



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **Public Disclosure**

November 27, 2006

### **Community Reinvestment Act Performance Evaluation**

**MB Financial Bank, N. A.  
Charter Number: 13684  
800 West Madison St.  
Chicago, Illinois 60607**

**Office of the Comptroller of the Currency  
Chicago South Field Office  
7600 County Line Road Unit 3  
Burr Ridge, Illinois 60527**

**NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

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## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated “**Outstanding.**”

The following table indicates the performance level of **MB Financial Bank, N. A. (MB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	MB Financial Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Lending levels reflected excellent responsiveness by MB to the credit needs of its Assessment Area (AA).
- The geographic distribution of loans reflects excellent penetration throughout the assessment area.
- The bank's level of community development lending was excellent.
- The distribution of borrowers reflects good penetration among retail customers of different income levels and businesses of different sizes.
- The bank has an excellent level of qualified community development investments and grants, often in a leadership position, and exhibits excellent responsiveness to credit and community economic development needs.
- The bank’s delivery systems are readily accessible to all portions of the AA.
- The bank is a leader in providing community development services.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancing, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of geography.

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of geography.

## **Description of Institution**

MB Financial Bank, N.A. (MB), with assets of \$5.5 billion as of September 30, 2006, is a full service commercial bank headquartered in Chicago, Illinois. MB is a wholly owned subsidiary of MB Financial, Inc. (MBFI), a \$7.9 billion, multi-bank holding company headquartered in Chicago, Illinois.

At November 27, 2006, MBFI was the holding company for two banking subsidiaries. The banking subsidiaries are MB and Union Bank, N.A. in Oklahoma City, Oklahoma. MB Financial Bank primarily operates in Illinois, although it has one branch in Philadelphia, PA.

MB, the largest of the banks, resulted from the November 2001 merger of the former Manufacturers Bank and the former Illinois subsidiaries of the MidCity Financial Corporation, which included Mid-City National Bank of Chicago, the First National Bank of Morton Grove and the First National Bank of Elmhurst.

MB is an interstate bank with 41 banking center locations consisting of 39 full service locations and one limited service facility serving all of Cook, DuPage and Will Counties, all of which are in the Chicago Metropolitan Area (MA). One full service banking center is located on the northeast side of the city of Philadelphia, PA. Eighteen of the bank's offices are located in Chicago, nineteen in suburban Cook County, two in DuPage County and one in Will County. The bank also has 65 ATM locations, all within the assessment area (AA). Thirty-three of these ATMs take deposits. The remaining ATMs are cash dispensing only. In addition to providing banking services to the communities served by MB, MB offers a variety of other services to its customers through various subsidiaries. These services include insurance and investment services, as well as equipment leasing. Subsidiary financial data is consolidated into the bank's financial information.

MB maintains a wholly owned subsidiary, MB Financial Community Development Corporation (CDC). The bank utilizes the CDC, which possesses common management and directors, to facilitate some of its community development lending, investment and service initiatives within the assessment area. All of the CDC's activities were solely attributable to MB and were considered in the bank's CRA performance evaluation.

### **Merger Activity During the Evaluation Period**

During 2003, MB Financial, Inc. acquired South Holland Bancorp, Inc. the parent company of South Holland Trust and Savings Bank. In the second quarter of 2003, South Holland Trust and Savings Bank was merged into MB Financial Bank. The acquisition included the addition of Vision Investment Services, Inc., a full service broker/dealer. The South Holland banking centers further expanded the bank's presence in Chicago's southern suburbs.



In July 2004, First Security Federal Savings Bank (First Security) merged into MB Financial Bank. The First Security customer base represents a diverse mix of businesses and individuals, as well as significant customer relationships with the Ukrainian, Polish and Hispanic communities. First Security's ethnic concentration (including both individual and business relationships), its growing construction and real estate finance capabilities, and its geographic locations are highly compatible with MB Financial. The acquisition included the addition of two offices and one drive-through location in Chicago, one location in Palatine, Illinois, and one full service branch in Philadelphia, PA. The Philadelphia location was acquired by First Security in 1994 from the Resolution Trust Corporation (RTC), as a failed institution. First Security was asked by the Ukrainian community in Philadelphia to acquire this location from the RTC who had operated it in receivership for approximately two years.

In August 2006, First Oak Brook Bancshares, Inc merged into MB Financial, Inc., and in early November 2006, the Oak Brook Bank merged into MB Financial Bank, N.A.

As of September 30, 2006, MB Financial Bank reported \$5.5 billion in total assets, \$3.7 billion in total loans, \$3.9 billion in total deposits and \$444 million in Tier One Capital. Total loans represented 68 percent of total assets. The composition of the bank's loan portfolio was allocated as follows: \$830 million or 25 percent real estate loans, \$962 million or 26 percent commercial and industrial loans, \$1.85 billion or 47 percent loans held in a real estate investment trust, and \$87 million or 2 percent in consumer and other loans.

MB financial Bank provides customer-driven financial solutions to privately-held middle-market businesses as well as small businesses and individuals who work and live in the communities where the bank has locations. MB offers a wide array of commercial and personal banking products and services, and trust, private client services and investments through the wealth management division. MB is among a small number of banks working closely with leasing companies to provide debt, equity and bridge financing.

There were no financial or legal impediments that affect the bank's ability to provide lending, investment and services within its AA.

MB's previous CRA rating as of July 28, 2003 was Outstanding using Large Bank CRA evaluation procedures.

Union Bank, N.A. is an independently chartered national bank. Union Bank was rated "Outstanding" at the last CRA examination dated September 25, 2006. Union Bank is an intrastate bank with 5 full service banking center locations and one drive through branch. All of the banking offices are located within Oklahoma County, which is in the Oklahoma City Metropolitan Statistical Area (MSA).

# Scope of the Evaluation

## Evaluation Period/Products Evaluated

The evaluation period of home mortgage loans and loans to small businesses was January 1, 2003 to December 31, 2005. CD loans were evaluated from the date of the last evaluation, July 28, 2003 to the start of this evaluation, November 27, 2006. Due to changes in the definitions of metropolitan areas in 2003, we separated the 2003 lending data from the 2004 and 2005 data. The conclusions for each analysis were given in this report. Loans to small farms were not evaluated because the low volume of these loans would not yield any meaningful analysis.

Our review of investments included an analysis of the investment portfolio; and the donations and grants made between July 28, 2003 and November 27, 2006. We considered investments and donations or grants to organizations that have community development as their primary purpose.

Our evaluation of bank services included analyzing the bank's branch and ATM network for the availability and effectiveness of delivering retail banking services. We analyzed the effect of changes in branch locations since July 28, 2003. We also considered the extent and innovativeness of the bank's community development services in meeting the credit needs of its AAs. This analysis covered the period between July 28, 2003 and November 27, 2006.

Because the merger with Oak Brook Bank took place so close to the start of this CRA review, no Oak Brook Bank information was included in this performance evaluation. Oak Brook Bank's information will be considered in the next CRA evaluation.

Market share data for home mortgage loans and small loans to businesses were based on 2005 aggregate data, which were the most current data available at the time the bank's CRA performance was evaluated.

## Data Integrity

As part of this CRA evaluation, we tested a representative sample of MB's publicly filed data on home mortgage loans and small loans to businesses for accuracy. We reviewed the sample of HMDA-reportable transactions to ensure the purpose, action taken, location, race, gender, applicant income and loan size were accurately included on MB's Loan Application Registers for 2003, 2004 and 2005. This data was determined to be accurate.

We reviewed the sample of small loans to businesses to ensure the loan type, original loan amount, location, and gross annual revenue were accurately reported for 2003, 2004 and 2005. This data was determined to be accurate.

As a result, we were able to rely on the bank's data to assess the bank's performance under the Community Reinvestment Act.

We reviewed the bank-identified CD investments, CD loans and CD services to verify that the activities met the regulatory definitions. We determined that some items did not meet the definition of community development. We used corrected lists for our evaluation analyses.

### **Selection of Area for Full-Scope Review**

The bank has two assessment areas, the Chicago AA and the Philadelphia AA. The Chicago AA includes all of Cook, DuPage and Will Counties in the Chicago MA in the state of Illinois. A substantial majority of the bank's loans and deposits are generated in this AA. This AA received a full scope review. The Philadelphia AA includes all of Philadelphia County in the state of Pennsylvania. Generally, when a bank has only a small presence in an AA, it would normally receive a limited-scope review. However, since it is located in a different state, it also received a full scope review. See Appendix A for more information.

### **Ratings**

The bank's overall rating is a blend of the two state ratings. The state ratings are based on the two AAs that received full scope reviews. Because of the miniscule percentage of deposits and loans generated in the Philadelphia AA, the state of Illinois rating was the determining factor in assigning the overall CRA rating.

The Lending Test was weighted more heavily than the Investment Test and Service Test. In determining the performance for the Lending Test in each AA, the mix of home mortgage loans and small loans to businesses was considered. In the Chicago AA, the volume of small loans to businesses significantly exceeded the volume of home mortgage loans and was given more weight in the conclusions. In the Philadelphia AA, the bank did not make any loans to small businesses and the rating was based on home mortgage loans. Within home mortgage lending, the mix of home purchase, home improvement, and home refinance loans was considered. In the Philadelphia AA, the bank did not make any home improvement or multi-family loans. Therefore, the rating is based on home purchase and refinance lending activity.

### **Other**

During this examination, we considered four community contact interviews in the Chicago AA and one community contact interview in the Philadelphia AA. All contacts stated that affordable housing and commercial development were primary credit needs within the community.

## **Fair Lending Review**

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

## **State Rating**

### **State of Illinois**

<b>CRA Rating for Illinois:</b>	<b>Outstanding</b>
<b>The Lending Test is rated:</b>	<b>Outstanding</b>
<b>The Investment Test is rated:</b>	<b>Outstanding</b>
<b>The Service Test is rated:</b>	<b>Outstanding</b>

The major factors that support this rating include:

- Lending levels reflected excellent responsiveness by MB to the credit needs of its AA in the state of Illinois.
- The geographic distribution of home mortgage loans and small loans to businesses reflected excellent penetration throughout the AA.
- The geographic distribution of multi-family loans in the Chicago AA was excellent.
- A substantial majority of small loans to businesses and home mortgage loans originated and purchased were within MB's AA.
- The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes.
- The bank's level of CD lending was excellent and had a positive effect on the Lending Test conclusions.
- MB makes extensive use of various innovative and flexible loan programs to serve AA credit needs.

## **DESCRIPTION OF INSTITUTION'S OPERATIONS IN ILLINOIS**

MB has one AA in the state of Illinois (the Chicago AA). It includes all of Cook, DuPage and Will Counties in the Chicago MA 16974. The bank operates 40 branches in this AA. Three branches are located in low-income geographies and five branches are located in moderate-income geographies. The bank operates 33 deposit taking ATMs in the Chicago AA.

Illinois offices comprise 97 percent of the bank's total deposits and 99.6 percent of the bank's loans made in its AAs. Ninety-eight percent of MB's home mortgage loans and one hundred percent of small loans to businesses that were originated or purchased in the bank's AAs are in Illinois.

According to the FDIC's June 30, 2006 deposit market share report, MB holds 1.88 percent of total deposits and ranks 11<sup>th</sup> in deposit market share out of the 218 FDIC insured financial institutions with branches in the same three county area. The top five banks hold a total of 51 percent of the area deposits and the other 213 institutions hold the remaining 49 percent. The bank has both nationwide and smaller community banks as competitors. Major competitors in the area include JP Morgan Chase, LaSalle, Harris Bank, Corus Bank and Charter One Bank.

Refer to the Market Profile for the bank's AA in the state of Illinois in Appendix C for detailed demographics and other performance context information.

## **Conclusions with Respect to Performance Tests**

### **LENDING TEST**

The bank's performance under the lending test is rated Outstanding. Based on the full-scope review, the bank's performance in the Chicago AA is excellent.

### **Lending Activity**

Refer to Table 1 in Appendix D for the facts and data used to evaluate the bank's lending activity. To provide perspective regarding the relative levels of lending volume in the AA, we also compared the bank's deposit market rank and market share to its market rank and market share for each loan product. Because of the large number of lenders in each AA (refer to Market Profiles in Appendix C), we based our analysis on the bank's percentile rankings in the loan and deposit markets rather than the actual values of market share and market rank.

### **Chicago AA 2004 - 2005**

Lending levels reflected excellent responsiveness by MB to the credit needs of its AA in the state of Illinois.

Approximately 95 percent of the bank's total home mortgage loans and 94 percent of the bank's small loans to businesses that were originated and purchased over the evaluation period were within the bank's AA. Approximately 22 percent of these loans were home mortgage loans and 78 percent were small loans to businesses. Among the home mortgage loans, approximately 52 percent were for refinance, 36 percent for home purchase, and 12 percent for home improvement. In view of these statistics, we gave the most weight in our analysis to small loans to businesses.

MB was one of the top 15 financial institutions in terms of deposits in the bank's AA. Based on June 30, 2006 FDIC statistics, MB had a deposit market share of 1.88 percent and ranked 11<sup>th</sup> out of 218 banks with branches in the bank's AA, which places it in the 95<sup>th</sup> percentile.

Based on 2005 aggregate HMDA market share data, MB ranked 149<sup>th</sup> out of 1008 lenders making home mortgage loans in the bank's AA, which places the bank in the 85<sup>th</sup> percentile with a 0.08% market share. Four of the top five lenders were large nationwide mortgage lenders and together account for 21 percent of the market share. The bank ranked 13<sup>th</sup> out of 232 lenders making small loans to businesses in the bank's AA, which places the bank in the 94<sup>th</sup> percentile with a 1.08% market share. The top six small business lenders were nationwide credit card lenders and together account for 71 percent of the market share.

### **Chicago AA 2003**

Lending levels reflected excellent responsiveness by MB to the credit needs of its AA in the state of Illinois.

MB had 1,121 HMDA loans and 1,990 small loans to businesses and farms in the state of Illinois in 2003.

In Illinois, approximately 86 percent of the bank's total home mortgage loans and 89 percent of the bank's small loans to businesses originated and purchased over the evaluation period were within the bank's assessment area. Approximately 37 percent of these loans were home mortgage loans and 63 percent were small loans to businesses. Among the home mortgage loans, approximately 59 percent were for refinance, 37 percent for home purchase, and 4 percent for home improvement. In view of these statistics, we gave the most weight in our analysis to small loans to businesses.

MB was one of the top 10 financial institutions in terms of deposits in the bank's AA. Based on June 30, 2003 FDIC deposit statistics, MB had a deposit market share of

1.80 percent and ranked 10th of 224 banks with branches in the bank's AA, which places the bank in the 96<sup>th</sup> percentile. The top three banks were large regional banks with a combined deposit market share of 42.8 percent.

Based on 2003 aggregate HMDA market share data, MB ranked 92<sup>nd</sup> out of 391 lenders making home mortgage loans in the bank's AA, which places the bank in the 76<sup>th</sup> percentile with a 0.08% market share. Six of the top seven lenders were large nationwide mortgage lenders and together account for 36 percent of the market share. The bank ranked 11<sup>th</sup> out of 305 lenders making small business loans in the bank's AA, which places the bank in the 96<sup>th</sup> percentile with a 1.36% market share. Four of the top five small business lenders were nationwide credit card lenders and together account for 59 percent of the market share.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of loans reflected excellent penetration throughout the AA. This analysis was based on the bank's lending performance in the Chicago AA, which contains 233 low-income and 411 moderate-income geographies. The volume of small loans to farms was insignificant and therefore an analysis of their distribution would not be meaningful.

### **Home Mortgage Loans**

Refer to Tables 2, 3 and 4 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

#### **Chicago AA 2005 – 2005**

The overall geographic distribution of MB's home mortgage loans reflected an excellent distribution among low- and moderate-income geographies in the Chicago AA.

The geographic distribution of home purchase loans in the Chicago AA was excellent. The geographic distribution of home purchase loans to both low-income and moderate-income geographies exceeded the percentage of owner-occupied housing units located in low-income and moderate-income geographies. The bank's market share in both low- and moderate-income geographies fell somewhat below the bank's overall market share.

The geographic distribution of home improvement loans was excellent. The geographic distribution of home improvement loans to both low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in both low-income and moderate-income geographies. The bank's market share in low-income geographies significantly exceeded the bank's overall market share. The bank's market share in moderate-income geographies exceeded the bank's overall market share.



The geographic distribution of refinance loans was excellent. The geographic distribution of refinance loans to low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in both low-income and moderate-income geographies. The bank's market share in both low- and moderate-income geographies exceeded the bank's overall market share.

### **Home Mortgage Loans 2003**

The overall geographic distribution of MB's home mortgage loans reflected an excellent distribution among low- and moderate-income geographies in the Chicago AA.

The geographic distribution of home purchase loans in the Chicago AA was excellent. The geographic distribution of home purchase loans to both low-income and moderate-income geographies exceeded the percentage of owner-occupied housing units located in low-income and moderate-income geographies. The bank's market share in both low- and moderate-income geographies significantly exceeded the bank's overall market share.

The geographic distribution of home improvement loans was excellent. The geographic distribution of home improvement loans to both low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in both low-income and moderate-income geographies. The bank's market share in low-income geographies significantly exceeded the bank's overall market share. The bank's market share in moderate-income geographies exceeded the bank's overall market share.

The geographic distribution of refinance loans was excellent. The geographic distribution of refinance loans to low-income geographies exceeded the percentage of owner-occupied units located in low-income geographies. The geographic distribution of refinance loans to moderate-income geographies was slightly below the percentage of owner-occupied housing units located in both low-income and moderate-income geographies. The bank's market share in both low- and moderate-income geographies exceeded the bank's overall market share.

### **Multi-Family Loans 2004 -2005**

Refer to Table 5 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of multi-family loans.

The geographic distribution of multi-family loans in the Chicago AA was excellent. The percentage of multi-family loans in both low- and moderate-income geographies significantly exceeded the percentage of multi-family units located in low- and moderate-income geographies. The bank's market share in low-income geographies was somewhat below the bank's overall market share while in moderate-income geographies it exceeded the bank's overall market share.

### **Multi-Family Loans 2003**

The geographic distribution of multi-family loans in the Chicago AA was excellent. The percentage of multi-family loans in low-income geographies was slightly below the percentage of multi-family units located in low-income geographies. The percentage of multi-family loans in moderate-income geographies significantly exceeded the percentage of multi-family units located in moderate-income geographies. The bank's market share in low-income geographies was somewhat below the bank's overall market share while in moderate-income geographies it exceeded the bank's overall market share.

### **Small Loans to Businesses 2004 - 2005**

Refer to Table 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses in the Chicago AA was excellent. The geographic distribution of small loans to businesses in both low-income and moderate-income geographies exceeded the percentage of businesses located in both low-income and moderate-income geographies. The bank's market share in both low- and moderate-income geographies significantly exceeded its overall market share.

### **Small Loans to Businesses 2003**

The geographic distribution of small loans to businesses in the Chicago AA was excellent. The geographic distribution of small loans to businesses in both low-income and moderate-income geographies exceeded the percentage of businesses located in both low-income and moderate-income geographies. Market share data was not available.

### **Lending Gap Analysis 2004 - 2005**

The bank's lending activity during the evaluation period was reviewed to identify gaps in the geographic distribution of home mortgage loans and small loans to businesses. No unexplained conspicuous gaps were identified in the bank's AA.

### **Lending Gap Analysis 2003**

The bank's lending activity during the evaluation period was reviewed to identify gaps in the geographic distribution of home mortgage loans and small loans to businesses. No unexplained conspicuous gaps were identified in the bank's AA.

## **Inside/Outside Ratio**

### **Inside/Outside Ratio 2004-2005**

A substantial majority of small loans to businesses or farms and home mortgage loans originated and purchased in Illinois over the evaluation period were within MB's assessment area. Ninety-four percent of the bank's small loans to businesses and 95 percent of the bank's home mortgage loans were within the Chicago AA. We performed the inside/outside ratio analysis at the state level and included all loan originations and purchases in Illinois. This performance was positively factored into the overall analysis of the bank's geographic distribution of lending by income level of geography.

### **Inside/Outside Ratio 2003**

A substantial majority of small loans to businesses or farms and home mortgage loans originated and purchased in Illinois over the evaluation period were within MB's assessment area. Eighty-nine percent of the bank's small loans to businesses and 86 percent of the bank's home mortgage loans were within the Chicago AA. We performed the inside/outside ratio analysis at the state level and included all loan originations and purchases in Illinois. This performance was positively factored into the overall analysis of the bank's geographic distribution of lending by income level of geography.

## **Distribution of Loans by Income Level of the Borrower**

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. This analysis is based on the bank's lending performance to low- and moderate-income borrowers and to businesses with revenues less than one million dollars in the Chicago AA. The volume of small loans to farms was insignificant and therefore an analysis of their distribution would not be meaningful.

### **Home Mortgage Loans 2004 - 2005**

Refer to Tables 8, 9, and 10 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of MB's home mortgage loans reflected a good distribution among low-, moderate-, middle- and upper-income borrowers in the Chicago AA.

Our review focused on the bank's lending performance to low- and moderate-income borrowers relative to the level of low- and moderate-income families within the AA. Twenty-two percent of the families in the AA are listed as low-income and eighteen percent are listed as moderate-income families. Additionally, 11% of the households in the AA are below poverty level. Median housing values are high in the AA while median income is somewhat low making home ownership difficult for low-income borrowers. Based on this information, home mortgage loan opportunities for families in the AA are somewhat limited. These factors were incorporated into the home mortgage analysis.

The borrower distribution of home purchase loans in the Chicago AA was good. The distribution of home purchase loans to low-income borrowers was below the percentage of low-income families living in the Chicago AA. Performance context issues above mitigate this data. The distribution of home purchase loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families living in the Chicago AA. The bank's market share to low-income borrowers significantly exceeded its overall market share to all borrowers. The bank's market share to moderate-income borrowers exceeded its overall market share.

The borrower distribution of home improvement loans was excellent. The distribution of home improvement loans to low-income borrowers exceeded the percentage of low-income families living in the Chicago AA. The distribution of home improvement loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families. The bank's market share to both low- and moderate-income borrowers significantly exceeded its overall market share.

The borrower distribution of refinance loans was good. The distribution of refinance loans to low-income borrowers was somewhat below the percentage of low-income families. Performance context issues above mitigate this data. The distribution of

refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families living in the Chicago AA. The bank's market share to low-income borrowers exceeded the bank's overall market share. The bank's market share to moderate-income borrowers was somewhat below its overall market share.

### **Home Mortgage Loans 2003**

The borrower distribution of MB's home mortgage loans reflected an excellent distribution among low-, moderate-, middle- and upper-income borrowers in the Chicago AA.

Our review focused on the bank's lending performance in low- and moderate-income geographies relative to the level of low- and moderate-income families within the AA. Twenty-three percent of the families in the AA were low-income and eighteen percent were moderate-income families. Additionally, 11% of the households in the AA were below the poverty level. Median housing values are high in the AA while median income is somewhat low making home ownership difficult for low-income borrowers. Based on this information, home mortgage loan opportunities for families in the AA are somewhat limited. These factors were incorporated into the home mortgage analysis.

The borrower distribution of home purchase loans in the Chicago AA was excellent. The distribution of home purchase loans to low-income borrowers exceeded the percentage of low-income families living in the Chicago AA. The distribution of home purchase loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families living in the Chicago AA. The bank's market share to both low- and moderate-income borrowers significantly exceeded its overall market share to all borrowers.

The borrower distribution of home improvement loans was excellent. The distribution of home improvement loans to low-income borrowers significantly exceeded the percentage of low-income families living in the Chicago AA. The distribution of home improvement loans to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share to low-income borrowers significantly exceeded its overall market share. The bank's market share to moderate-income borrowers exceeded its overall market share.

The borrower distribution of refinance loans was good. The distribution of refinance loans to low-income borrowers was below the percentage of low-income families. Performance context issues above mitigate this data. The distribution of refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families living in the Chicago AA. The bank's market share to low-income and to moderate-income borrowers exceeded the bank's overall market share.

## **Small Loans to Businesses**

### **Small Loans to Businesses 2004 - 2005**

Refer to Table 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses in the Chicago AA was adequate. The distribution of small loans to businesses with less than \$1 million in gross annual revenue was somewhat below the percentage of small businesses. The bank's market share to businesses with less than \$1 million in gross revenue exceeded its market share to all businesses regardless of revenue.

### **Small Loans to Businesses 2003**

The borrower distribution of small loans to businesses in the Chicago AA was adequate. The distribution of small loans to businesses with less than \$1 million in gross annual revenue was somewhat below the percentage of small businesses. Market share data was not available.

## **Community Development Lending**

Refer to Table 1 in appendix D for the facts and data used to evaluate the bank's level of community development (CD) lending.

CD lending had a positive effect on the Lending Test conclusions. The bank's volume of CD lending was responsive to the ample opportunities in the AA.

The bank's level of CD lending was excellent. During the evaluation period, MB originated 68 new CD loans in the Chicago AA totaling \$116.2 million. This represents 26 percent of Tier One Capital, which represents a significant allocation of bank resources. The bank also renewed 109 CD loans in the Chicago AA totaling \$166.6 million during the evaluation period.

- MB Financial originated 11 loan relationships totaling \$26.7 million with a non-profit community development organization that combines affordable housing production with economic development activity, property management, construction, and job training. The organization used the loan funds as resources for providing affordable housing for low to moderate income individuals. MB renewed two of these loan relationships for a total of \$34 thousand.

- The bank originated 2 loan relationships totaling \$4.4 million with another community development organization. One loan relationship was for \$3.98 million and the other was for \$398 thousand. The loan proceeds were used towards the construction/rehabilitation of two apartment buildings located within a Tax Increment Financed (“TIF”) District and a moderate income area. This project will help contribute to the municipality’s growing efforts to revitalize the community. The two buildings consist of 54 apartment units. The project qualified for the City of Chicago’s Class 9 program. Class 9 is a real property classification that offers a 50% reduction in assessments and taxes to developers who complete major rehab on multifamily buildings and keep rents below certain levels. At least 35% of the apartments must be leased at rents affordable to low-to-moderate income households. With Class 9, properties are eligible for a 16% assessment level for a period of 10 years. The community organization renewed the first loan relationship four times for a total of \$11.5 million. The second loan relationship was renewed once for \$397 thousand.
- MB originated a loan relationship with an organization for \$12.5 million. The organization used the loan proceeds to support the acquisition of a parcel of land located in a Tax Increment Financing (“TIF”) District within the city of Wheeling. The proposed development is part of the overall redevelopment plan for the district and projected to bring in many new jobs targeted to low-to-moderate income persons, specifically within the planned hotel facility and within the retail space, which is to include restaurants and other retail companies. MB renewed this loan for \$12.5 million once after one-half of a year.
- The bank made 12 loans totaling \$44.1 million to Medicaid funded nursing home facilities serving a low- to moderate-income population. Residents are low- or no-income individuals supported by Medicaid.

## Product Innovation and Flexibility

MB utilizes various loan programs to augment its lending initiatives to provide financing to customers, both individuals and small businesses. Examples of these programs are listed below.

- Freddie Mac's Home Possible, Affordable Gold 97, and Gold 95 Mortgages - The Affordable Gold 97 and Gold 95 mortgages were available during 2004. In 2005, the Home Possible program replaced the Affordable Gold 97 and Gold 95 programs. Under these programs, low- to moderate-income borrowers can obtain low down payment options and flexible financing alternatives when purchasing or refinancing a single family home that is or will be their primary residence. The bank made three loans totaling \$376 thousand under the Home Possible program in 2005 to borrowers who participated in the DuPage Homestead Program.
- DuPage Homeownership Center: DuPage Homestead Program -This loan program is targeted and available to low- to moderate-income individuals in DuPage County, purchasing their first home. The program involves subsidized layers of financing to reduce the cost of a home mortgage. MB's role is to provide the final layer, a 30 year fixed-rate mortgage. Since the Homeownership Center works with a variety of different lending institutions, they spread the loans granted under this program among the different lenders. The three Home Possible loans were made to borrowers who had participated in the organization's programs.
- Federal Home Loan Bank of Chicago Affordable Housing Program - The particular program utilized is targeted at low- to moderate-income households who have a mobility impaired household member. The program provides down payment assistance for these borrowers to purchase a single family home or condo unit. In 2003, the bank made eight loans totaling \$64 thousand under this program. In 2004, two loans were made totaling \$16 thousand, and in 2005, nine loans totaling \$72 thousand were made.
- Illinois Facilities Fund (IFF) - The bank has partnered with the IFF to help non-profit customers located in or serving low-income communities and special needs groups complete real estate related projects. Below market loans are offered for facility acquisitions, new construction or rehab, new equipment for operations or programs, facility improvement or maintenance, start up financing for new programs or social enterprise ventures, and bridge and gap financing. In 2005, the bank granted one loan totaling \$2 million under this program.
- Department of Commerce Economic Opportunity Programs (DCEO) - The bank utilizes the Participation Loan Program and Enterprise Zone Participation Loan Program available through DCEO. The Participation Loan Program provides subordinated financial assistance to small businesses that will employ Illinois workers. Under the program, the State will participate in loans up to 25 percent of the total amount of a project, but not less than \$10,000 or more than \$750,000. The



- Enterprise Zone Participation Loan Program is similar to the Participation Loan Program, but will generally provide favorable interest rates to businesses either locating in or expanding in one of the certified enterprise zones throughout the state. In 2005, the bank renewed one loan, totaling \$1 million under the Participation Loan Program. The bank granted 5 new loans under the Participation Loan Program in 2004, totaling \$6.9 million. In each 2003 and 2004, the bank also renewed one loan under this program totaling \$500 thousand.
- Illinois Finance Authority (IFA) - The bank utilizes several lending programs available from the IFA including Participation Loan Product, Industrial Revenue Bond Program, 501(c)(3) Lease Program, and 501(c)(3) Bond Program, which provide favorable terms, fixed asset financing for businesses or non-profit entities in Illinois. In 2004, the bank used this loan program in conjunction with the DCEO program to facilitate financing for a borrower. The total dollars are included under the DCEO program above.

## **INVESTMENT TEST**

### **Chicago AA**

The bank's performance under the investment test is rated Outstanding.

Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments. To provide perspective regarding the relative level of qualified investments, the bank allocated a portion of the bank's Tier One capital to each AA.

Based on the full scope review, MB's performance in the AA is excellent. The bank has an excellent level of qualified CD investments, often in a leadership position. For our review, we focused on the volume and types of investments, grants, donations, and in-kind contributions made by the bank relative to the community development opportunities in the AA. Information gathered from bank management, performance evaluations of similarly situated local financial institutions, and the OCC's local community affairs officer indicated that there are significant investment opportunities in the area.

During the evaluation period of July 28, 2003 through November 27, 2006 the bank's qualified investments, donations, and in-kind contributions in the Chicago AA totaled \$52.1 million or 11.8 percent of capital, which represents a significant allocation of bank resources. Funded investments during the evaluation period totaled \$17.6 million and funded investments made prior to July 28, 2003 that are still on the bank's books totaled \$4.6 million. Total unfunded binding commitments in the assessment area total \$29.9 million.

Several of the bank's investments are complex. Many involve multiple layers of financing from a variety of entities and/or more sophisticated investment vehicles, such as low-income housing tax credits.

The primary credit needs of the Chicago AA are affordable housing for low- and moderate-income individuals and economic development. These investments are very responsive to the identified credit needs of the community.

Some of the more significant qualifying investments and donations that were made during this evaluation period follow:

- MB has a funded equity investment totaling \$500 thousand with the Chicago Equity Fund 2004 Limited Partnership, a low-income housing tax credit "LIHTC" project. MB also has an unfunded binding commitment with the Chicago Equity Fund 2005 Limited Partnership for \$500 thousand. The purpose of the limited partnership is to acquire limited interests in partnerships engaging in the acquisition, rehabilitation or new construction of low-income multi-family housing structures located in various neighborhoods in the City of Chicago.
- MB has funded an investment of \$1.5 million with the Community Investment Corporation (CIC). MB also has an unfunded binding commitment of \$1.9 million. CIC is a 30 year-old Chicago based non-profit mortgage banking organization, certified as a Community Development Financial Institution that specializes in multi-family rehabilitation in lower-income neighborhoods in the City of Chicago. CIC provides financing for acquisition and rehabilitation or new construction of multi-family affordable housing.
- MB has funded investments totaling \$8.4 million with the Neighborhood Lending Services (NLS). MB also has binding unfunded commitments totaling \$6.6 million to NLS. NLS is a nonprofit organization that provides low- and moderate-income borrowers with affordable resources to buy, maintain and sustain their homes. Proceeds were used to purchase new and existing residential loans secured by 1st and 2nd mortgages originated through various borrower origination programs. Proceeds are also used to support the NLS program and working capital needs. This is considered a complex investment.
- MB invested \$4 million in CRA mortgage backed securities which are backed by home mortgage loans originated to individuals that either have low- to moderate-income or those that reside in a low- to moderate- income census tract or both. All the loans were originated within the bank's assessment area in Cook County.
- MB funded an investment for \$706 thousand with the Aldine Capital Fund L.P. and its subsidiary Aldine SBIC Fund L.P. The Aldine SBIC Fund L.P. was formed to provide equity and/or debt capital to U.S small businesses. MB also has a binding unfunded commitment totaling \$19.3 million.

MB made a total of \$176 thousand in-kind contributions to community development organizations and 435 cash contributions and donations totaling \$825 thousand. Some of the notable qualifying grants and donations are as follows:

- \$127 thousand to the Neighborhood Housing Services of Chicago - This organization is a non-profit community development financial institution (CDFI) whose purpose is to provide support services and financing for the purchase and rehabbing of affordable housing in low- and moderate-income neighborhoods in Chicago. The organization's activities range from closing mortgages, counseling homebuyers, rehabilitating run down city blocks, selling mortgages to the secondary market, and directing community leadership training and planning sessions.
- \$52 thousand to La Rabida Children's Hospital - La Rabida Children's Hospital cares for children with chronic illnesses, children with disabilities, or children who have been abused. La Rabida is a non-profit organization that maintains an ongoing commitment to care for children and their families regardless of their ability to pay.
- \$32 thousand to the American Red Cross Hurricane Katrina Relief - The contribution helped support efforts in stabilizing the designated disaster area caused by Hurricane Katrina.
- \$19 thousand to the Local Initiatives Support Organization (LISC) - This organization provides capital, technical expertise, training and information to support the development of local leadership and the creation of affordable housing, commercial, industrial and community facilities, businesses and jobs.
- \$16 thousand to the Emergency Fund for Needy People - The Emergency Fund for Needy People provides emergency monetary assistance to low-income Chicago residents.

## **SERVICE TEST**

The bank's performance under the Service Test is rated Outstanding.

### **Chicago AA**

#### **Retail Banking Services**

Based on full-scope reviews, the bank's performance in the Chicago AA is excellent.

Refer to Table 15 in appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

MB's delivery systems are readily accessible to all portions of the AA. MB operates forty branches in the AA. Of these, three are located in low-income geographies, which is slightly below the percentage of the population that resides in low-income geographies. Five branches are located in moderate-income geographies, which is below the percentage of the population that resides in moderate-income geographies. However, these branches are accessible to a larger low- and moderate-income population. In both instances, the geography where the branches are located is surrounded by low- and moderate-income geographies.

The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. MB opened one full-service office location in a moderate-income geography, two locations in middle-income geographies and two locations in upper-income geographies during this evaluation period. MB acquired two locations in low-income geographies, five locations in middle income geographies and two locations in upper-income geographies during this evaluation period. The bank has not closed any branches in the AA.

MB's banking services are tailored to the convenience and needs of the AA, including low- and moderate-income individuals. Hours do not vary in a way that inconveniences portions of the AA, particularly low- and moderate-income individuals; extended banking hours are available at all locations. Branches are open into the evening on weekdays and into the afternoon on Saturday and Sunday. MB offers a comprehensive line of retail banking services and specifically targets low- and moderate-income individuals with services such as free checking, holiday cash accounts, credit products and passbook savings accounts. Multi-lingual services are available and the bank's foreign language survey includes staff members who speak, read and/or write in 40 languages.

The distribution of automated teller machines (ATMs) is good. MB operates sixty-five ATMs in the AA; thirty-three are full service and take deposits. Thirty-two are cash dispensing only. Six percent of the deposit-taking ATMs are located in low-income geographies. Nine percent of the population lives in low-income geographies. Nine percent of the deposit-taking ATMs are located in moderate-income geographies. Twenty-five percent of the population lives in moderate-income geographies. The ATMs are part of STAR; a nationwide network that allows its customers to transact business and make account inquiries at any member network ATM

MB's alternate delivery systems include telephone banking, an automated telephone system, Internet banking and online bill pay. However, MB does not monitor the usage of this alternative delivery service by low- and moderate-income individuals. Therefore, we did not place significant weight on this alternative service when drawing the Service Test conclusions.

## Community Development Services

MB is a leader in providing community development services which are highly responsive to community needs. The bank has been involved with an excellent number of community development activities within its assessment area. In many instances representatives of the bank have acted in a leadership capacity. Involvement has been in organizations that have as their primary purpose affordable housing, community services targeted to low- or moderate-income persons, and economic development by financing small business and revitalization of low-or moderate-income neighborhoods. Several examples are detailed below:

- Affordable Housing Program of the Federal Home Loan Bank - The bank has established itself as one of the leading facilitators of Affordable Housing Program (AHP) subsidies through the Federal Home Loan Bank (FHLB). Under this program, funds are provided to community organizations and other entities that develop affordable housing projects through the support of FHLB members. As a lead bank, the Bank plays a critical role in the success of securing these subsidies through the provision of technical assistance, completing the extensive application and monitoring the project. Since October, 2003, the Bank has prepared and submitted applications for grants on behalf of 34 organizations; 23 were awarded for a total of \$7,956,200 for 2,169 units of affordable housing.
- Regional Redevelopment Corporation and Regional Redevelopment Corporation of the South Suburbs - The president of the MB CDC has served as the chair of the Single Family Housing committee and as a member of the finance committee. These non-profit corporations serve low-income housing and home ownership needs. They develop new senior housing under the Section 202 (low income) HUD programs, rehabilitate existing FHA foreclosed properties, and build new single-family homes for sale to low-income qualified households. These corporations focus on the Riverdale neighborhood of the City of Chicago and the Village of Riverdale, Dolton, South Holland, Harvey and other small cities in the immediate south suburbs.
- Neighborhood Housing Services of Chicago, Inc. - This non-profit organization serves low- and moderate-income housing and home ownership needs in low- and moderate-income neighborhoods in the City of Chicago. The program originates loans, develops residential properties, and provides neighborhood redevelopment guidance in 13 low-income neighborhoods. They also provide credit counseling and anti-predatory lending guidance to low- and moderate-income households throughout the city. The president of the CDC and another bank officer are members of four committees, including the Finance Committee. He is also the Vice President in Charge of Resource Development for this organization.

- Advocate Bethany Hospital - This hospital serves neighborhoods on Chicago's West Side. The principal service area has a concentration of more than 85% low- and moderate-income census tracts. More than 60% of the patients are on Cook County and state financial support. The president of the CDC serves as Board Member and Chair of the Healthy Communities Partnership Committee.
- Greater Southwest CDC - The bank's CDC president assisted this organization by developing a financial plan for a Community Development Financial Institution (CDFI) application. This non-profit organization provides financial and housing counseling to low- and moderate-income households, and manages economic development programs to reclaim land for factories. The organization also develops programs to deal with foreclosure intervention and housing abandonment.
- Chicago Family Health Center - This federally funded, non-profit community health center primarily services the low- and moderate-income patient population in the South Chicago area. An MB senior vice-president serves as Chairman of the Board.
- Accion Chicago - This organization provides micro lending for small businesses and entrepreneurs who do not qualify for bank financing. A bank officer serves on the loan committee.
- Chicago Southland Economic Development Corporation - This organization is committed to strengthening the economic base in low- and moderate-income communities by retaining and growing existing businesses and attracting new investment. An MB regional president serves as a CSEDC member.

In addition, the president of the bank's CDC participates on several national community development organizations and committee boards. Examples of these activities are listed below:

- Federal Reserve Bank - He participates in the Mortgage Credit Access Partnership, the Credit Scoring Best Practices Guide Committee, and Small Capital Access Partnership (SECAP). He also participates on the Consumer Advisory Council on the Community Affairs and Housing Committee and the Compliance and Community Reinvestment Act Committee.
- National Anti-Predatory Lending Task Force - The task force provides education and other programs to prevent predatory lending from adversely impacting low- and moderate-income households. He participates as a Board member for this organization.
- National Community Development Loan School (Federal Reserve Bank of San Francisco) - This school instructs lenders and community leaders in the fundamentals of commercial/residential lending. The CDC President is on the Curriculum Advisory Committee and is an instructor for the school.

## STATE RATING

### State of Pennsylvania

<b>CRA Rating for Pennsylvania:</b>	<b>Needs to Improve</b>
<b>The lending test is rated:</b>	<b>Needs to Improve</b>
<b>The investment test is rated:</b>	<b>High Satisfactory</b>
<b>The Service Test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- Lending levels reflected poor responsiveness by MB to the credit needs of its AA in the state of Pennsylvania.
- The geographic distribution of home mortgage loans reflected poor penetration throughout the AA.
- There were significant gaps in the bank's lending to all geographies in its AA.
- A majority of home mortgage loans originated and purchased were within MB's assessment area.
- The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels.
- The bank's lack of CD lending during the evaluation period had a neutral effect on the Lending Test conclusions.
- The bank has a good level of investments.
- MB's banking services and extended hours are tailored to the convenience and needs of the AA

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN PENNSYLVANIA**

MB has one AA in the state of Pennsylvania. It includes all of Philadelphia County in the Philadelphia MA 37964. The bank operates one branch and one ATM in this AA. The Philadelphia branch was obtained through the acquisition of First Security Federal Savings Bank in July 2004. The Philadelphia bank had been part of a failed S&L, operated by the RTC. The RTC approached First Security Federal about purchasing the branch in 1994. At that time, First Security was a Ukrainian owned institution whose niche was serving the Ukrainian community in Chicago. The Philadelphia branch was also formerly Ukrainian owned, serving the Ukrainian market, which is why the RTC

approached First Security about purchasing this Philadelphia branch. The branch's focus continues to be on the Ukrainian population.

The Philadelphia office produces a very small percentage of the bank's deposits and loans. It generated only three percent of the bank's deposits and less than one half of one percent (0.4 percent) of the bank's loans that were made in its AAs. Less than two percent of MB's total home mortgage loans that were originated or purchased in the bank's AAs are in Pennsylvania. No small loans to businesses were generated in the Philadelphia AA, although the bank did generate 9 small loans to businesses in the state of Pennsylvania. There is no concentration of commercial or credit card lending or trust services.

Based on June 30, 2006 FDIC deposit statistics, MB had a deposit market share of 0.28 percent and ranked 23rd of 48 banks with branches in the bank's AA, placing them in the 52<sup>nd</sup> percentile. The top four banks were large regional banks with a combined deposit market share of 74 percent.

Based on 2005 aggregate HMDA market share data, MB ranked 360th out of 572 lenders making home mortgage loans in the bank's AA, which places the bank in the 37th percentile with a 0.01 percent market share. Four of the top five lenders were large regional mortgage lenders and together account for 21 percent of the market share.

Refer to the Market Profile for the bank's AA in the state of Pennsylvania in Appendix C for detailed demographics and other performance context information.

## **Conclusions with Respect to Performance Tests**

### **LENDING TEST**

The bank's performance under the lending test is rated Needs to Improve. Based on the full-scope review, the bank's performance in the Philadelphia AA is poor.

#### **Lending Activity 2004 - 2005**

Refer to Table 1 in Appendix D for the facts and data used to evaluate the bank's lending activity. All lending data covers the period 2004 – 2005. MB acquired the Pennsylvania branch through merger activity in July 2004. Therefore, there is no 2003 loan data for this AA.



## **Philadelphia AA 2004-2005**

Lending levels reflected poor responsiveness by MB to the credit needs of its AA in the state of Pennsylvania during the years 2004 and 2005. The bank's market share percentile ranking for home purchase loans and home refinance loans is less than its percentile ranking for deposit market share because of the bank's low loan volume. During the evaluation period, the bank originated 29 HMDA loans and 9 small loans to businesses in the state of Pennsylvania.

Approximately 66 percent of the bank's home mortgage loans that were originated in Pennsylvania during the evaluation period were within the bank's assessment area. The bank did not make any small loans to businesses in its AA. Among the home mortgage loans in the Philadelphia AA, approximately 58 percent were for home purchase and 42 percent for refinance. The bank did not make any multi-family or home improvement loans during the evaluation period. In view of these statistics, we dedicated the entire weight in our analysis to home purchase and refinance mortgage loans.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of loans reflected poor penetration throughout the AA. This analysis was based on the bank's lending performance in the Philadelphia AA, which contains 109 low-income and 140 moderate-income geographies. The bank did not make any small loans to businesses or farms, home improvement or multi-family loans in its AA.

Our review focused on the bank's lending performance in low- and moderate-income geographies. We considered the following factors in assessing the bank's geographic distribution performance. The bank's presence in the Philadelphia AA is minimal. The bank has only one branch in the Philadelphia AA, which is only 2.44% of its 41 total branches. Opportunity to lend in low-income geographies is limited with the Philadelphia branch being located in a middle-income geography with only two moderate-income geographies located adjacent to the branch location geography. Low-income geographies are accessible but not in close proximity to the branch location. The branch is located in and has focused on serving the Ukrainian community specifically. In addition, the Ukrainian community is aging and not interested in loan products. Based on this information, it was determined lending opportunities in low- and moderate-income geographies is limited. These factors were incorporated into the geographic distribution analysis.

## **Home Mortgage Loans**

Refer to Tables 2, 3 and 4 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of MB's home mortgage loans reflected an adequate distribution among low- and moderate-income geographies in the Philadelphia AA. Performance context issues outlined above mitigate this data.

The geographic distribution of home purchase loans in the Philadelphia AA was adequate. Performance context issues outlined above mitigate this data. The bank has not extended any home purchase loans in low-income geographies; however the geographic distribution of home purchase loans to moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in moderate-income geographies. The bank has no market share in low-income geographies. The bank's market share for moderate-income geographies equaled the overall market share.

The geographic distribution of refinance loans was poor. Performance context issues outlined above mitigate this data. The bank has not refinanced any home mortgages in low-income geographies. The geographic distribution of refinance loans to moderate-income geographies was near to the percentage of owner-occupied housing units located in moderate-income geographies. The bank has no market share in low-income geographies. The bank's market share in moderate-income geographies equaled the bank's overall market share.

## **Lending Gap Analysis**

There are significant gaps in MB's lending efforts in the Philadelphia AA. Although 40 percent of the housing units located in low-income geographies are rental properties, MB did not purchase or originate loans in any of the 109 low-income geographies. Nor did they make any loans in the 29 upper-income geographies. This geographic lending gap had a negative effect on the overall analysis of the bank's geographic distribution of loans by income level of geography.

## **Inside/Outside Ratio**

Sixty-six percent of the bank's home mortgage loans originated or purchased in Pennsylvania were within MB's assessment area. All nine of the small loans to businesses were outside the Philadelphia AA. We performed the inside/outside ratio analysis at the state level and included all loan originations and purchases in Pennsylvania. This performance was positively factored into the overall analysis of the bank's geographic distribution of lending by income level of geography.

## **Distribution of Loans by Income Level of the Borrower**

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels. This analysis is based on the bank's lending performance to low- and moderate-income borrowers. The bank did not make any home improvement loans, multi family loans, small loans to businesses or small loans to farms during the evaluation period.

### **Home Mortgage Loans**

Refer to Tables 8, 9, and 10 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of MB's home mortgage loans reflected an adequate distribution among low-, moderate-, middle- and upper-income borrowers in the Philadelphia AA.

We considered the following factors in assessing the bank's borrower distribution performance. Our review focused on the bank's lending performance to low- and moderate-income borrowers relative to the level of low- and moderate-income families within the AA. Thirty nine percent of the families in the AA are listed as low-income and 21 percent are listed as moderate-income families. Additionally, 22 percent of the households in the AA are below poverty level making it difficult for low-income borrowers to purchase a home. Based on this information, home mortgage loan opportunities for families in the AA are limited. These factors were incorporated into the home mortgage analysis.

The borrower distribution of home purchase loans in the Philadelphia AA was adequate.

The distribution of home purchase loans to low-income borrowers was below the percentage of low-income families living in the Philadelphia AA. The distribution of home purchase loans to moderate-income borrowers exceeded the percentage of moderate-income families living in the Philadelphia AA. The bank has no market share to low-income borrowers. The bank's market share to moderate-income borrowers equaled its overall market share. Performance context issues outlined above mitigate this data.

The borrower distribution of refinance loans was adequate. The distribution of refinance loans to low-income borrowers was below the percentage of low-income families.

Performance context issues outlined above mitigate this data. The distribution of refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families living in the Philadelphia AA. The bank has no market share to low- or moderate-income borrowers.

## **Community Development Lending**

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

CD lending had a neutral effect on the Lending Test conclusions. The bank did not make any community development loans in the Philadelphia AA during the evaluation period.

## **Product Innovation and Flexibility**

The bank's list of flexible/innovative lending products are a combination of national and Illinois programs. The national programs (i.e. Freddie Mac) are available in Pennsylvania as well as Chicago. There are no specific programs used by the bank in Pennsylvania. This had a neutral effect on the Lending Test conclusions.

## **INVESTMENT TEST**

### **Philadelphia AA**

The bank's performance under the investment test is rated High Satisfactory.

Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments. To provide perspective regarding the relative level of qualified investments, the bank allocated a portion of the bank's Tier One capital to each AA.

Based on the full scope review, MB's performance in the AA is good. For our review, we focused on the volume and types of investments, grants, donations, and in-kind contributions made by the bank relative to the community development opportunities of the AA. Information gathered from bank management, performance evaluations of similarly situated local financial institutions, and the OCC's local community affairs officer indicated that there are significant investment opportunities in the area. We also evaluated the bank's use of innovative or complex investments to support community development initiatives.

The bank has a significant level of qualified community development investments. During the evaluation period of July 28, 2003 through November 27, 2006 the bank funded one qualified investment in its AA of \$500 thousand or 16.7 percent of capital, which represents a significant allocation of bank resources. The investment is in a CRA Qualified Investment Fund. It is a Mortgage Backed Security backed by home mortgage loans originated to low- and moderate-income individuals residing within the Philadelphia AA in Pennsylvania. This investment was not considered to be innovative or complex.

There were no investments in the AA prior to July 28, 2003 that remain on the bank's books. There are no unfunded binding commitments in the AA. There were no donations or grants within the assessment area during the evaluation period.

## **SERVICE TEST**

### **Retail Banking Services**

Based on full-scope reviews, the bank's performance in the Pennsylvania AA is good.

Refer to Table 15 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

MB's operates one branch in the AA. It is located in a middle-income geography but is accessible to the surrounding low- and moderate-income geographies.

The bank has not opened, closed or acquired any branches during the evaluation period.

MB's banking services and extended hours are tailored to the convenience and needs of the AA. The branch is open into the evening on weekdays and into the afternoon on Saturday.

The distribution of automated teller machines (ATMs) is adequate. MB operates 1 ATM in the AA. The ATM is part of STAR; a nationwide network that allows its customers to transact business and make account inquiries at any member network ATM

MB's alternate delivery systems include telephone banking, an automated telephone system, Internet banking and online bill pay. However, MB does not monitor the usage of this alternative delivery service by low- and moderate-income individuals. Therefore, we did not place significant weight on this alternative service when drawing the Service Test conclusions.

## Community Development Services

MB operates one Pennsylvania branch which almost exclusively serves the Ukrainian community. Community development services targeting low- and moderate-income individuals are limited by the small number of MB employees at the branch and the minimal community development opportunities existing within the AA. Community Development Services include:

- New Kensington Community Development Corporation - The purpose of this nonprofit organization is revitalization in low- and moderate-income neighborhoods on the northeast side of Philadelphia. The branch manager serves with this organization.

The president of MB's CDC participates with several national community development organizations to benefit low- and moderate-income persons. Examples of these activities are listed below:

- Federal Reserve Bank - He participates in the Mortgage Credit Access Partnership, the Credit Scoring Best Practices Guide Committee, and Small Capital Access Partnership (SECAP). He also participates on the Consumer Advisory Council on the Community Affairs and Housing Committee and the Compliance and Community Reinvestment Act Committee.
- National Anti-Predatory Lending Task Force - The task force provides education and other programs to prevent predatory lending from adversely impacting low- and moderate-income households. He participates as a Board member for this organization.
- National Community Development Loan School (Federal Reserve Bank of San Francisco) - This school instructs lenders and community leaders in the fundamentals of commercial/residential lending. The CDC President is on the Curriculum Advisory Committee and is an instructor for the school.
- National Training and Information Center - featured speaker for the housing and banking summit entitled "People + Money: Making It Work in the Neighborhood".
- Freddie Mac Community Lender Advisory Board - This committee was established to advise the corporation on issues impacting community lenders, specifically affordable housing outreach. The CDC president serves on the Board of Directors.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 01/01/2003 to 12/31/2005 Investment and Service Tests and CD Loans: 07/28/2003 to 11/27/2006	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
MB Financial Bank, N. A. (MB) Chicago, Illinois	Home mortgage loans, small business loans, CD loans, CD investments, CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
MB Financial Community Development Corporation (CDC)	Bank Subsidiary	Community Development Loans, Investments and Services.
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Chicago AA – Cook, DuPage and Will Counties in Chicago MA #16974 in state of Illinois	Full-Scope	
Philadelphia AA – Philadelphia County in Philadelphia MA #37964 in state of Pennsylvania	Full Scope	

## Appendix B: Summary of State Ratings

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RATINGS					MB Financial Bank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating					
MB Financial Bank, N.A.	Outstanding	Outstanding	Outstanding	Outstanding					
State:									
Illinois	Outstanding	Outstanding	Outstanding	Outstanding					
Pennsylvania	Needs to Improve	High Satisfactory	High Satisfactory	Needs to Improve					

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.



# Appendix C: Market Profiles for Full-Scope Areas

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## Table of Contents

### Market Profiles for Areas Receiving Full-Scope Reviews

Chicago AA (Cook, DuPage and Will Counties in Chicago MA) .....	C-1
Philadelphia AA (Philadelphia County in Philadelphia MA).....	C-3

**Institution ID: MB Financial**

**Chicago AA**

Demographic Information for Full Scope Area: Chicago AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,572	14.82	26.15	33.46	24.55	1.02
Population by Geography	6,783,168	8.83	25.17	37.81	28.19	0.00
Owner-Occupied Housing by Geography	1,530,925	2.95	16.42	44.19	36.44	0.00
Business by Geography	350,192	3.72	14.67	37.01	44.28	0.32
Farms by Geography	4,365	1.35	9.53	44.35	44.74	0.02
Family Distribution by Income Level	1,646,671	21.85	17.79	21.65	38.70	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	652,791	15.69	35.25	35.90	13.16	0.00
Median Family Income		60,166	Median Housing Value		176,094	
HUD Adjusted Median Family Income for 2005		68,550	Unemployment Rate (2000 US Census)		3.31%	
Households Below Poverty Level		11%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2005 HUD updated MFI

The Chicago AA consists of portions of the Chicago-Naperville-Joliet Illinois Metropolitan Division (MD) #16974, which includes Cook, DuPage and Will counties. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

The Chicago AA is comprised of 1,572 geographies. Two hundred thirty-three of the geographies in this AA are low-income, 411 are moderate-income, 526 are middle-income, and 386 are upper-income geographies. The bank's main office and 39 branches are located in this AA.

The population of this AA was 6.7 million based on 2000 census data. Nine percent of the population live in low-income geographies, 25 percent live in moderate-income geographies, 38 percent live in middle-income geographies, and 28 percent live in upper-income geographies.

The updated Housing and Urban Development (HUD) 2005 median family income for the Chicago AA is \$68,550. A breakdown of family income levels in the AA shows 22 percent as low-income (359,798 families), 18 percent moderate-income (292,942 families), 21 percent middle-income (356,504 families) and 39 percent upper-income (637,426 families). A low-income family has a maximum income of

only \$34,275. In addition, eleven percent of the total households in the AA are below the poverty level.

Of the 2.6 million housing units in the AA, 1.5 million (59 percent) are owner-occupied, 936 thousand (36 percent) are rental-occupied and the remaining 140 thousand (5 percent) are vacant. Three percent of the owner-occupied units are located in the low-income geographies, 16 percent are located in moderate-income geographies, 44 percent are located in middle-income geographies, and 37 percent are located in upper-income geographies. The median housing value within the AA based on 2000 census data is \$176,094.

A majority of the businesses in the Chicago AA have 1-4 employees. Sixty-three percent of the businesses in the AA report gross revenues of \$1 million or less. The primary industry in the AA is service oriented (42 percent), followed by retail trade (15 percent). The largest employers in the AA include the Chicago Public Schools, City of Chicago, Jewel-Osco, Cook County and Ameritech.

The unemployment rate in the Chicago AA as of October 2006 was 3.31 percent. This is lower than both the national and state unemployment rates. The unemployment rate for the state of Illinois as of October 2006 was 4.1 percent and the national unemployment rate in October 2006 was 4.6 percent.

Based on June 30, 2006 FDIC deposit statistics, there are 224 deposit-taking financial institutions, both local and regional, in the Chicago AA. There are over one thousand lenders, including depository and non-depository institutions that offer a wide variety of loan products. Therefore, competition for both deposits and loans is strong.

**Institution ID: MB Financial**

**Philadelphia AA**

Demographic Information for Full Scope Area: Philadelphia AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	381	28.61	36.75	23.10	7.61	3.94
Population by Geography	1,517,550	28.91	41.93	24.90	4.08	0.18
Owner-Occupied Housing by Geography	349,651	23.30	43.70	28.82	4.18	0.00
Business by Geography	111,979	26.03	35.78	24.62	12.07	1.50
Farms by Geography	468	14.74	37.39	33.33	13.68	0.85
Family Distribution by Income Level	355,253	38.71	21.29	18.78	21.23	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	213,129	37.15	44.06	17.59	1.21	0.00
Median Family Income HUD Adjusted Median Family Income for 2005 Households Below Poverty Level		56,993 66,550 22%	Median Housing Value Unemployment Rate (2000 US Census)	70,236 4.72%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2005 HUD updated MFI

The Philadelphia AA consists of all of Philadelphia County, which is a portion of the Philadelphia, Pennsylvania MD #37964. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

The Philadelphia AA is comprised of 381 geographies. One hundred nine of the geographies in this AA are low-income, 140 are moderate-income, 88 are middle-income, 29 are upper-income geographies and 15 do not have an income designation. The bank has one branch in this AA.

The population of this AA was 1.5 million based on 2000 census data. Twenty-nine percent of the population live in low-income geographies, 42 percent live in moderate-income geographies, 25 percent live in middle-income geographies, and 4 percent live in upper-income geographies.

The updated Housing and Urban Development (HUD) 2005 median family income for the Philadelphia AA is \$66,550. A breakdown of family income levels in the AA shows 39 percent as low-income (137,510 families), 21 percent moderate-income (75,625 families), 19 percent middle-income (66,708 families) and 21 percent upper-income (75,410 families). A low-income family has a maximum income of only \$33,275. In addition, twenty-two percent of the total households in the AA are below the poverty level.

Of the 662 thousand housing units in the AA, 350 thousand (53 percent) are owner-occupied, 240 thousand (36 percent) are rental-occupied and the remaining 72 thousand (11 percent) are vacant. Twenty-three percent of the owner-occupied units are located in the low-income geographies, 44 percent are located in moderate-income geographies, 29 percent are located in middle-income geographies, and 4 percent are located in upper-income geographies. The median housing value within the AA based on 2000 census data is \$70,236.

A majority of the businesses in the Philadelphia AA have 1-4 employees. Fifty-eight percent of the businesses in the AA report gross revenues of \$1 million or less. The primary industry in the AA is service oriented (37 percent), followed by retail trade (18 percent). The largest employers in the AA include health care, retail and warehouse related businesses.

The unemployment rate in the Philadelphia AA as of October 2006 was 4.72 percent. This is higher than both the national and state unemployment rates. The unemployment rate for the state of Pennsylvania as of October 2006 was 4.3 percent and the national unemployment rate in October 2006 was 4.6 percent.

The bank entered this market during 2004 through a bank merger. Based on the June 30, 2006 FDIC deposit statistics, there are 48 deposit-taking financial institutions, both local and regional, in the Pennsylvania AA. There are over 570 lenders, including depository and non-depository institutions that offer a wide variety of loan products. Therefore, competition for both deposits and loans is strong.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or

other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.

- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that



amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Institution ID: MB Financial

**Table 1. Lending Volume**

LENDING VOLUME		Geography: Illinois & Pennsylvania						Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area (2005):	% of Rated Area Loans (#) in MA/AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in MA/AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Chicago AA	99.59	983	297,931	3,518	896,035	6	866	177	282,826	4,684	1,477,658	97.08
Philadelphia AA	0.41	19	2,225	0	0	0	0	0	0	19	2,225	2.92

<sup>\*</sup> Loan Data as of December 31, 2005. Rated area refers to the state rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from July 28, 2003 to November 27, 2006.

<sup>\*\*\*</sup> Deposit Data as of September 30, 2006. Rated Area refers to the state.

Institution ID: **MB Financial**

**Table 1. Other Products**

LENDING VOLUME		Geography: Illinois & Pennsylvania						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area (2005):	% of Rated Area Loans (#) in MA/AA	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>														
Chicago AA	100.00	25	4,565	25	4,565	0	0	0	0	0	0	0	0	97.08
Philadelphia AA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	2.92

\* Loan Data as of December 31, 2005. Rated area refers to state rating area.

\*\* The evaluation period for Optional Product Line(s) is from January 01, 2004 to December 31, 2005.

\*\*\* Deposit Data as of September 30, 2006. Rated Area refers to the state.

Institution ID: MB Financial

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: Illinois & Pennsylvania						Evaluation Period: January 1, 2004 to December 31, 2005							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% 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
<b>Full Review:</b>															
Chicago AA	291	96.36	2.95	5.50	16.42	19.24	44.19	43.64	36.44	31.62	0.05	0.03	0.04	0.05	0.05
Philadelphia AA	11	3.64	23.30	0.00	43.70	63.64	28.82	36.36	4.18	0.00	0.01	0.00	0.01	0.01	0.00

\* Based on 2005 Peer Mortgage Data (Western)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Institution ID: MB Financial**  
**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: Illinois & Pennsylvania					Evaluation Period: January 1, 2004 to December 31, 2005					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Chicago AA	96	100.00	2.95	18.75	16.42	27.08	44.19	41.67	36.44	12.50	0.22	0.54	0.25	0.24	0.11	
Philadelphia AA	0	0.00	23.30	0.00	43.70	0.00	28.82	0.00	4.18	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2005 Peer Mortgage Data (Western)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: MB Financial

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: Illinois & Pennsylvania				Evaluation Period: January 1, 2004 to December 31, 2005			
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography											
	#	% of Total**	% 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							
<b>Full Review:</b>																						
Chicago AA	421	98.14	2.95	9.03	16.42	23.52	44.19	37.53	36.44	29.93	0.07	0.15	0.08	0.06	0.08							
Philadelphia AA	8	1.86	23.30	0.00	43.70	37.50	28.82	62.50	4.18	0.00	0.01	0.00	0.01	0.01	0.00							

\* Based on 2005 Peer Mortgage Data (Western)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: MB Financial

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: Illinois & Pennsylvania					Evaluation Period: January 1, 2004 to December 31, 2005					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Chicago AA	175	100.00	12.03	18.86	24.58	41.14	34.80	29.71	28.59	10.29	1.94	1.51	2.49	1.93	0.96	
Philadelphia AA	0	0.00	16.24	0.00	32.56	0.00	34.03	0.00	17.17	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2005 Peer Mortgage Data (Western)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: MB Financial

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: Illinois & Pennsylvania		Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography							
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp			
<b>Full Review:</b>																		
Chicago AA	3,503	100.00	3.72	5.02	14.67	18.98	37.01	38.77	44.28	37.23	1.08	2.13	1.55	1.21	0.81			
Philadelphia AA	0	0.00	26.03	0.00	35.78	0.00	24.62	0.00	12.07	0.00	0.00	0.00	0.00	0.00	0.00			

\* Based on 2005 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2005).



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Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: Illinois & Pennsylvania					Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>													
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Chicago AA	6	100.00	1.35	0.00	9.53	33.33	44.35	66.67	44.74	0.00	0.18	0.00	0.00	0.38	0.00									
Philadelphia AA	0	0.00	14.74	0.00	37.39	0.00	33.33	0.00	13.68	0.00	0.00	0.00	0.00	0.00	0.00									

<sup>\*</sup> Based on 2005 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2005).

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Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE															Geography: Illinois & Pennsylvania					Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>1</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Chicago AA	291	96.36	21.85	12.70	17.79	26.23	21.65	19.26	38.70	41.80	0.05	0.21	0.06	0.02	0.05									
Philadelphia AA	11	3.64	38.71	10.00	21.29	30.00	18.78	40.00	21.23	20.00	0.00	0.00	0.00	0.01	0.00									

<sup>\*</sup> Based on 2005 Peer Mortgage Data (Western)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 15.9% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT															Geography: Illinois & Pennsylvania					Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>2</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Chicago AA	96	100.00	21.85	26.44	17.79	32.18	21.65	24.14	38.70	17.24	0.21	0.37	0.30	0.23	0.10									
Philadelphia AA	0	0.00	38.71	0.00	21.29	0.00	18.78	0.00	21.23	0.00	0.00	0.00	0.00	0.00	0.00									

<sup>\*</sup> Based on 2005 Peer Mortgage Data (Western)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 9.4% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: Illinois & Pennsylvania					Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>3</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Chicago AA	421	98.14	21.85	13.70	17.79	23.29	21.65	23.29	38.70	39.73	0.08	0.13	0.06	0.06	0.09									
Philadelphia AA	8	1.86	38.71	12.50	21.29	25.00	18.78	12.50	21.23	50.00	0.01	0.00	0.00	0.00	0.04									

<sup>\*</sup> Based on 2005 Peer Mortgage Data (Western)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 13.1% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

<sup>3</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: Illinois & Pennsylvania			Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Chicago AA	3,518	100.00	63.46	42.72	40.65	24.56	34.79	1.08	1.12
Philadelphia AA	0	0.00	57.55	0.00	0.00	0.00	0.00	0.00	0.00

<sup>\*</sup> Based on 2005 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2005).

<sup>\*\*\*\*</sup> Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 18.59% of small loans to businesses originated and purchased by the bank.

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**Table12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS									
				Geography: Illinois & Pennsylvania			Evaluation Period: January 1, 2004 to December 31, 2005		
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Chicago AA	6	100.00	84.12	100.00	0.00	100.00	0.00	0.18	0.22
Philadelphia AA	0	0.00	88.03	0.00	0.00	0.00	0.00	0.00	0.00

<sup>\*</sup> Based on 2005 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

<sup>\*\*\*</sup> Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2005).

<sup>\*\*\*\*</sup> Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

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**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: Illinois & Pennsylvania				Evaluation Period: July 28, 2003 to November 27, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Chicago AA	18	4,626	457	17,368	475	22,264	97.80	9	29,862
Philadelphia AA	0	0	1	500	1	500	2.20	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM & BRANCH OPENINGS/CLOSINGS																Geography: Illinois & Pennsylvania			
Evaluation Period: July 28, 2003 to November 27, 2006																			
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography					
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp		
<b>Full Review:</b>																			
Chicago AA	97.08	40	97.56	7.50	12.50	47.50	32.50	5	0	0	1	2	2	8.83	25.17	37.81	28.19		
Philadelphia AA	2.92	1	2.44	0.00	0.00	100.00	0.00	0	0	0	0	0	0	28.91	41.93	24.90	4.08		



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**Distribution of Branch and ATM Delivery System**

Distribution of Branch and ATM Delivery System																	
Geography: Illinois & Pennsylvania																	
Evaluation Period: July 28, 2003 to November 27, 2006																	
MA/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 Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Chicago AA	97.08	40	97.56	8	13	48	33	33		2	3	16	12	8.83	25.17	37.81	28.19
Philadelphia AA	2.92	1	2.44	0	0	10	0	1	2.94	0	0	1	0	28.91	41.93	24.90	4.08