



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

March 7, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**GreatBank A National Association
Charter Number 23339**

**603 East Main Street
Evanston, Illinois 60202**

**Comptroller of the Currency
ADC – Chicago-South Field Office
7600 County Line Road, Suite 3
Burr Ridge, IL 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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

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

This document is an evaluation of the CRA performance of **GreatBank A National Association (GBNA)** prepared by **The Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of March 7, 2005. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

This evaluation covers the period since July 14, 1998, the date of the last CRA examination, when the bank was rated "**Satisfactory Record of Meeting Community Credit Needs.**"

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

The major factors that support GBNA's overall rating include:

- The bank's loan to deposit ratio is excellent.
- The bank's lending activity in the assessment area (AA) is reasonable.
- The bank's record of extending credit to individuals of different income levels and businesses of different sizes in the AA is reasonable.
- Geographic distribution of home mortgage loans and small businesses is reasonable.
- The bank's qualifying community development services, donations, and loans have enhanced their performance under CRA.
- The bank did not receive any written complaints about its performance in helping to meet the credit needs within their AA during this evaluation period.

DESCRIPTION OF INSTITUTION

GreatBank A National Association (GBNA) is based in Evanston, Illinois, approximately 15 miles

north of Chicago, Illinois. GBNA is a wholly owned subsidiary of GreatBanc, Incorporated. Greatbanc, Inc., located in Aurora, Illinois, is a multi-bank holding company, which owns all of the outstanding stock of First National Bank, Chicago Heights, Illinois and GreatBank, Algonquin, Illinois. GreatBank in Algonquin is the only state chartered institution. In addition, the holding company also owns GreatBanc Operations Corporation, which provides operational and technological support for all three banks. GBNA operates in addition to the main office in Evanston, Illinois two branch offices located in Chicago, Illinois (Lincoln Square community) and in Skokie, Illinois. All three locations are full service facilities with drive up amenities.

The bank has total assets of \$282 million as of December 31, 2004. The loan portfolio represents 88 percent of total assets. The table below illustrates the composition of the loan portfolio.

Loan Category	\$(000)	Percent
Residential Loans	\$52,822	21%
Commercial Loans	\$107,203	43%
Individual Loans	\$88,401	36%
Other	\$48	0%
Total	\$248,474	100%

There are no legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in the bank’s assessment areas. There has been no change in the bank’s corporate structure since the last CRA examination. The bank’s last CRA evaluation was July 14, 1998 at which the bank received a “Satisfactory” record of meeting the community credit needs.

DESCRIPTION OF ASSESSMENT AREA

GBNA has one assessment area (AA) encompassing 258 geographies within Cook County all of which are in MA 1600. Among the 258 geographies, there are 8 low-income, 55 moderate-income, 79 middle-income, and 116 upper-income. This AA meets the requirements of the regulation and does not arbitrarily exclude low- and moderate-income geographies. Competition in the bank’s AA is very strong. There are 202 financial institutions in the one-county area where the bank’s AA is located. The majority of the institutions are large credit card banks and large regional institutions. GBNA ranks 72 out of the 202 banks with a 0.17 percent deposit market share.

Census 2000 changed the boundaries and income levels of many existing geographies. These changes were effective January 1, 2003. The evaluation period included loans originated from January 1, 2002 through December 31, 2002, using 1990 census data. Loans originated from January 1, 2003 through December 31, 2003 were analyzed using 2000 census data. The results of these analyses were combined to obtain an overall rating.

The total population of the AA is 1,133,102 based on 2000 census data. Per the 1990 census data the total population of the AA was 1,075,727. The current AA, based on 2000 census data, consists of 258 geographies. Eight (3 percent) is low-income, 55 (21 percent) are moderate-income, 79 (31 percent) are middle-income, and 116 (45 percent) are upper-income geographies. Per the 1990 census data, there were 258 geographies in the bank’s AA. These consisted of 10 (4 percent) low-

income, 65 (25 percent) are moderate-income, 85 (33 percent) are middle-income, and 98 (38 percent) are upper-income geographies.

The median annual family income in the bank's AA, based on 2000 census data, is \$69 thousand, compared to \$75 thousand for 1990. This is a 8 percent decrease from 1990 census data. This decrease is attributed to different methods used to arrive at median annual family income during the two census periods. The 1990 census data used an estimated figure, and the 2000 census data uses actual figures, causing what appears to be a declining trend in median annual family income. Per the 2000 census fifty-one percent of the housing in the AA is 1-4 family units with 48 percent owner-occupied. The median home value, based on 2000 census data, was approximately \$244 thousand. This is a 28 percent increase from the 1990 census where median home values were approximately \$190 thousand.

Major employers in the area include Northwestern University, Anixter International, Inc., and Evanston and St. Francis Hospitals. The local economy is stable. The 2004 unadjusted seasonal unemployment rate for the AA was 6.6 percent for Cook County. This is slightly above the 2004 State of Illinois unemployment rate of 6.2 percent and above the 2004 national unemployment rate average of 5.5 percent.

We contacted a local representative to a community development organization. The contact indicated that the performance of local financial institutions is very good. The credit and financial service needs are primarily affordable housing in the area for low- and moderate-income families. The area is economically stable.

CONCLUSIONS ABOUT PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

The bank's average loan-to-deposit ratio (LTD) is excellent given the bank's size, financial condition, and AA credit needs. The bank's LTD ratio as of December 31, 2004 is 119.24 percent. GBNA's quarterly average LTD ratio for the period from September 30, 2001 through December 31, 2004 is 107.57 percent. This is a significant increase from the 72 percent quarterly average LTD ratio during the previous evaluation period. Banks of various sizes in the AA range from 121.99 percent to 162.55 percent in the LTD ratio. GBNA is much smaller in asset size compared to the strong competition in their AA of which a majority are large credit card and regional banks.

The bank's loan-to-deposit ratio does not include approximately \$5.7 million of loans sold to the secondary market between 2002-2003. The bank's decision to sell loans on the secondary market frees up capital allowing additional resources for lending and increases credit available to their assessment area.

Lending in Assessment Area

GBNA's primary loan types are home-mortgage and commercial and commercial real estate loans. These loan types constitute a significant volume of the bank's lending mix. Residential loans

comprise 21 percent of GBNA's portfolio and commercial and commercial real estate loans comprise 43 percent.

GBNA's lending within the AA is reasonable. Loans inside GBNA's AA represent 66% percent of the number of loans and 73 percent of the dollar amount (\$110 million). The following table details the bank's lending within the AA by the number of loans originated and dollar volume in 2002 through 2003.

Lending in Assessment Area										
Loan Type	Number of Loans					Dollars of Loans (000 omitted)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase*	9	75%	3	25%	100%	\$3,609	72%	\$1,382	28%	100%
Home Refinance*	30	77%	9	23%	100%	\$12,491	83%	\$2,491	17%	100%
Home Improve*	5	63%	3	38%	100%	\$1,205	99%	\$18	1%	100%
Multi-family	39	59%	27	41%	100%	\$86,994	74%	\$31,033	26%	100%
Total Residential Real Estate*	83	66%	42	34%	100%	\$104,299	75%	\$34,924	25%	100%
Small Business #	13	65%	7	35%	100%	\$5,231	47%	\$5,914	53%	100%
TOTAL Loans	96	66%	49	34%	100%	\$109,530	73%	\$40,838	27%	100%

* Represents home mortgage loans originated between January 1, 2002 and December 31, 2003 as reported on the bank's HMDA LAR

GBNA is not a small business reporter, therefore; the analysis performed on the small business portfolio is based solely on the sample size of 20.

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

The bank's lending to borrowers of different income levels is reasonable.

In evaluating the borrower distribution of home mortgage loans, (home purchase, home improvement and home refinance) we considered the number of households that live below the poverty level (10 percent using both 1990 and 2000 census), and the unemployment rate for Cook County (6.6 percent). Housing costs are also high with an average median housing cost, using 1990 census, of \$190 thousand and 2000 census of \$244 thousand, therefore limiting home ownership opportunities for both low-and moderate-income borrowers. Competition among the financial institutions is also very strong within the bank's AA. The poverty level, unemployment rate and high housing costs are barriers that have a negative affect on home ownership.

Residential Real Estate Loan Originations (January 1, 2002 – December 31, 2002)

The borrower distribution of home purchase loans is poor. The bank did not make any home purchase loans to low- or moderate-income borrowers. Opportunity to make home purchase loans to low- or moderate-income borrowers is limited (households below poverty level is 10 percent), and the average median housing cost using 1990 census is \$190 thousand, therefore limiting home ownership opportunities for low- and moderate-income borrowers. Competition among the financial institutions is also very strong within the bank's AA.

The borrower distribution of home improvement loans is satisfactory. Home improvement loans made to low-income borrowers exceeds the percentage of low-income families within the AA. There were no home improvement loans made to moderate-income borrowers.

The borrower distribution of home refinance loans is satisfactory. The bank did not make any loans to low-income borrowers but home refinance loans were made to moderate-income borrowers, which exceeds the percentage of moderate-income families within the AA.

Borrower Distribution of Residential Real Estate Loans (2002)								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase*	19.06%	0.00%	16.61%	0.00%	20.94%	0.00%	43.38%	100.00%
Home Improvement*	19.06%	25.00%	16.61%	0.00%	20.94%	50.00%	43.38%	25.00%
Home Refinance*	19.06%	0.00%	16.61%	22.22%	20.94%	0.00%	43.38%	77.78%

* Represents loans originated in 2002 as reported under the Home Mortgage Disclosure Act

Residential Real Estate Loan Originations (January 1, 2003 – December 31, 2003)

The borrower distribution of home purchase loans is satisfactory. Home purchase loans made to low-income borrowers greatly exceed the percentage of low-income families within the AA. The bank did not make any home purchase loans to moderate-income borrowers within the AA. Opportunity to make home purchase loans is limited by households below poverty level (10 percent), and the average median housing cost using 2000 census is \$244 thousand, therefore limiting home ownership opportunities. Competition among the financial institutions is also very strong within the bank's AA.

The borrower distribution of home improvement loans is poor. The bank did not make any home improvement loans to low- or moderate-income borrowers. Opportunity to make home improvement loans to low- or moderate-income borrowers is limited by high poverty level (10 percent) and high unemployment rate (6.6 percent in Cook County) therefore limiting home ownership opportunities. Competition among the financial institutions is also very strong within the bank's AA.

The borrower distribution of home refinance loans is satisfactory. Home refinance loans made to low-income borrowers is somewhat below the percentage of low-income families within the AA. Home refinance loans made to moderate-income borrowers is below the percentage of moderate-income families within the AA. Opportunity to make home refinance loans to low- or moderate-income borrowers is limited high poverty level is (10 percent), and high unemployment rate (6.6 percent in Cook County) therefore limiting home ownership opportunities for moderate-income borrowers. Competition among the financial institutions is also very strong within the bank's AA.

Borrower Distribution of Residential Real Estate Loans (2003)								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase*	20.12%	66.67%	16.62%	0.00	19.38%	33.33%	43.89%	0.00%
Home Improvement*	20.12%	0.00%	16.62%	0.00%	19.38%	0.00%	43.89%	0.00%
Home Refinance*	20.12%	14.29%	16.62%	7.14%	19.38%	42.86%	43.89%	35.71%

* Represents loans originated in 2003 as reported under the Home Mortgage Disclosure Act

Small Loans to Businesses

The bank's lending to small businesses with revenues of \$1 million or less is excellent. Our review included a sample of 10 loans from inside the bank's AA between January 1, 2002 and December 31, 2002 and 10 loans between January 1, 2003 and December 31, 2003. Competition for small business loans in the bank's AA is strong. There were 818* lenders who reported originating small business loans in the bank's AA during 2003. The majority of the 818 lenders are large credit card banks and large regional institutions.

*Source: Submitted small business peer data from 2003

Small Loans to Businesses Originated (January 1, 2002-December 31, 2002)

Borrower distribution of small loans to businesses is excellent based on the sample size of ten loans. GBNA's small loans to businesses with revenues of \$1 million or less, is above the percentage of small businesses in the AA.

Borrower Distribution of Loans to Businesses (2002)		
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000
% of AA Businesses*	74.82%	25.18%
% of Bank Loans in AA by #**	100.00%	0.00%
% of Bank Loans in AA by \$**	100.00%	0.00%

*Business Demographic Summary **GBNA is not a small business loan reporter. Loan data is from a sample size of 10 loans.

Small Loans to Businesses Originated (January 1, 2003-December 31, 2003)

Borrower distribution of small loans to businesses is excellent based on the sample size of ten loans. GBNA's small loans to businesses with revenues of \$1 million or less, exceeds the percentage of small businesses in the AA.

Borrower Distribution of Loans to Businesses (2003)		
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000
% of AA Businesses*	67.21%	32.79%

% of Bank Loans in AA by #**	100.00%	0.00%
% of Bank Loans in AA by \$**	100.00%	0.00%

*Business Demographic Summary **GBNA is not a small business loan reporter. Loan data is from a sample size of 10 loans.

Geographic Distribution of Loans

Geographic distribution of home mortgage loans is reasonable.

Geographic Distribution of Loans (January 1, 2002 – December 31, 2002)

Geographic distribution of home purchase loans is poor. The bank did not make any home purchase loans in the low-income geographies within their AA. Opportunities to make home purchase loans in the low-income geographies are limited as there are less than 1 percent owner-occupied units. The bank did not make any home purchase loans in moderate-income geographies.

Geographic distribution of home improvement loans is satisfactory. The bank did not make any home improvement loans in the low-income geographies within their AA. Opportunities to make home improvement loans in the low-income geographies are limited as there are less than 1 percent owner-occupied units. Geographic distribution of home improvement loans made in the moderate-income geographies exceeds the percentage of owner occupied units in those geographies.

Geographic distribution of home refinance loans is satisfactory. The bank did not make any home refinance loans in the low-income geographies within their AA. Opportunities to make home refinance loans in the low-income geographies are limited as there are less than 1 percent owner-occupied units. Geographic distribution of home refinance loans made in the moderate-income geographies is near the percentage of owner occupied units in those geographies.

Geographic distribution of multifamily loans is satisfactory. The bank did not make any multifamily loans in the low-income geographies within their AA. Geographic distribution of multifamily loans made in the moderate-income geographies exceeds the percentage of multifamily units in those geographies.

Geographic Distribution of Home Mortgage Loans in the bank's AA (2002)				
Census Tract Income Level	Low	Moderate	Middle	Upper

Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase*	0.64%	0.00%	14.54%	0.00%	35.33%	40.00%	49.49%	60.00%
Home Improvement*	0.64%	0.00%	14.54%	20.00%	35.33%	40.00%	49.49%	40.00%
Home Refinance*	0.64%	0.00%	14.54%	13.33%	35.33%	33.33%	49.49%	53.33%
	% of MF Units	% Bank Loans	% of MF Units	% Bank Loans	% of MF Units	% Bank Loans	% of MF Units	% Bank Loans
Multifamily*	8.45%	0.00%	35.52%	37.50%	24.84%	37.50%	31.19%	25.00%

* Represents loans originated in 2002 as reported under the Home Mortgage Disclosure Act

Geographic Distribution of Loans (January 1, 2003 – December 31, 2003)

Geographic distribution of home purchase loans is satisfactory. The bank did not make any home purchase loans in the low-income geographies within their AA. Opportunities to make home purchase loans in the low-income geographies are limited as there are less than 1 percent owner-occupied units. Geographic distribution of home purchase loans made in the moderate-income geographies greatly exceeds the percentage of owner occupied units in those geographies.

Geographic distribution of home improvement loans is poor. The bank did not make any home improvement loans in the low-income geographies within their AA. Opportunities to make home improvement loans in the low-income geographies are limited as there are less than 1 percent owner-occupied units. The bank did not make any home improvement loans to moderate-income geographies.

Geographic distribution of home refinance loans is poor. The bank did not make any home refinance loans in the 8 low-income geographies within their AA. Opportunities to make home refinance loans in the low-income geographies are limited as there are less than 1 percent owner-occupied units. The bank did not make any home refinance loans to moderate-income geographies.

Geographic distribution of multifamily loans is satisfactory. The bank did not make any multifamily loans in the low-income geographies within their AA. Geographic distribution of multifamily loans made in the moderate-income geographies is near the percentage of multifamily units in those geographies.

Geographic Distribution of Home Mortgage Loans in the bank's AA (2003)				
Census Tract Income Level	Low	Moderate	Middle	Upper

Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase*	0.76%	0.00%	16.69%	66.67%	32.91%	33.33%	49.64%	0.00%
Home Improvement*	0.76%	0.00%	16.69%	0.00%	32.91%	0.00%	49.64%	0.00%
Home Refinance*	0.76%	0.00%	16.69%	0.00%	32.91%	46.67%	49.64%	53.33%
	% of MF Units	% Bank Loans	% of MF Units	% Bank Loans	% of MF Units	% Bank Loans	% of MF Units	% Bank Loans
Multifamily*	5.74%	0.00%	36.66%	31.25%	23.84%	31.25%	33.77%	37.50%

* Represents loans originated in 2003 as reported under the Home Mortgage Disclosure Act

Geographic Distribution of Small Business

Geographic distribution of small business is reasonable.

Geographic Distribution of Small Business (January 1, 2002-December 31, 2002)

The geographic distribution of loans to small businesses is satisfactory. The bank did make loans to businesses in the low-income geographies within the bank's AA, which greatly exceeded the percentage of small businesses within the AA. The bank did not make any small loans to businesses in moderate-income geographies. Competition for small business loans in the bank's AA is strong with 818 lenders who reported originating small business loans in the bank's AA during 2003. The majority of the 818 lenders consist of large credit card banks and large regional institutions.

Geographic Distribution of Loans to Businesses in the bank's AA (2002)								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses /Farms	% of Number of Loans	% of AA Businesses/ Farms	% of Number of Loans	% of AA Businesses /Farms	% of Number of Loans	% of AA Businesses /Farms	% of Number of Loans
	2.59%	20%	15.51%	0%	31.46%	30%	50.44%	50%

*The bank is not a small business reporter therefore; this analysis is based solely on a sample size of 10 loans.

Geographic Distribution of Small Business (January 1, 2003-December 31, 2003)

The geographic distribution of loans to small businesses is poor. The bank did not make any small loans to businesses in the low- or the moderate-income geographies within the bank's AA. There is very strong competition within the bank's AA; there were 818* lenders who reported originating small business loans in the bank's AA during 2003. The majority of the 818 lenders are large credit card banks and large regional institutions.

Geographic Distribution of Loans to Businesses in the bank's AA (2003)								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses /Farms	% of Number of Loans	% of AA Businesses/ Farms	% of Number of Loans	% of AA Businesses /Farms	% of Number of Loans	% of AA Businesses /Farms	% of Number of Loans
	1.98%	0%	15.93%	0%	28.76%	70%	53.33%	30%

*The bank is not a small business reporter therefore; this analysis is based solely on a sample size of 10 loans.

Community Development Services and Donations

GBNA's qualifying community development services and donations have enhanced their performance under CRA. The bank provides financial expertise to eight community development organizations. Bank board members and senior management actively participate as board or committee members providing financial expertise to organizations that provide community development services targeted to low- and moderate-income individuals. For example, one organization provides low-cost, affordable mortgage financing to moderate income, first-time homebuyers. The bank executive who serves on the board of the organization is assigned to the underwriting of loans committee. Another organization provides temporary housing for low-and moderate-income elderly individuals during the time period between the hospital and nursing home; the bank officer involved with the organization provides assistance in the area of fund raising.

The bank has also extended donations totaling \$3 thousand to a school district that have over fifty percent of the students are from low- and moderate-income households. The money was used for new computers, books, and playground equipment.

Community Development Loans

GBNA's qualifying community development loans have enhanced their performance under CRA. During the evaluation period, GBNA originated ten community development loans totaling approximately \$8.6 million. GBNA was the lead financial institution that extended funds toward a project to construct 22 townhouses to be targeted for low- and moderate-income families. The bank also was the lead financial institution in funding a rehabbing project of 2 and 9 story apartment buildings containing 161 apartment units and 5 commercial units in a moderate-income track that houses low- and moderate-income individuals in the area. The bank also funded the second phase of a reconstruction and remodeling project that was targeted by the city of Evanston to bring in and maintain small businesses in the area. The bank also was the lead financial institution in a rehabbing project of 7 residential and 3 commercial units that house moderate-income individuals and small businesses of the area. GBNA also extended funds towards a second mortgage of a plan to upgrade 30 townhouse style rental apartments within 7 buildings that provide housing for individuals under an assisted government living program. The described five projects are examples of GBNA's community development lending.

Responses to Complaints

GBNA has no outstanding complaints about its performance in helping to meet the credit needs

within its AA during this evaluation period.

Fair Lending Review

We found no evidence of illegal discrimination or other illegal credit practices.