



## **PUBLIC DISCLOSURE**

March 8, 1999

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Associated Bank Green Bay N.A.  
Charter Number 23695**

**200 North Adams Street  
Green Bay, Wisconsin 54307-9006**

**Office of the Comptroller of the Currency  
Milwaukee Field Office  
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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 Green Bay N.A.** 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 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 which an institution selects as the community within which its regulator will assess the institution's record of CRA performance.

**Associated Bank Green Bay N.A. (ABGB)** - Associated Bank Green Bay N.A., Green Bay, 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:** Associated Bank Green Bay, N. A. is rated “**Satisfactory record of meeting community credit needs.**”

The primary reasons for this rating are:

- C ABGB’s lending levels reflect a good responsiveness to the credit needs of its assessment area.
- C A substantial majority of the bank’s loans are in the assessment area.
- C The bank’s distribution of small loans to businesses is good. The bank’s geographic distribution of small loans to businesses is also good.
- C ABGB has a good distribution of loans to borrowers of different income levels. The bank’s geographic distribution of loans to borrowers of different income levels is satisfactory.
- C The level of community development investments and grants is adequate. However, the bank makes extensive use of flexible lending programs to help meet the needs of its AAs.
- C The bank’s delivery systems are accessible to geographies and individuals of different income levels. To the extent changes have been made, ABGB has improved the accessibility of its delivery systems.
- C The institution provides a satisfactory level of community development services.

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

Performance Levels	Associated Bank Green Bay 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.

The last Performance Evaluation, dated March 31, 1996, rated ABGB as having an “Outstanding record of helping to meet the community credit needs.”

## Description of Institution

ABGB is 100% owned by Associated Banc-Corp (ABC), headquartered in Green Bay, Wisconsin. ABC, a multi-bank holding company, is Wisconsin's third largest publicly traded banking company with assets of \$11.8 billion as of December 31, 1998. ABC has over 200 banking locations in Wisconsin, Illinois and Minnesota. ABC also operates subsidiaries engaged in commercial banking, mortgage lending, trust services, investment services, and insurance activities. Two ABC subsidiaries, Associated Mortgage, Inc. and Associated Commercial Mortgage, Inc. are active in ABGB's assessment areas. At the request of ABGB, we considered the lending activities of these affiliates in the performance evaluation of ABGB.

ABGB, an intrastate bank, is the lead bank of ABC and is the largest bank headquartered in its AAs with assets totaling \$1.8 billion. The bank has 22 offices located in Brown, Oconto, Marinette, and Door Counties. Twenty-one of the offices are full-service locations, with 20 of these having drive-up facilities. ABGB also operates one limited service branch in the Moraine Ridge Retirement Community located in the City of Green Bay. The bank owns and operates 43 automatic teller machines (ATMs) in its AAs. The locations of the offices and ATMs are detailed in Table 14 - Distribution of Branch and ATM Delivery Systems in Appendix A.

The bank's business strategy is to operate with a community-bank orientation while offering a large-bank range of products. Commercial lending has long been a strength of ABGB and small business lending is considered one of the bank's market niches. Commercial loans represent more than 50% of the bank's loan portfolio. Residential real estate lending represents the majority of the bank's retail lending. Residential-related lending in the bank's AAs is performed by both ABGB and its affiliate, AMI. The bank 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. AMI's lending efforts in ABGB's AAs are considered in this performance evaluation of ABGB. The tables in Appendix A relating to the bank's home purchase, home improvement, and home refinance lending (Tables 1, 2, 3, 4, 8, 9, and 10), show the combined performance of ABGB 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, net loans represented 59.2% of total assets and the bank had a return on average assets of 1.63%. ABGB's loan portfolio is broken down as follows: \$615.5 million in commercial and industrial loans (56.2% of total loans); \$349.6 million in residential real estate loans (31.9%); \$102.6 million in consumer loans (9.4%); \$12.1 million in agricultural loans (1.1%) and \$14.7 million in other loans (1.4%). Based on June 30, 1998 Federal Deposit Insurance Corporation data, ABGB has the largest deposit market share in Brown County at 27%. ABGB's combined deposit market share in Door, Marinette, Oconto and Kewaunee Counties ranks second at 13%. Approximately 80% of ABGB's deposits come from Brown County.

## Description of Assessment Area

The bank's AA consists of two separate but contiguous areas. One of the bank's AAs is defined as the Green Bay MSA (#3080), which is all of Brown County. The other AA (a non-MSA) consists of all of Door, Marinette, Oconto and Kewaunee Counties, and two census tracts in Outagamie County (numbers 130.00 and 131.00). Although included in its AAs the bank has no offices located in Kewaunee County.

ABGB's AAs consists of 100 geographies. The AAs are comprised of 2 low-income geographies (2% of all geographies in the AAs), 22 moderate-income geographies (22%), 61 middle-income geographies (61%), and 9 upper-income geographies (9%). The remaining six geographies do not have an assigned income level. By family income level, 18% of all families in the AAs are considered low-income families, 19% are moderate-income, 27% are middle-income and 36% are upper-income. Tables A below presents demographic information of both AAs combined:

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	100	2.0	22.0	61.0	9.0	6.0
Population by Geography	318,577	0.9	17.0	68.6	13.2	0.3
Owner-Occupied Housing by Geography	84,091	0.3	16.6	69.7	13.4	0.0
Businesses by Geography	12,349	4.8	14.7	71.0	9.4	0.1
Farms by Geography	374	0.0	8.0	83.4	8.6	0.0
Family Distribution by Income Level	84,973	18.4	18.5	27.3	35.8	0.0

Source: 1990 U.S. Census data.

The bank's CRA rating is arrived at by assessing ABGB's performance in meeting community credit needs in all of its assessment areas. Within the body of the text, and in the Tables in Appendix A, ABGB's performance is discussed and illustrated in terms of its performance in the combined AAs as well as its performance in the Green Bay MSA and the non-MSA. A separate conclusion in regards to the bank's performance in the MSA AA is presented in the Appendix of this performance evaluation. ABGB has its main office in the MSA, has the majority of its branch locations in the MSA, and obtains the majority of its deposits from the MSA. Because of the separate conclusion in regards to the bank's performance in the MSA, 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 MSA, while Table C provides this same demographic information for the non-MSA. An analysis of these two tables show some of the demographic differences between the MSA and non-MSA AAs. Both low-income CTs are in the



Green Bay MSA. 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 AA. The distribution of population, owner-occupied housing, businesses and farms are heavily concentrated in middle-income tracts in the non-MSA. The family distribution by income level is similar in both the MSA and non-MSA AAs. Median Family Income and housing values are higher in the MSA. The Green Bay MSA has an unemployment level that compares favorably to the state-wide unemployment rate of 3.5%. The non-MSA area has an unemployment rate that exceeds the state-wide average. Furthermore, of the 15,612 low-income families in the AAs, 6,341 or 40.6% have incomes below the poverty level. These families may have difficulty qualifying for housing-related products.

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	49	4.1	20.4	57.2	16.3	2.0
Population by Geography	194,594	1.6	20.2	57.4	20.4	0.4
Owner-Occupied Housing by Geography	47,423	0.5	19.3	58.2	22.0	0.0
Businesses by Geography	7,384	8.1	17.4	59.7	14.7	0.1
Farms by Geography	172	0.0	11.0	72.7	16.3	0.0
Family Distribution by Income Level	50,732	17.1	17.9	28.6	36.4	0.0
Median Family Income HUD Adjusted MFI for 1998	= \$37,121 = \$50,900	Median Housing Value		= \$61,209		
		Unemployment Rate *		= 2.8%		
		% Families Below the Poverty Level		= 6.7%		

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

\* Source: Wisconsin Department of Workforce Development - November 1998 Seasonally Adjusted Figures.

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	51	0.0	23.5	64.7	2.0	9.8
Population by Geography	123,983	0.0	11.9	86.2	1.9	0.0
Owner-Occupied Housing by Geography	36,668	0.0	13.1	84.7	2.2	0.0
Businesses by Geography	4,965	0.0	10.7	87.9	1.4	0.1
Farms by Geography	202	0.0	5.4	92.6	2.0	0.0
Family Distribution by Income Level	34,241	20.3	19.3	25.5	34.9	0.0
Median Family Income ** HUD Adjusted MFI for 1998 **	= \$30,290 = \$41,800	Median Housing Value **		= \$51,200		
		Unemployment Rate *		= 5.0%		
		% Families Below the Poverty Level		= 8.6%		

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

\* Source: Wisconsin Department of Workforce Development - November 1998 Seasonally Adjusted Figures.

\*\* These items do not include information from the two CTs in Outagamie County.

### *Economy, Major Industries and Employers*

The economy of ABGB's AAs is generally healthy and diverse. The unemployment rate in both AAs combined is similar to that of the Wisconsin state-wide average of 3.5%. Service producing, particularly health services, and manufacturing industries comprise the bulk of the employment base. Employment growth, however, has predominately been in the service sectors. Major employers in the MSA include Fort James Corporation, Onieda Tribe of Indians of Wisconsin, Employers Health Insurance Corporation, and Saint Vincent Hospital. Large non-MSA employers include Karl Schmidt Unisia, Inc., Marinette Marine Corporation (Marinette County), KCS International, Inc. (Oconto County), Door County Memorial Hospital and Olsonite Corporation (Kewaunee County).

### *Financial Competition*

Financial competition in ABGB's AAs is strong. There are approximately 25 financial institutions with offices in the AAs, and approximately 15 credit unions. Several of the financial institutions are large regional banks including Firststar, Bank One, Norwest, and Marshall & Ilsley. These four banks are ABGB's main competition for commercial loans, while finance companies owned by these and other financial institutions compete with ABGB for consumer loans. The bank's competition for agricultural loans is from Farm Credit Services and numerous small local state banks located in the non-MSA farm communities. A wide variety of financial institutions provide competition for mortgage loans. Furthermore, ABGB faces strong mortgage loan competition from insurance companies, mortgage companies and loan brokers including Countrywide Home Loans Inc., Norwest Mortgage Inc., and M&I Mortgage Inc.

### *Community Contacts and Credit Needs*

In an effort to assess the credit needs of the assessment area, we reviewed three community contacts conducted by our office in November 1998. Two of these contacts were with economic development organizations and one was with a local housing coalition. During the current examination, we conducted one community contact with a local housing-related agency. All of the contacts were with organizations located in the Green Bay MSA. The most frequently cited credit needs were loans for business rehabilitation in the downtown Green Bay area, start-up loans for small business, affordable first time home buyer loans, and multi-family real estate loans to provide housing for low-income families. The multi-family real estate loans are most needed in Green Bay's "Target Area." This "Target Area" consists of two low-income census tracts and three moderate-income census tracts designated by the Mayor of Green Bay as an area in need of revitalization; in terms of housing and economic development.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### LENDING TEST

ABGB'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, and community development lending activities.

#### Conclusions

- C The bank has demonstrated a good responsiveness to the credit needs in its AAs, taking into account the number and amount of home mortgage, small business, small farm and consumer loans in its AAs.
- C A substantial majority of loans are made in the bank's assessment area.
- C The bank's record of lending to business of different sizes is good. ABGB also demonstrates a good geographic distribution of small loans to businesses.
- C ABGB has a good distribution of loans to individuals of different income levels. The bank's geographic distribution of loans to borrowers of different income levels is satisfactory.
- C The level of community development lending is reasonable based on the available opportunities.
- C There is a good use of flexible lending practices and programs.

#### Supporting Information

##### *Lending Activity*

Lending levels reflect a good to community credit needs. During 1997 and 1998, ABGB originated 5,418 HMDA reportable loans totaling over \$435 million within its assessment areas. The bank made approximately 62% of all HMDA reportable loans within the MSA AA. This is expected, as 56% of owner-occupied housing in both AAs are located in the MSA. During that same period, the bank originated over 2,800 small loans to businesses totaling almost \$285 million. The bank also made the majority (57%) of its small loans to businesses within the MSA. Again, this is expected as 60% of all non-farm businesses in both AAs are located in the MSA. In both categories of loans, HMDA reportable and small loans to businesses, ABGB ranks first in its AAs in market share<sup>1</sup>. The bank's

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<sup>1</sup> All market share data in this Performance Evaluation is based on 1997 data, the latest available.

agricultural lending performance was also considered in assessing the bank's performance under the CRA. Although agricultural-related loans do not comprise a large portion of the bank's loan portfolio, the bank was second in market share of reporting banks in small loans to farms.

Table 1 - Lending Volume, in Appendix A, shows the number and dollar amount of HMDA, small business and small farm loans originated in 1997 and 1998. This table indicates that the majority of the bank's HMDA reportable and small loans to businesses are made in the Green Bay MSA. This is to be expected since a significant majority of the bank's deposit base and small businesses are in the MSA. A significant majority of the small loans to farms are made in the non-MSA portion of the AA. Information in Tables B and C on pages 6 and 7, show that the majority of farms are located in the non-MSA assessment area.

The majority of this performance evaluation, as well as the tables in Appendix A, focus on the types of loans discussed above. Not only do the loans discussed above constitute a significant portion of the bank's loan portfolio, they are very important types of loans in assessing the bank's performance under the CRA. ABGB's level of small loans to businesses and farms serves as a proxy to the bank's commitment to meeting the needs of businesses and farms that may have a more difficult time accessing credit. Furthermore, community contacts indicated a need for loans to small businesses. As such, we placed significant weight on the bank's lending performance to small businesses. Residential-related loans represent the second largest percentage of the bank's portfolio. As community contacts indicated a need for affordable first-time home loans, more weight was placed on the bank's home purchase lending than on home improvement or home refinance.

ABGB is also an active consumer loan originator. During 1997 and 1998, the bank originated over 13,000 consumer loans totaling over \$159 million within their AAs. Details on the bank's consumer lending performance are presented in Table 15 in Appendix A. It was at ABGB's request that consumer loans be taken into consideration as part of this evaluation.

### *Assessment Area Concentration*

A substantial majority of loans originated during this evaluation period were made in ABGB's assessment areas. During 1997 and 1998, ABGB originated 97% 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 ABGB only and does not include loans originated by AMI. Based on ABGB's 1997 and 1998 Small Business Data Collection Register, 91% of the number and 85% of the dollar volume of small loans to businesses were originated within the AAs. All of the bank's farm loan originations in 1997 and 1998 were made within the bank's AAs. Finally, 93% of the bank's consumer loans made in 1997 and 1998 were within the AAs.

### *Geographic Distribution*

A review of Tables 2 through 5, which show Geographic Distribution of loans, indicates that ABGB has a satisfactory geographic distribution of residential real estate loans. This conclusion is based on an

analysis of the percentage of ABGB's HMDA originations compared to the owner-occupied housing characteristics of the AAs (this analysis provides an insight as to the opportunities available to the bank to make real estate loans), an analysis of the bank's market share in low- and moderate-income tracts compared to other lenders in the AAs, an analysis of the bank's overall market share, and an understanding of the demographics of the assessment areas. Based on 1997 aggregate market share information (as stated earlier, the last year for which market share data is available), ABGB ranks first in the number of HMDA product originations with a market share of 12.53%. Analyzing individual HMDA product market share, ABGB ranks first in home purchase lending, first in home improvement lending, and second in home refinance loans.

In total HMDA lending, ABGB's market rank for LMI areas in the AAs is tied for first (13.1% market share) and second (10.2%) respectively. The bank's market share is smaller in the moderate-income census tracts because there is more competition, as there are more lenders reporting loans in moderate-income census tracts than there are in the low-income tracts. Based on 1997 market share data, 35 lenders made HMDA reportable loans in low-income census tracts of the AAs as compared to 135 lenders reporting loans made in moderate-income tracts. In regards to lending in low-income census tracts, only 2 of the 100 tracts located in the bank's AAs are classified as low-income. Both of these tracts are in the MSA. Only 0.5%, (approximately 240 units) of the owner-occupied housing is located in low-income CTs. As a result, the total number of HMDA-related loans (61) in low-income CTs by all lenders in 1997 is very small.

#### Individual HMDA products analysis

##### *Home Purchase*

The bank's geographic distribution of home purchase loans is good. Table 2 - Geographic Distribution of Home Purchase Loan Originations, shows that ABGB ranks first in market share not only in the entire assessment area, but in the MSA and non-MSA portions as well. ABGB's market rank in home purchase lending in low- and moderate-income tracts ranks first and second respectively. In the moderate-income tracts the bank is only seven loans behind the market leader. This level of market share penetration shows that the bank is a leader in providing home purchase loans in the LMI census tracts when compared to other lenders in the AA.

Table 2 also shows a good distribution of home purchase loans throughout the AA. The bank's percentage of home purchase lending in low-income census tracts exceeds the owner-occupied characteristics of the AA, while the bank's percentage of home purchase lending in moderate-income CTs is considered good based on area demographics. This is especially true based on the fact that of the 15 census tracts that have an affordable housing ratio (a comparison of the median housing value to the median family income) of more than two (the price of a home is 2 times income), seven of these are moderate-income tracts. This shows that the performance in the moderate tracts is good even though the opportunity to lend in these seven tracts is more limited. The seven moderate-income CTs with an affordable housing ratio greater than two represent 32% of all moderate-income tracts in the assessment areas.

### *Home Improvement*

The bank's geographic distribution of home improvement loans reflects satisfactory penetration throughout the assessment areas. Table 3 - Geographic Distribution of Home Improvement Loan Originations, shows that ABGB ranks first in the assessment area with a market share of 17.9%. The market share is particularly strong in the non-MSA portion of the assessment area. In the low-income census tracts, only eight home improvement loans were made by all lenders in 1997. This low number would not provide meaningful analysis. In the moderate-income tracts, the bank ranks third in market share at 14.7%.

Table 3 also shows that the bank's percentage of home improvement loans is comparable to the owner-occupied characteristics of the assessment area. In 1997, ABGB/AMI's percentage of home improvement homes made in moderate-income geographies was slightly below the owner-occupied characteristics. However, in 1998 the level of home improvement lending in these tracts exceeded these characteristics. Overall, the geographic distribution of home improvement loans is good. Again, the small number of home improvement loans to borrowers in low-income census tracts does not provide for a meaningful analysis.

### *Home Refinance*

Table 4 - Geographic Distribution of Home Mortgage Refinance Loan Originations shows that the bank has a good distribution of home refinance loans. ABGB ranks second in the assessment area with a 9.3% market share. The bank's performance is strong in the non-MSA AA. ABGB's market share of home refinance loans in low-income census tracts exceeds its overall market share. The bank's market share in moderate-income census tracts is slightly below its overall market share, but given the fact that there are 202 mortgage lenders in the assessment area competing for the refinance loan market, ABGB has done a good job of meeting the home refinance credit needs of its assessment area.

The bank's distribution of home refinance loans is good in comparison to the owner-occupied characteristics of the assessment area. The interest rate environment in 1998 caused a significant increase in home refinance lending that year. With significantly more owner-occupied housing units in middle- and upper-income census tracts, the refinance surge resulted in more refinance loans in the middle- and upper income tracts and fewer in the low- and moderate-income tracts.

### *Multifamily*

The bank has a good geographic distribution of multifamily loan originations. In the AAs, ABGB ranks first with a 15.6% market share. Although the number of multifamily loans totaled only 10 and 7 in 1997 and 1998 respectively, the bank originated 20% of its multifamily loans in LMI tracts in 1997 and over 28% in 1998. This is good compared to the fact that only 16% of the multifamily units were located in LMI tracts in 1997 and 1998. Details on the bank's multi-family loan originations can be found in Table 5 in the Appendix.

## Small Business and Small Farm analysis

### *Small Business Lending*

Small loans to businesses reveal an overall pattern of activity that is good in comparison to the opportunities in the AAs. This is detailed in Table 6 - Geographic Distribution of Small Business Loan Originations located in the Appendix. An analysis of Table 6 shows that in 1997, 19% of all small businesses were located in LMI tracts. The bank made 19% of its loans in these tracts. Considering that the bank made 1,559 business loans during that period, this distribution is good. In 1998 this level of lending did not substantially change, with 1,261 loans being made. Market share penetration is also good. ABGB is number one in overall market share with 28%, and has a 34% market share in the low-income census tracts and a 32% market share in the moderate-income tracts. This performance clearly shows that the bank helps to lead in providing small business loans to the community. Furthermore, based on the fact that small business loans was mentioned as a needed credit by community contacts, the bank's performance in this category of lending is viewed very positively.

### *Small Farm Lending*

Although the bank only made 331 farm loans in 1997 and 240 in 1998, the geographic distribution of these types of loans is very good, particularly in the non-MSA AA. An analysis of Table 7 - Geographic Distribution of Small Farm Loan Origination, shows that no farms are located in the low-income geographies and thus no loans. But, in the moderate-income census tracts in both 1997 and 1998, the bank made 22% of its farm loans while only 8% of the farms were located in these tracts. Nearly all of ABGB's small loans to farms were made in the non-MSA AA where the bank has created a niche due to the presence of an agricultural specialist being located there. ABGB's overall market rank in 1997 was second, with 28% of the market. However, in the moderate-income census tracts, the bank's market share was 72%. This data shows that the bank does a good job in providing farm loans in the non-MSA AA. More specialized lenders are meeting the agricultural needs in Brown County.

### *Consumer Lending*

The bank's level of consumer lending throughout its geographic area is good. A proportional number of consumer loans are made within each geographic area in relation to the demographics of the area. An analysis of Table 15 - Geographic and Borrower Distribution of Consumer Loan Originations, shows that loans in the low-income geographies and loans in the moderate-income geographies are reasonable.

### *Borrower Distribution*

A review of Tables 8 through 10 - Borrower Distribution, shows that the bank has a good distribution of loans to customers of different income levels for real estate purposes. This conclusion is based on an analysis of the percentage of ABGB's originations compared to the number of families in the AAs, (this

analysis provides an insight as to the opportunities available for the bank to make real estate loans), an analysis of the bank's market share in LMI tracts compared to other lenders in the AAs, an analysis of the bank's overall market share, and an understanding of the demographics of the assessment area.

Based on 1997 aggregate market share information, ABGB ranked first in the number of HMDA product originations made to low- and moderate-income borrowers with a market share of 11.2%. In total HMDA lending, the bank's market share for lending to low-income borrowers in the AAs ranks first with a 10.5% market share. The bank also ranks first with an 11.5% market share to moderate-income borrowers. This level of lending is good considering that over 135 lenders made over 3,552 loans to LMI borrowers. Analyzing individual HMDA product market share, the bank ranks first in home purchase lending, first in home improvement lending, and second in home refinance loans.

#### Individual HMDA products analysis

##### *Home Purchase*

Table 8 - Borrower Distribution of Home Purchase Loan, shows that the has a good borrower distribution of home purchase loan originations. The bank's market share to moderate-income borrowers of 13.4% ranks first in the AAs. ABGB's market share of 10.6% to low-income borrowers ranks second, only seven loans behind the market leader. The bank's market share to LMI borrowers is just slightly below its overall market share of home purchase loans. ABGB's percentage of loans to moderate-income borrowers also closely resembles the demographics of the area. Considering the percentage of low-income families with incomes below the poverty level, the bank's percentage of loans to low-income families in comparison to the demographics of the area is considered reasonable.

##### *Home Improvement*

The bank's record of providing home improvement loans to low- and moderate-income borrowers is good. Table 9 in the Appendix indicates that the bank's market share of home improvement loans to low-income borrowers exceeds its overall market share. The bank ranks first in the AAs in home improvement lending to low-income borrowers. ABGB's market share to moderate-income borrowers is comparable to its overall market share, primarily due to the bank's good performance in the non-MSA AA. The bank's percentage of home improvement loans is comparable to the demographics of the AAs.

##### *Home Refinance*

The bank's record of providing home refinance loans to low- and moderate-income borrowers is satisfactory. In the non-MSA AA, the bank has a good record with market shares to LMI borrowers at or above its overall market share. The bank's percentage of home refinance loans to LMI borrowers is below the demographic makeup of the AAs, however, ABGB's number of home refinance loans to low-income borrowers is only seven loans behind the market leader.



## Small Business and Small Farm Analysis

### *Small Business*

The bank's level of lending to business of different sizes and its level of making small loans to businesses is excellent as detailed in Table 11. ABGB made 84% and 79% of its small loans to businesses to businesses with revenues of less than \$1,000,000 in 1997 and 1998 respectively. These percentages rank well above the percentage of all lenders making loans to businesses with revenues less than \$1 million. Furthermore, this percentage of lending is impressive given that ABGB is one of the larger banks in the area and has the resources to make larger loans to larger customers. The table also reveals that 77% of its small loans to businesses were made in original amounts of less than \$100,000 in 1997 and 76% in 1998. ABGB's level of small loans to businesses ranks first in the AA with a market share of 28%. When looking at loans made to businesses with revenues of less than \$1,000,000, the performance is even better with ABGB again ranked first with a market share of 33%. In the LMI tracts, the bank also ranks first in the market share of small loans made to businesses, and ranks first in loans made to small businesses.

In a study conducted by the Small Business Association (SBA) Office of Advocacy in 1997, ABGB was listed as being one of the top small business lenders in the State of Wisconsin. Based on SBA data, ABGB ranks third in the state in total small loans to businesses among banks with assets between \$1 and \$10 billion.

### *Small Farms*

The bank's level of lending to farms of different sizes and its level of making small loans to farms is good and is detailed in Table 12. This shows that ABGB made 99% of its farm loans to farms with revenues of less than \$1,000,000 in 1997, and 100% in 1998. The table also reveals that 95% and 94% of its small loans to farms were made in original amounts of less than \$100,000 in 1997 and 1998 respectively. ABGB's level of making small loans to farms ranks a very close second in the AA with a market share of 28%. When looking at loans made to farms with revenues of less than \$1,000,000, ABGB again ranks a very close second with a market share of 29%. In the LMI tracts, the bank ranks second in market share of total small loans to farms and second in loans made to farms with revenues of less than \$1,000,000. These facts indicate that the bank is making a large majority of its agricultural loans to smaller farms and in small dollar amounts.

An SBA study in 1988 ranked ABGB as the top small farm lender in the state with total assets of \$1 to \$10 billion. Again, this demonstrates ABGB's commitment to meeting the agricultural needs of its community.

### *Consumer Lending*

The bank's level of consumer lending by borrower income levels is good. A proportional number of consumer loans are made to borrowers with different income levels in relation to the demographics of

the area. An analysis of Table 15 - Geographic and Borrower Distribution of Consumer Loan Originations, shows that loans to low-income borrowers and loans to moderate-income borrowers are reasonable.

### ***Community Development Lending***

ABGB has made a reasonable number of community development loans based on the available opportunities and area demographics. Opportunities for making qualified community development loans are not as prevalent as in larger communities. Opportunities that do exist in the AAs include making loans to agencies or corporations that have a community development purpose. However, there are not a significant number of these types of agencies/corporations in ABGB's AAs. Furthermore, several loans that have a community development purpose were already considered under the other lending tests above. Community development lending activity is discussed below

In 1997, the bank's affiliate, Associated Commercial Mortgage Inc. (ACMI), lent the Green Bay Affordable Housing Loan Program \$880,000 to construct the remaining 16 units of Deer Run Apartments, a 72-unit complex targeted to provide affordable housing for low and moderate-income individuals. This project located in the village of Howard, was financed by a consortium of lenders in the Green Bay area, and started in 1994 for a total of \$3,000,000. There is still \$2,900,000 of the original ACMI loan outstanding.

In October 1998, ABGB agreed to provide up to \$100,000 in financing for Lakeshore Community Action Program, Inc. (Lakeshore CAP). This organization's headquarters is located outside of the assessment area, but the program serves low-income individuals in Door and Kewaunee counties, parts of the bank's non-MSA AA. Lakeshore CAP provides housing services, financial assistance, counseling services, and job placement for low-income residents in the community. The purpose of the bank's loan is to allow Lakeshore CAP to buy several existing homes in Door and Kewaunee counties and remodel them to accommodate these low-income persons. The bank will provide 20% of the purchase price of the homes as a first mortgage at below market rate and terms (8.5% for a 10 year note), with the remaining 80% of the cost funded by a Federal Grant.

### **Flexible Lending Practices and Programs**

ABGB makes extensive use of flexible-lending programs and products to help serve the credit needs of LMI individuals and geographies in the AA. Programs offered by ABGB are discussed below.

**Oneida Tribal Loan Credit Program** - This home purchase loan program was developed by the bank and provides Native Americans of the Oneida Tribe with access to credit to purchase homes on Tribal land. In the past, legal and collateral securitization concerns made lending on Tribal land difficult. However, ABGB developed this program to meet the credit needs of the Tribe. The program allows a smaller down payment (the Tribe provided low-interest loans for the down payment) and offers 1-, 3-, 5-, or 7-year Adjustable Rate Mortgage products. During the assessment period, the bank made eight

of these loans for \$551,000. Since the program began in 1990, the bank has made 82 loans for \$4,425,000. The bank's performance in this program received praise from the United States Senate in a General Accounting Office publication entitled "Native American Housing" in 1998.

**Wisconsin Housing and Economic Development Authority (WHEDA)** - The bank participates in two of WHEDA'S's loan programs, the First Time Home Purchase loan program and the Home Improvement loan program. Both programs target LMI borrowers. The home purchase program allows for a down payment of only 3% on the purchase of a single-family home. This program also provides a lower than market interest rate and offers several repayment term options. The home improvement program also offers lower than market rates and terms. Under these two programs, the bank originated 31 home purchase loans in 1997 for \$1,883,382 and 30 loans in 1998 for \$1,926,295. In 1997, the bank originated three home improvement loans for \$28,785 and three loans in 1998 for \$25,469.

**Neighborhood Housing Service (NHS)** - ABGB has been participating in this program with other area lenders since 1996. NHS mission is to provide mortgage loans to LMI first time home buyers. The program only requires 3% down, and has less than market rates and terms. NHS projects target LMI neighborhoods, and LMI borrowers. The Bank made six of these loans in 1997 for \$392,000 and four in 1998 for \$269,000.

**Green Bay Mayor's Neighborhood Resource Board** - ABGB was a leader in developing this program which provides a pool of loan money to help LMI individuals purchase housing. The bank, along with four other local financial institutions, helps provide \$4 million in loan money to applicants who want to purchase one or two-family dwellings in designated LMI areas of downtown Green Bay. In addition to providing housing for LMI individuals, the purpose of the program is to stabilize and rebuild the downtown area. The rates and terms are all below market, with a 5.25%, 5 year ARM, a 5.75%, 10 year ARM, and an amortization of 15 to 30 years. (ABGB is one of only two banks out of the five to offer the 10 year ARM.) The bank made two of these loans in 1998 (the first year of the bank's participation) for \$111,000.

**Guaranteed Rural Housing Loan Program** - The bank participates in this U.S. Department of Agriculture lending program, which provides housing loans for low- and moderate-income rural families. The program features market rates, allows for a higher than normal debt ratio, provides for financing up to 100% of the purchase price, and has a 90% HUD guarantee. Although this program has more strict lending standards than the bank provides, ABGB originated four loans under this program for \$264,000 during the assessment period. To further provide rural customers with access to credit for housing needs, the bank frequently makes loans to rural housing applicants who do not meet the stricter lending standards of the Department of Agriculture.

**De Pere Main Street Program** - A program designed in 1990 to stimulate the redevelopment of downtown east and west De Pere (moderate-income areas) through loans to businesses. The bank offers lower than prime rates and terms (further subsidized by the program itself) and has made 12 loans for \$190,000 since the program began.

**Green Bay “On Broadway” Main Street Program** - A program developed by ABGB in conjunction with the “On Broadway” program in 1998. The purpose of the program is to stimulate the redevelopment of west Green Bay (low-income areas) through loans to businesses. The bank offers lower than market rates and terms, and has made one direct loan for \$18,000 since the program began. However, the bank has also made five other loans to businesses in this area where the request to the program was larger than the program could accommodate. These loans for over \$3,211,000 would have not been made unless the program had been in place.

## INVESTMENT TEST

ABGB's performance under the Investment Test was evaluated 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 AA, and the degree to which these investments and activities are not routinely provided by private investors.

### Conclusions

- C The bank's level of community development investments and grants is reasonable, based on the investment opportunities available in the community. ABGB's qualified investments and grants over the assessment period total \$674,000.
- C ABGB has taken a leadership role in one significant investment initiative.

### Supporting Information

A review of community contact information and discussions with the Green Bay Mayor's Neighborhood Resources Board, the Neighborhood Housing Service office, and the Small Business Administration office disclosed that there is very little opportunity for community development investing in the community. The directors of these groups went on to state that ABGB has always been ready to invest in any economically viable project developed by their organizations.

Table 13 in the Appendix illustrates the number and dollar amount of ABGB's qualified investments over the assessment period. The table categorizes the investments by purpose; affordable housing, community service, economic development, and revitalization or stabilization. Details on the bank's investments and grants are discussed below.

#### *Investments*

ABGB is the largest investor in the **Brown County Affordable Housing Limited Liability Corporation, (BCAH)**, an organization designed to help provide LMI housing for the Green Bay area. The BCAH was formed in 1995 but did not begin fully functioning until late 1997. The organization consists of ABGB, three other local banks, and Wisconsin Public Services, the local public utility. ABGB took the leadership position in the formation of the BCAH and has continued to do so. A bank officer is the managing member of the organization. ABGB has the largest percentage interest in the BCAH at 35%, or \$298,265 of the \$850,000 in capital raised. The next largest interest among the ownership group is 24%. In 1998, ABGB invested an additional \$63,000 in BCAH raising the bank's investment to \$361,265.

The purpose of the BCAH is to provide low cost housing for LMI families in the Green Bay area. Each investor makes investments directly to the LLC, and the LLC then invests in specific housing

projects. During the assessment period, the bank's investment has helped provide 21 housing units for LMI families in the community. The 21 units were rented immediately after construction.

The bank's leadership role in this organization is significant. Before the BCAH was established, bank management studied several Chicago-area multi-bank Community Development Corporations (CDC's) to assess the strengths and weaknesses of multi-bank CDC's. They learned that although the establishment of a multi-bank CDC can be an effective way for banks to satisfy community development requirements, there are also numerous concerns. Primarily, it can be very difficult in ventures of this kind to satisfy the objectives of each bank, especially when many of the participants and decision makers are located out of the assessment area. Despite the concerns, ABGB management took the initiative to form a multi-bank CDC. The formation of the BCAH was a time consuming and complex initiative and ABGB's leadership position in it is considered very positive; especially in light of community contacts citing the need for affordable housing for LMI individuals or families. Furthermore, Limited Liability Companies like the BCAH are not routinely provided by private investors.

### *Grants*

During the assessment period, ABGB contributed approximately \$20,000 to the following seven groups, who have as their primary purpose economic development and revitalization of the community or providing affordable housing and social services for low- and moderate-income persons: **Christmas in May, On Broadway, Neighborhood Housing Services, Inc., Door County Economic Development Corporation, De Pere Main Street, Advance, and Door County Habitat for Humanity.**

In addition to the grants, the bank also contributes an additional \$1,000 per year to the **De Pere Main Street Program** (DPMS) for operating expenses. ABGB also grants an additional \$5,000 per year to DPMS's loan program fund. During the assessment period, ABGB has contributed \$2,000 and \$10,000 for operating expenses and loan program funding respectively. DPMS actively solicits and provides funds for small businesses to revitalize LMI areas.

The bank sponsors its own **School Banking Program** to help educate grade-school students on the importance of saving and to help them learn the basics of bank transactions. Bank employees present seminars to the students and teach them basic functions such as how to balance a check book and how checks clear an account. This program costs the bank approximately \$80,000 a year. The program is targeted to LMI students and to schools in the LMI areas of the community. As of February 1999, 1,745 students participated in this program, although the seminars reach over 3,000 students.

In 1997 and 1998 the bank contributed \$44,300 to groups affiliated with the **United Way of Brown County**. These groups provide services to LMI individuals. This amount is that which went specifically to organizations which serve LMI members of the AA. In 1998, ABGB's contribution level ranked 5th of 39 contributors.

In 1998, the bank granted \$20,000 to **Urban Hope**, a local organization which assists LMI women

and minorities in starting their own businesses. The monies will help the organization with operating funds, and will provide a pool of money for start-up loans to these small businesses. In addition to this monetary contribution, ABGB provides office and parking space for **Urban Partnership**, an affiliate of Urban Hope.

## SERVICE TEST

The bank's performance under the Service Test was evaluated 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 AA's needs) and the level of community development services provided in the AAs.

### Conclusions

- C ABGB's delivery systems are accessible to all portions of its AAs.
- C To the extent changes have been made, the bank has improved the accessibility of its delivery systems. Since the last CRA evaluation, ABGB acquired a full-service branch in a moderate-income census tract.
- C Bank services and hours of operation are tailored to meet customer needs.
- C ABGB is a leader in providing community development services.

### Supporting Information

#### *Retail Banking Services*

#### Branch Network

There are no conspicuous gaps in ABGB's branch or ATM network. The bank's main office and drive-up facility is located in a low-income census tract in downtown Green Bay. There are 21 full-service branches located in the assessment area with 20 of these having a drive-up facility. In addition to the 21 full-service locations, the bank operates a limited-service branch in the Moraine Ridge retirement community, located in Green Bay. Fourteen of the 21 full-service locations have ATMs, with the other 29 ATMs located throughout the assessment areas. 20 of ABGB's ATMs are deposit taking machines. The bank allows its customers unlimited ATM transactions at its 43 bank-owned ATMs in the AAs. It also allows six free ATM transactions per month at non-bank owned machines. An analysis of Table 14 - Distribution of Branch and ATM Delivery System, and a review of a map showing branch and ATM locations, reveal that office and ATM locations are accessible to all geographies and individuals of different income levels.

The full-service branches offer loan products and deposit services, with loan officers located at all of these locations. More complicated business loan requests are referred to the main office. In addition, on request or if needed, business bankers will meet with customers at branch locations, at the customer's place of business, or at their home. The bank also offers trust services and investment services to customers at bank locations or at the customer's home if requested. These services are also available to community development organizations. The bank provides cash management services for



small businesses, such as payroll processing and lock box collections. In addition, ABGB offers money management retirement planning services for small businesses and individuals.

The bank's record of opening and relocating facilities since the last examination, has increased the accessibility of banking services to low- and moderate-income individuals. In 1998, ABGB acquired two branches, one which is located in a moderate-income census tract. In 1997, ABGB opened a full service branch with a drive-up facility and ATM in the town of Ledgeview. Although located in a middle-income census tract, the branch is on the edge of a moderate-income tract.

Branch hours are tailored to the community where they are located. All branches have extended hours on Friday. A majority of the bank's lobbies and drive-up facilities are open on Saturday. Offices not open on Saturday have more seasonal customer traffic patterns being situated in summer tourism locations. Bank studies indicate that these offices have not had sufficient customer traffic to necessitate Saturday hours. All non-MSA drive-up facilities are open before the branches opens and close after the branch does. ABGB management made this decision to have extended drive-up hours at these locations to provide banking services for people who commute to and from Green Bay for work. This adds to the convenience of AA needs.

#### Alternative Delivery Systems

The bank's alternative delivery systems provide banking services which are accessible to low- and moderate-income geographies and individuals. The bank's 43 proprietary ATMs are well dispersed throughout the assessment area, with the percentage of ATMs in LMI geographies commensurate with the percentage of the population living in those geographies.

The following services add convenience or are tailored to meet the needs of specific customers: Other alternative delivery systems the bank offers include:

- C **Direct Connect** - A 24 hour telephone and personal computer banking service where customers can access information regarding deposit and loan information. This service is available seven days a week. The customer is able to transfer funds between accounts, check account balances, and determine if checks have cleared. Loan customers can inquire as to the status of loan payments, payoffs, interest calculations, and loan balances.

#### Other Banking Services

- C **Associated Basic Business Checking** - A checking account available for small businesses. The account minimizes banking costs while enabling the bank to establish a relationship with the small business. There is a monthly maintenance fee, and transactions are generally charged a per item fee after 170 items are processed.
- C **Non-Profit Accounts** - ABGB also offers a non-profit checking account available to non-profit organizations. This account is non-interest bearing and does not impose service charges on most

items usually subject to a service charge.

- C **Associated Student Checking** - A checking account available for students between the ages of 18-24. The account can be opened with an initial deposit as low as \$25 and assesses only minimal fees.
- C **Business Employee Check Cashing** - An onsite, bi-weekly check cashing service developed for a local business but available to any other business that desires the service. The business has its payroll account at ABGB, but the check cashing service is provided to employees even though they may not have an account at the bank. The majority of the firm's employees are LMI individuals and the bank does not charge for this service.

### *Community Development Services*

The bank is the leader in providing community development services for the assessment area. Senior management, bank officers, and employees contribute time and expertise to community organizations that focus on developing and revitalizing the local economy; to groups dedicated to the revitalization of LMI neighborhoods; and to groups that attempt to provide affordable housing and social services for low- and moderate-income individuals. Examples of programs and organizations ABGB has provided community development services for are detailed below.

**Brown County Affordable Housing** - An organization consisting of four local banks and the Wisconsin Public Service. The group's primary purpose is to serve the housing needs of low- and moderate-income individuals. As stated in the Investment Test section above, ABGB took a leadership role in the formation of this organization and a member of senior management is the managing member of the BCAH.

**Neighborhood Housing Service** - A consortium of area lenders that provide mortgage loans to low- and moderate-income first time home buyers. Members of the consortium provide home buyer seminars and other financial counseling services to LMI members of the community. A member of senior management serves in a leadership capacity in the organization. The bank employee helps the consortium make decisions regarding fund allocation and seminar/counseling scheduling.

**Mayor's Neighborhood Resource Board** - A group which provides guidance to local government regarding community housing and economic development needs. Bank officers advise this group in the area of loan products and financial services available.

**On Broadway** - A civic committee that promotes economic development in downtown Green Bay, a moderate-income area. A member of senior management provided financial expertise by serving as Treasurer of this group during 1998.

**Christmas in May** - A civic project that focuses on providing improved housing for low-income members of the community. Bank employees provide time and expertise to this group in the form of

financing options available for low-income individuals.

**Green Bay Chamber of Commerce, Advance Board** - A subgroup of the Chamber which assists individuals in starting their own businesses. Although any business person is eligible for assistance, the group targets LMI individuals. Two senior members of the bank serve as board members of the Chamber and are on the Advance Board. They provide financial expertise on a wide array of matters pertaining to the formation of start-up businesses.

Several members of senior management serve on various committees devoted to revitalizing downtown Green Bay, including the **Economic Restructuring Committee** (a part of “On Broadway”), the **Green Bay Redevelopment Authority**, and **Downtown Green Bay, Inc.** In all cases, bank employees provide financial expertise to these groups.

The vice-president of business banking serves as a member of the **U.S. Small Business Administration’s** local Advisory Board. The committee meets quarterly at the bank. Bank loan officers routinely develop and present seminars to the group on how to finance a start-up business and how to write a business plan.

A senior member of the bank is a member of the **YMCA’s Partnership with Youth**, is president-elect of the Brown county **United Way**, and is on the board of the Brown County Incubator, a Chamber of Commerce subgroup. This member of the bank’s management team provides these groups with expertise to help with the allocation and administration of available resources. These organizations provide services primarily for the benefit of LMI individuals or small businesses.

Two bank employees presented mortgage lending topics at a home buyers seminar sponsored by the **Oneida Indian Tribe**. The section on Flexible Lending Practices and Programs discusses loan programs created by the bank to meet credit needs of Native Americans of the Oneida Tribe. A bank officer won the Wisconsin Banker’s Association (WBA) “Banker of the Year” award for her involvement in the WBA’s **Personal Economics Program (PEP)**. This program teaches children (focusing on LMI children) the basics of financial management. In addition to the officer winning the award, the bank also won the state **PEP** award.

Several bank officers are actively involved in the De Pere Development Corporation’s **Main Street De Pere Program**. This program fosters economic development of downtown De Pere by not only recruiting new small businesses to the area, but also by providing financial services to these businesses. The bank also provides office space, pays for telephone service, and provides parking for the organization.

A community branch manager serves as Chairman of the Board of the **Door County Economic Development Corporation**, and a senior lender serves as the chairman of the organization’s Revolving Loan Fund. The Corporation’s main purpose is to help this rural LMI area with economic development. These employees provide expertise in prudent lending decisions.

A bank officer is a director of the **Door County United Way**. This employee adds financial expertise in regards to United Way resource allocation

Another area branch manager serves as a director of the **Oconto County Economic Development Corporation** (OCEDC), and as chairman of the **City of Oconto Industrial Development Committee's Revolving Loan Fund**. Again, financial expertise is provided in the credit decision process. The OCEDC primarily benefits small businesses located in, or wishing to locate, in this portion of the bank's assessment area.

Bank loan officers work with the **Farm Service Agency** (FSA) to identify the credit needs of low- and moderate-income farmers in Marinette and Oconto Counties. The FSA, an arm of the United States Department of Agriculture, administers farm commodity programs; provides operating and emergency loans; and, oversees international food assistance and international export credit programs. A primary beneficiary of FSA programs are small farm owners.

## **FAIR LENDING REVIEW**

The OCC conducted a fair lending examination of ABGB concurrently with its CRA examination. Our review targeted home purchase loans using the bank's 1998 HMDA-Loan Application Register (LAR). We compared 26 approved owner-occupied home purchase loans to females with no co-applicant to 30 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. We did not perform a comparative analysis between minority denials and non-minority denials as there was an insufficient number of minority denials by product type to complete a meaningful analysis.

## **APPENDIX**

## **CONCLUSIONS WITH RESPECT TO METROPOLITAN STATISTICAL AREA #3080 (BROWN COUNTY)**

Our review included a separate analysis of ABGB's CRA performance in the Brown County MSA (#3080). 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 ABGB's Operations in the Brown County MSA**

ABGB operates 12 of its 22 branches in Brown County. One of the branches is a limited-service facility located in a retirement home. Nearly 80% of ABGB's total deposits come from within this MSA. A detailed description of the demographics of this MSA can be found earlier in this evaluation on pages 6 through 8.

### **Conclusions about Performance Tests in the Brown County MSA**

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

#### *Lending Test*

ABGB's lending performance in the Brown County MSA reflects good responsiveness to the area's credit needs. ABGB ranks first in the AA in home purchase and multifamily loans as well first in small loans to businesses. Small loans to businesses was cited by community contacts as a needed credit in the area and ABGB's performance in this category of loans is viewed very positively.

The bank's market share in moderate-income tracts in this AA is below their overall market share. This is generally due to more competition as there are more lenders operating within this AA than the non-MSA AA. The only low-income CTs in ABGB's AAs are in this AA. ABGB's market share in low-income tracts exceeds their overall market share in home purchase and home refinance loans.

ABGB's geographic distribution of small business loans in this MSA is consistent with the bank's overall performance. Based on the most recent market share data, ABGB ranks first in small loans to businesses in this AA. The bank's market share in the low-income geographies exceeds the bank's overall market share in this MSA. Also, the bank's percentage of small loans to businesses in moderate-income geographies in 1997 is comparable to the percentage of businesses located in those geographies. The percentage of small loans to businesses in moderate-income geographies declined in 1998, though. 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 not consistent with the bank's overall small farm lending patterns. As discussed earlier in this evaluation, ABGB has earned a market niche in small farm

lending in the non-MSA AA. As a result, the bank has generated very few small loans to farms in this AA. More specialized lenders are meeting the agricultural needs in this AA. Finally, ABGB's geographic distribution of consumer loans is consistent with the bank's overall lending patterns. ABGB's geographic lending performance in small loans to farms and consumer loans is illustrated in Tables 7 and 15 in the Appendix respectively.

ABGB's borrower distribution of HMDA-reportable loans in this AA generally exhibits market shares to LMI borrowers that are below their market shares in the non-MSA AA. Again, this is primarily due to the greater number of lenders operating within this AA as compared to the non-MSA AA. The percentage of home purchase loans to moderate-income borrowers in comparison to the percentage of moderate-income families in this AA is very good, though.

The bank's borrower distribution of small loans to businesses in this MSA is consistent with the bank's overall lending patterns. A slightly smaller percentage of the bank's small business loans were to businesses with gross annual revenues less than \$1 million, but that is to be expected as businesses with revenues greater than \$1 million are more prevalent in this AA. The bank's market share of small loans to businesses with revenues less than \$1 million is comparable to the bank's overall market share. This is illustrated in Table 11 in this Appendix. ABGB has originated few farm loans in this MSA; but as discussed earlier in this evaluation, ABGB originates a vast majority of their agricultural loans in the non-MSA AA.

Finally, the bank's borrower distribution of consumer loans is consistent with the overall performance of the bank. In 1997 and 1998, the banks' percentage of loans to LMI borrowers in Brown County exceeded the demographic characteristics of the area.

#### *Investment Test*

As discussed in the overall performance of the bank, there are few opportunities for making qualified investments in either of ABGB's AAs. However, the bank's major qualified investment was within this AA.

#### *Service Test*

The type of retail banking services provided by ABGB in this AA is the same as in the non-MSA AA. The bank also provides a large number of community development services in this AA. The services provided by bank personnel 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)	
Full-Scope:												
Bank Total - 1997	100%	1,885	151,185	1,559	149,061	331	8,387	1	880	3,776	309,513	100%
Green Bay MSA Total	80%	1,096	101,041	894	115,166	7	159	1	880	1,998	217,246	53%
Non-MSA Total	20%	789	50,144	665	33,895	324	8,228	0	0	1,778	92,267	47%
Bank Total - 1998	100%	3,533	284,075	1,261	135,724	240	7,193	1	100	5,035	427,092	100%
Green Bay MSA Total	80%	2,261	194,596	725	105,695	0	0	0	0	2,986	300,291	59%
Non-MSA Total	20%	1,272	89,479	536	30,029	240	7,193	1	100	2,049	126,801	41%

Note: There is still \$2.9 million in community development loans outstanding that were not originated during this assessment period.

**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				
Full-Scope:																				
Bank Total - 1997	0.3%	0.5%	16.6%	11.7%	69.7%	74.5%	13.4%	13.3%	1	14.7	16.0	11.0	16.1	12.2	805	100%				
Green Bay MSA Total	0.5%	0.8%	19.3%	13.4%	58.2%	65.8%	22.0%	20.0%	1	12.9	16.0	9.8	14.1	12.1	515	64%				
Non-MSA Total	N/A	N/A	13.1%	8.6%	84.7%	90.0%	2.2%	1.4%	1	19.3	N/A	16.9	19.6	16.7	290	36%				
Bank Total - 1998	0.3%	0.2%	16.6%	10.4%	69.7%	73.9%	13.4%	15.5%	N/A	N/A	N/A	N/A	N/A	N/A	748	100%				
Green Bay MSA Total	0.5%	0.2%	19.3%	10.7%	58.2%	64.5%	22.0%	24.6%	N/A	N/A	N/A	N/A	N/A	N/A	468	63%				
Non-MSA Total	N/A	N/A	13.1%	10.0%	84.7%	89.6%	2.2%	0.4%	N/A	N/A	N/A	N/A	N/A	N/A	280	37%				

(\*) 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							
Full-Scope:																							
Bank Total - 1997	0.3%	0.3%	16.6%	12.5%	69.7%	74.0%	13.4%	12.7%	1	17.9	12.5	14.7	18.8	16.3	393	100%							
Green Bay MSA Total	0.5%	0.6%	19.3%	14.9%	58.2%	54.6%	22.0%	28.7%	3	12.1	12.5	10.3	11.1	16.8	174	44%							
Non-MSA Total	N/A	N/A	13.1%	10.5%	84.7%	89.5%	2.2%	0.0%	1	27.8	N/A	28.4	28.1	0.0	219	56%							
Bank Total - 1998	0.3%	0.0%	16.6%	17.3%	69.7%	71.3%	13.4%	11.4%	N/A	N/A	N/A	N/A	N/A	N/A	307	100%							
Green Bay MSA Total	0.5%	0.0%	19.3%	15.4%	58.2%	56.1%	22.0%	28.5%	N/A	N/A	N/A	N/A	N/A	N/A	123	40%							
Non-MSA Total	N/A	N/A	13.1%	18.5%	84.7%	81.5%	2.2%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	184	60%							

(\*) 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			
Full-Scope:																			
Bank Total - 1997	0.3%	0.4%	16.6%	12.4%	69.7%	70.6%	13.4%	16.6%	2	9.3	10.7	8.0	9.6	9.3	677	100%			
Green Bay MSA Total	0.5%	0.7%	19.3%	10.0%	58.2%	62.6%	22.0%	26.7%	2	7.5	10.7	4.7	7.6	9.1	401	59%			
Non-MSA Total	N/A	N/A	13.1%	16.0%	84.7%	82.2%	2.2%	1.8%	1	14.4	N/A	23.2	13.4	16.7	276	41%			
Bank Total - 1998	0.3%	0.1%	16.6%	8.9%	69.7%	74.0%	13.4%	17.0%	N/A	N/A	N/A	N/A	N/A	N/A	2,471	100%			
Green Bay MSA Total	0.5%	0.2%	19.3%	9.2%	58.2%	66.2%	22.0%	24.4%	N/A	N/A	N/A	N/A	N/A	N/A	1,667	67%			
Non-MSA Total	N/A	N/A	13.1%	8.2%	84.7%	90.1%	2.2%	1.7%	N/A	N/A	N/A	N/A	N/A	N/A	804	33%			

(\*) 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	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Bank Total - 1997	5.1%	0.0%	10.8%	20.0%	72.9%	60.0%	11.2%	20.0%	1	15.6	0.0	12.5	14.3	33.3	10	100%
Green Bay MSA Total	6.3%	0.0%	11.9%	33.3%	67.9%	33.3%	13.9%	33.3%	1	11.5	0.0	12.5	6.7	33.3	6	60%
Non-MSA Total	0.0%	0.0%	6.4%	0.0%	93.6%	100.0%	0.0%	0.0%	1	33.3	N/A	0.0	3.3	0.0	4	40%
Bank Total - 1998	5.1%	0.0%	10.8%	28.6%	72.9%	71.4%	11.2%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	7	100%
Green Bay MSA Total	6.3%	0.0%	11.9%	33.3%	67.9%	66.7%	13.9%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	3	43%
Non-MSA Total	N/A	N/A	6.4%	25.0%	93.6%	75.0%	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	4	57%

(\*) 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
Full-Scope:																
Bank Total - 1997	4.8%	3.2%	14.8%	15.5%	71.0%	67.9%	9.4%	13.3%	1	28.2	33.6	32.1	27.2	28.7	1,559	100%
Green Bay MSA Total	8.2%	5.6%	17.4%	16.3%	59.7%	54.8%	14.7%	23.1%	1	26.7	33.6	26.3	25.3	29.4	894	57%
Non-MSA Total	N/A	N/A	10.7%	14.4%	87.9%	85.4%	1.4%	0.2%	2	30.5	N/A	48.7	29.0	4.8	665	43%
Bank Total - 1998	4.8%	2.8%	14.8%	10.5%	71.0%	70.0%	9.4%	16.7%	N/A	N/A	N/A	N/A	N/A	N/A	1,261	100%
Green Bay MSA Total	8.2%	4.8%	17.4%	8.8%	59.7%	57.4%	14.7%	29.0%	N/A	N/A	N/A	N/A	N/A	N/A	725	57%
Non-MSA Total	N/A	N/A	10.7%	12.9%	87.9%	87.1%	1.4%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	536	43%

(\*) 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
Full-Scope:																
Bank Total 1997	0.0%	0.0%	8.0%	22.1%	83.4%	77.9%	8.6%	0.0%	2	28.3	0.0	71.6	24.7	0.0	331	100%
Green Bay MSA Total	0.0%	0.0%	11.0%	0.0%	72.7%	100.0%	16.3%	0.0%	5	2.8	0.0	0.0	3.1	0.0	7	2%
Non-MSA Total	N/A	N/A	5.4%	22.5%	92.6%	77.5%	2.0%	0.0%	2	35.4	N/A	71.6	30.9	0.0	324	98%
Bank Total - 1998	0.0%	0.0%	8.0%	22.5%	83.4%	77.5%	8.6%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	240	100%
Green Bay MSA Total	0.0%	0.0%	11.0%	0.0%	72.7%	0.0%	16.3%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	0	0%
Non-MSA Total	N/A	N/A	5.4%	22.5%	92.6%	7.5%	2.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	240	100%

(\*) Based on 1997 Aggregate Small Farm 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			
Full-Scope:																			
Bank Total - 1997	18.4%	4.0%	18.5%	17.9%	27.3%	32.1%	35.8%	45.5%	1	14.7	10.6	13.4	15.1	17.9	805	100%			
Green Bay MSA Total	17.1%	3.7%	17.9%	18.1%	28.6%	33.8%	36.4%	43.7%	1	12.9	9.1	11.2	13.2	16.7	515	64%			
Non-MSA Total	20.3%	4.5%	19.3%	17.6%	25.5%	29.0%	34.9%	48.6%	1	19.3	13.8	20.4	21.4	20.3	290	36%			
Bank Total - 1998	18.4%	4.8%	18.5%	15.6%	27.3%	37.4%	35.8%	42.0%	N/A	N/A	N/A	N/A	N/A	N/A	748	100%			
Green Bay MSA Total	17.1%	3.6%	17.9%	17.1%	28.6%	38.3%	36.4%	40.8%	N/A	N/A	N/A	N/A	N/A	N/A	468	63%			
Non-MSA Total	20.3%	6.8%	19.3%	13.2%	25.5%	36.1%	34.9%	43.9%	N/A	N/A	N/A	N/A	N/A	N/A	280	37%			

(\*) As a percentage of loans with borrower income information available. No information was available for less than 1% of loans originated by Associated Bank Green Bay.

(\*\*) 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			
Full-Scope:																			
Bank Total - 1997	18.4%	7.9%	18.5%	15.8%	27.3%	31.8%	35.8%	43.0%	1	17.9	20.9	14.7	17.1	19.6	393	100%			
Green Bay MSA Total	17.1%	9.2%	17.9%	12.1%	28.6%	27.6%	36.4%	50.0%	3	12.3	15.7	7.5	10.0	16.0	174	44%			
Non-MSA Total	20.3%	6.9%	19.3%	18.7%	25.5%	35.2%	34.9%	37.4%	1	27.8	32.6	29.1	30.7	24.6	219	56%			
Bank Total - 1998	18.4%	9.1%	18.5%	18.2%	27.3%	35.8%	35.8%	36.5%	N/A	N/A	N/A	N/A	N/A	N/A	307	100%			
Green Bay MSA Total	17.1%	9.8%	17.9%	12.2%	28.6%	32.5%	36.4%	45.5%	N/A	N/A	N/A	N/A	N/A	N/A	123	40%			
Non-MSA Total	20.3%	8.7%	19.3%	22.3%	25.5%	38.1%	34.9%	30.4%	N/A	N/A	N/A	N/A	N/A	N/A	184	60%			

(\*) As a percentage of loans with borrower income information available. No information was available for 1.5% of loans originated in 1997 and less than 1% of loans originated in 1998 by Associated Bank Green Bay.

(\*\*) 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			
Full-Scope:																			
Bank Total - 1997	18.4%	3.5%	18.5%	15.9%	27.3%	32.0%	35.8%	47.6%	2	9.3	6.3	8.8	9.6	10.9	677	100%			
Green Bay MSA Total	17.1%	2.2%	17.9%	15.0%	28.6%	33.4%	36.4%	48.1%	2	7.5	3.3	6.6	7.8	9.1	401	59%			
Non-MSA Total	20.3%	5.4%	19.3%	17.3%	25.5%	30.0%	34.9%	46.9%	1	14.4	14.0	15.6	15.2	15.4	276	41%			
Bank Total - 1998	18.4%	3.7%	18.5%	14.9%	27.3%	34.2%	35.8%	46.4%	N/A	N/A	N/A	N/A	N/A	N/A	2,471	100%			
Green Bay MSA Total	17.1%	3.9%	17.9%	14.3%	28.6%	35.0%	36.4%	45.8%	N/A	N/A	N/A	N/A	N/A	N/A	1,667	67%			
Non-MSA Total	20.3%	3.2%	19.3%	16.2%	25.5%	32.7%	34.9%	47.8%	N/A	N/A	N/A	N/A	N/A	N/A	804	33%			

(\*) As a percentage of loans with borrower income information available. No information was available for less than 1% of loans originated by Associated Bank Green Bay.

(\*\*) 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											
Full-Scope:																						
Bank Total - 1997	88.8%	84.0%	71.5%	77.4%	13.1%	9.5%	28.2	33.0	1,559	100.0	96,613											
Green Bay MSA Total	86.4%	77.7%	64.0%	69.6%	16.1%	14.3%	26.7	32.5	894	59.6	128,821											
Non-MSA Total	92.2%	91.3%	83.0%	88.0%	9.0%	3.0%	30.5	33.6	665	40.4	50,970											
Bank Total - 1998	88.8%	78.9%	N/A	76.4%	12.1%	11.5%	N/A	N/A	1,261	100.0	107,632											
Green Bay MSA Total	86.4%	75.0%	N/A	68.6%	14.1%	17.3%	N/A	N/A	725	57.5	145,786											
Non-MSA Total	92.2%	84.1%	N/A	87.0%	9.3%	3.7%	N/A	N/A	536	42.5	56,024											

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

(\*\*) As a percentage of loans with revenue information available. No information was available for less than 1% of loans originated by Associated Bank Green Bay.

(\*\*\*) The market consists of all other Small Business reporters in Associated Bank Green Bay'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
Full-Scope:											
Bank Total - 1997	97.5%	99.7%	95.8%	94.9%	5.1%	0%	28.3	29.6	331	100.0	25,338
Green Bay MSA Total	95.8%	100.0%	92.9%	100%	0%	0%	2.8	3.0	7	2.1	22,750
Non-MSA Total	98.9%	99.7%	96.6%	94.8%	5.2%	0%	35.4	36.8	324	97.9	25,395
Bank Total - 1998	97.5%	100.0%	N/A	93.8%	6.2%	0%	N/A	N/A	240	100.0	29,971
Green Bay MSA Total	95.8%	N/A	N/A	0%	0%	0%	N/A	N/A	0	0.0	N/A
Non-MSA Total	98.9%	100.0%	N/A	93.8%	6.2%	0%	N/A	N/A	240	100.0	29,971

(\*) 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 Associated Bank Green Bay.

(\*\*\*) The market consists of all other Small Farm reporters in ABGB's assessment areas 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	
Full-Scope:												
Bank Total - 1997	1	298	2	130	1	5	2	11	6	444	100%	
Green Bay MSA Total	1	298	2	130	1	5	2	11	6	444	100%	
Non-MSA Total	0	0	0	0	0	0	0	0	0	0	0%	
Bank Total - 1998	1	63	2	131	2	25	2	11	7	230	100%	
Green Bay MSA Total	1	63	2	131	2	25	2	11	7	230	100%	
Non-MSA Total	0	0	0	0	0	0	0	0	0	0	0	

**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
Full-Scope:																	
Bank Total	100%	22	100%	5%	5%	90%	0%	43	100%	12%	16%	65%	7%	1%	17%	69%	13%
Green Bay MSA Total	80%	12	55%	8%	8%	84%	0%	36	84%	15%	19%	58%	8%	2%	20%	58%	20%
Non-MSA Total	20%	10	45%	0%	0%	100%	0%	7	16%	0%	0%	100%	0%	0%	12%	86%	2%

**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					
Full-Scope:																							
Bank Total - 1997	1%	0%	17%	13%	69%	72%	13%	15%	23%	26%	16%	28%	22%	24%	39%	22%	8,656	100%					
Green Bay MSA Total	2%	1%	20%	13%	58%	62%	20%	25%	22%	26%	16%	26%	23%	22%	39%	23%	5,207	60%					
Non-MSA Total	0%	0%	12%	12%	86%	88%	2%	0%	25%	24%	16%	29%	20%	24%	39%	21%	3,449	40%					
Bank Total - 1998	1%	0%	17%	12%	69%	73%	13%	15%	23%	37%	16%	31%	22%	21%	39%	11%	4,426	100%					
Green Bay MSA Total	2%	0%	20%	11%	58%	63%	20%	26%	22%	37%	16%	30%	23%	18%	39%	11%	2,584	58%					
Non-MSA Total	0%	0%	12%	12%	86%	88%	2%	0%	25%	35%	16%	31%	20%	21%	39%	10%	1,842	42%					

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

## Scope of Examination

<b>Time Period Reviewed:</b> January 1, 1997 through December 31, 1998 for all HMDA reportable loans, Community Development loans, Small Business loans, Small Farm loans, and Consumer loans.			
<b>Financial Institution</b> Associated Bank, Green Bay N.A.			<b>Products Reviewed</b> All HMDA reportable Loans Community Development Loans Small Business Loans Small Farm Loans Consumer Loans
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>		<b>Products Reviewed</b>
Associated Mortgage Incorporated	Holding Company Subsidiary		HMDA loans
Associated Commercial Mortgage, Incorporated	Holding Company Subsidiary		Community Development Loans
<b>List of Assessment Areas and Type of Examination</b>			
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Branches Visited</b>	<b>Other Information</b>
Green Bay MSA # 3080 Brown County	on-site	1	None
Non-MSA area.	on-site	None	None

## Loans Reviewed

Home Mortgage Loans: Associated Bank Green Bay's 1997 and 1998 HMDA-LAR were used in assessing the bank's performance under the Lending Test.

Business Loans and Farm Loans: Associated Bank Green Bay'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 Green Bay'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.