non MSA	N/A	N/A	0.1%	0.0%	68.9%	59.5%	31.0%	40.5%	2	8.9	N/A	0.0	8.0	10.8	210	43%			
Sheboygan MSA	N/A	N/A	6.2%	2.8%	88.9%	88.0%	4.9%	9.2%	2	13.0	N/A	6.2	13.3	15.0	283	57%			
Total 1998	N/A	N/A	2.3%	0.9%	76.4%	76.7%	21.3%	22.4%	N/A	N/A	N/A	N/A	N/A	N/A	2,123	100%			
Non MSA	N/A	N/A	0.1%	0.0%	68.9%	64.4%	31.0%	35.6%	N/A	N/A	N/A	N/A	N/A	N/A	1,066	50%			
Sheboygan MSA	N/A	N/A	6.2%	1.9%	88.9%	89.1%	4.9%	9.0%	N/A	N/A	N/A	N/A	N/A	N/A	1,057	50%			

(*) Based on 1997 Aggregate HMDA Data only.

Table 5. Geographic Distribution of Multifamily Loan Originations

Geographic Distribution: MULTIFAMILY																State: Wisconsin		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 Multifamily Loans				
	% Owner Occ Units	% BANK Loans	% multi-family units	% BANK Loans	% multi-family units	% BANK Loans	% multi-family units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total			
Total 1997	N/A	N/A	7.6%	0.0%	77.1%	100%	15.3%	0.0%	6	3.2	N/A	0.0	4.2	0.0	1	100%			
Non MSA	N/A	N/A	2.9%	0.0%	73.3%	0.0%	23.8%	0.0%	0	0.0	N/A	0.0	0.0	0.0	0	0%			
Sheboygan MSA	N/A	N/A	16.0%	0.0%	83.6%	100%	0.4%	0.0%	5	6.3	N/A	0.0	7.7	0.0	1	100%			
Total 1998	N/A	N/A	7.6%	0.0%	77.1%	100%	15.3%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	3	100%			
Non MSA	N/A	N/A	2.9%	0.0%	73.3%	100%	23.8%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	2	67%			
Sheboygan MSA	N/A	N/A	16.0%	0.0%	83.6%	100%	0.4%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	1	33%			

(*) Based on 1997 Aggregate HMDA Data only.

Table 6. Geographic Distribution of Small Business Loan Originations

Geographic Distribution: SMALL BUSINESS																
State: Wisconsin																
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
Total 1997	N/A	N/A	7.8%	3.9%	76.6%	87.3%	15.6%	8.8%	6	6.9	N/A	5.5	8.1	2.9	284	100%
Non MSA	N/A	N/A	5.4%	1.0%	72.3%	88.8%	22.3%	10.2%	6	7.2	N/A	1.8	9.3	2.7	215	76%
Sheboygan MSA	N/A	N/A	11.7%	13.1%	83.9%	82.6%	4.4%	4.3%	6	5.9	N/A	10.3	5.6	4.3	69	24%
Total 1998	N/A	N/A	7.8%	2.9%	76.6%	83.2%	15.6%	13.9%	N/A	N/A	N/A	N/A	N/A	N/A	279	100%
Non MSA	N/A	N/A	5.4%	0.5%	72.3%	82.1%	22.3%	17.4%	N/A	N/A	N/A	N/A	N/A	N/A	195	70%
Sheboygan MSA	N/A	N/A	11.7%	8.3%	83.9%	85.7%	4.4%	6.0%	N/A	N/A	N/A	N/A	N/A	84	30%	

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

Table 7. Geographic Distribution of Small Farm Loan Originations

Geographic Distribution: SMALL FARM State: Wisconsin 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
Total 1997	N/A	N/A	1.4%	0.0%	75.4%	89.0%	23.2%	11.0%	3	13.5	N/A	0.0	16.7	5.4	155	100%
Non MSA	N/A	N/A	1.2%	0.0%	68.3%	88.0%	30.5%	12.0%	3	13.8	N/A	0.0	17.6	5.4	142	92%
Sheboygan MSA	N/A	N/A	2.0%	0.0%	92.1%	100%	5.9%	0.0%	4	11.0	N/A	N/A	11.0	N/A	13	8%
Total 1998	N/A	N/A	1.4%	0.0%	75.4%	75.6%	23.2%	24.4%	N/A	N/A	N/A	N/A	N/A	N/A	119	100%
Non MSA	N/A	N/A	1.2%	0.0%	68.3%	73.9%	30.5%	26.1%	N/A	N/A	N/A	N/A	N/A	N/A	111	93%
Sheboygan MSA	N/A	N/A	2.0%	0.0%	92.1%	100%	5.9%	0.0%	N/A	N/A	N/A	N/A	N/A	8	7%	

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

(*) As a percentage of loans with borrower income information available. No income information was available for 0.6% of HMDA loans originated by ABL in 1997 and 1998 combined.

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

Table 8. Borrower Distribution of Home Purchase Loan Originations

Borrower Distribution: HMDA HOME PURCHASE																
State: Wisconsin																
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
Total 1997	13.4%	3.2%	17.6%	19.9%	28.4%	39.2%	40.6%	37.7%	2	12.1	8.1	12.4	15.1	13.2	536	100%
Non MSA	12.5%	3.1%	16.4%	20.9%	26.8%	32.8%	44.3%	43.2%	2	11.6	8.3	13.9	13.9	13.3	299	56%
Sheboygan MSA	14.7%	3.4%	19.6%	18.6%	31.2%	47.2%	34.5%	30.8%	1	12.8	7.9	10.9	16.4	13.1	237	44%
Total 1998	13.4%	4.5%	17.6%	20.3%	28.4%	34.2%	40.6%	41.0%	N/A	N/A	N/A	N/A	N/A	N/A	539	100%
Non MSA	12.5%	4.6%	16.4%	20.6%	26.8%	27.4%	44.3%	47.4%	N/A	N/A	N/A	N/A	N/A	N/A	308	57%
Sheboygan MSA	14.7%	4.3%	19.6%	19.9%	31.2%	43.3%	34.5%	32.5%	N/A	N/A	N/A	N/A	N/A	N/A	231	43%

(*) As a percentage of loans with borrower income information available. No income information was available for 0.5% of home purchase loans originated by ABL in 1997 and 1998 combined.

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

Table 9. Borrower Distribution of Home Improvement Loan Originations

Borrower Distribution: HOME IMPROVEMENT																
State: Wisconsin																
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
Total 1997	13.4%	3.5%	17.6%	21.2%	28.4%	29.4%	40.6%	45.9%	6	6.0	2.6	6.0	5.0	7.6	87	100%
Non MSA	12.5%	5.2%	16.4%	15.5%	26.8%	27.6%	44.3%	51.7%	4	8.5	7.0	8.4	7.6	9.2	60	69%
Sheboygan MSA	14.7%	0.0%	19.6%	33.3%	31.2%	33.3%	34.5%	33.3%	8	3.6	0.0	4.7	3.1	4.8	27	31%
Total 1998	13.4%	9.7%	17.6%	16.7%	28.4%	33.3%	40.6%	40.3%	N/A	N/A	N/A	N/A	N/A	N/A	145	100%
Non MSA	12.5%	8.3%	16.4%	17.4%	26.8%	29.3%	44.3%	45.0%	N/A	N/A	N/A	N/A	N/A	N/A	110	76%
Sheboygan MSA	14.7%	14.3%	19.6%	14.3%	31.2%	45.7%	34.5%	25.7%	N/A	N/A	N/A	N/A	N/A	N/A	35	24%

(*) As a percentage of loans with borrower income information available. No income information was available for 1.3% of all home improvement loans originated by ABL in 1997 and 1998 combined.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loan Originations

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: Wisconsin																
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
Total 1997	13.4%	2.7%	17.6%	12.7%	28.4%	37.5%	40.6%	47.1%	2	10.9	6.0	8.4	12.9	13.4	493	100%
Non MSA	12.5%	2.4%	16.4%	10.2%	26.8%	31.4%	44.3%	56.0%	2	8.9	6.1	6.2	10.0	11.1	210	43%
Sheboygan MSA	14.7%	2.8%	19.6%	14.5%	31.2%	42.1%	34.5%	40.6%	2	13.0	5.9	10.2	15.5	16.8	283	57%
Total 1998	13.4%	2.6%	17.6%	16.2%	28.4%	36.4%	40.6%	44.8%	N/A	N/A	N/A	N/A	N/A	N/A	2,123	100%
Non MSA	12.5%	1.5%	16.4%	13.4%	26.8%	31.0%	44.3%	54.1%	N/A	N/A	N/A	N/A	N/A	N/A	1,066	50%
Sheboygan MSA	14.7%	3.8%	19.6%	19.0%	31.2%	41.7%	34.5%	35.5%	N/A	N/A	N/A	N/A	N/A	N/A	1,057	50%

(*) As a percentage of loans with borrower income information available. No income information was available for .40% of home refinance loans originated by ABL in 1997 and 1998 combined.

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

Table 11. Borrower Distribution of Small Business Loan Originations

Borrower Distribution: SMALL BUSINESS												State: Wisconsin		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 (000's)					
Total 1997	88%	83%	62%	78%	16%	6%	6.9%	9.2%	284	100%	\$87					
Non MSA	88%	85%	68%	83%	12%	5%	7.2%	9.0%	215	76%	\$73					
Sheboygan MSA	88%	78%	47%	64%	26%	10%	5.9%	9.8%	69	24%	\$131					
Total 1998	88%	73%	N/A	68%	18%	14%	N/A	N/A	279	100%	\$131					
Non MSA	88%	75%	N/A	71%	14%	15%	N/A	N/A	195	70%	\$131					
Sheboygan MSA	88%	69%	N/A	61%	27%	12%	N/A	N/A	84	30%	\$129					

(*) As a percentage of businesses with known revenues.

(**) As a percentage of loans with revenue information available. No information was available for 0.0% of small business loans originated by ABL.

(***) The market consists of all other Small Business reporters in ABL's assessment area and is based on 1997 Aggregate Small Business Data only.

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

Table 12. Borrower Distribution of Small Farm Loan Originations

Borrower Distribution: SMALL FARM State: Wisconsin 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 (000's)
Total 1997	97%	100%	95%	84%	15%	1%	13.5%	14.2%	155	100%	\$45
Non MSA	98%	100%	95%	84%	15%	1%	13.8%	14.5%	142	92%	\$46
Sheboygan MSA	96%	100%	96%	85%	15%	N/A	11.0%	11.5%	13	8%	\$40
Total 1998	97%	100%	N/A	93%	6%	1%	N/A	N/A	119	100%	\$30
Non MSA	98%	100%	N/A	93%	6%	1%	N/A	N/A	111	93%	\$31
Sheboygan MSA	96%	100%	N/A	100%	N/A	N/A	N/A	N/A	8	7%	8

(*) As a percentage of farms with known revenues.

(**) As a percentage of loans with revenue information available.

(***) The market consists of all other Small Farm reporters in ABL's assessment area and is based on 1997 Aggregate Small Farm Data only.

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

Table 13. Qualified Investments

QUALIFIED INVESTMENTS											State: Wisconsin	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	
Total AA	5	2	11	76	1	2	0	0	17	80	100	
Non MSA	5	2	8	70	0	0	0	0	13	72	90	
Sheboygan MSA	0	0	3	6	1	2	0	0	4	8	10	

Table 14. Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM																State: Wisconsin		Evaluation Period: January 1, 1997 TO December 31,1998			
MSA/Assessment Area:	Deposits	Branches						ATMs						Population							
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATMs	% of Total BANK ATMs	Location of ATMs by Income of Geographies				% of the Population within Each Geography							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Total Assessment Area	100%	8	100%	N/A	0%	88%	12%	9	90%	N/A	0%	78%	22%	N/A	4%	76%	20%				
Non-MSA	80%	6	75%	N/A	0%	83%	17%	8	80%	N/A	0%	75%	25%	N/A	0%	70%	30%				
Sheboygan MSA	20%	2	25%	N/A	0%	100%	0%	1	10%	N/A	0%	100%	0%	N/A	10%	86%	4%				
* The bank has 1 ATM outside its AAs																					

Table 15. Geographic and Borrower Distribution of Consumer Loan Originations

Geographic and Borrower Distribution: CONSUMER LOANS																			State: Wisconsin		Evaluation Period: January 1, 1997 TO December 31, 1998	
MSA/Assessment Area:	Geographic Distribution								Borrower Distribution													
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Total Consumer Loans					
	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Hshlds	% BANK Loans**	% of Hshlds	% BANK Loans**	% of Hshlds	% BANK Loans**	% of Hshlds	% BANK Loans**	#	% of Total				
1997 Total	N/A	N/A	4%	3%	76%	78%	20%	19%	19%	22%	16%	25%	22%	28%	43%	25%	3,132	100%				
Non MSA	N/A	N/A	0%	0%	70%	76%	30%	24%	18%	20%	14%	24%	21%	27%	47%	29%	2,013	64%				
Sheboygan MSA	N/A	N/A	10%	8%	86%	82%	4%	10%	21%	26%	18%	27%	23%	30%	38%	17%	1,119	36%				
Total 1998	N/A	N/A	4%	3%	76%	79%	20%	18%	19%	32%	16%	32%	22%	24%	43%	12%	2,556	100%				
Non MSA	N/A	N/A	0%	0%	70%	75%	30%	25%	18%	27%	14%	31%	21%	28%	47%	14%	1,576	62%				
Sheboygan MSA	N/A	N/A	10%	9%	86%	84%	4%	7%	21%	42%	18%	33%	23%	16%	38%	9%	980	38%				

(*) The percentage of the population in the MSA/assessment area that resides in these geographies.

(**) As a percent of consumer loans with borrower income information available. No income information was available for 8% of consumer loans originated by ABL in 1997 and 1998 combined.

Scope of Examination

Time Period Reviewed: January 1, 1997 through December 31, 1998 for all HMDA reportable loans, Community Development loans, Small Business loans, Small Farm loans, and Consumer loans.			
Financial Institution Associated Bank Lakeshore, N.A.			Products Reviewed HMDA reportable Loans Community Development Loans Small Business Loans Small Farm Loans Consumer Loans
Affiliate(s)	Affiliate Relationship		Products Reviewed
Associated Mortgage, Incorporated	Holding Company Subsidiary		HMDA Loans
Associated Commercial Mortgage, Incorporated	Holding Company Subsidiary		Community Development Loans
List of Assessment Areas and Type of Examination			
Assessment Area	Type of Exam	Branches Visited	Other Information
Sheboygan County MSA #7620	on-site	None	None
Non-MSA area (Manitowoc and Fond du Lac Counties)	on-site	1	None

Loans Reviewed

Home Mortgage Loans: Associated Bank Lakeshore's 1997 and 1998 HMDA-Loan Application Register were used in assessing the bank's performance under the Lending Test.

Business Loans and Farm Loans: Associated Bank Lakeshore's 1997 and 1998 Small Business Data Collection Register and Small Farm Data Collection Register were used in assessing the bank's performance under the Lending Test.

Consumer Loans: Associated Bank Lakeshore's 1997 and 1998 Consumer Loan register were used in assessing the bank's performance under the Lending Test.

Community Development Loans: These loans were reviewed on an individual basis.