



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **PUBLIC DISCLOSURE**

January 28, 2008

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

TCF National Bank  
Charter Number: 23253

200 Lake Street East  
Wayzata, MN 55391-0000

Office of the Comptroller of the Currency

MIDSIZE BANKS  
440 South LaSalle Street 2700  
Chicago, IL 60605-1073

**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 **TCF National Bank** with respect to the Lending, Investment, and Service Tests:

Performance Levels	TCF NATIONAL BANK Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
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:

- TCF’s overall Lending Test performance is excellent. For the bank as a whole, TCF demonstrates generally good lending activity, excellent geographic distributions and excellent borrower income distributions. By rating area, overall Lending Test performance is excellent in the both the State of Minnesota and the State of Illinois, which represent nearly 70% of the deposits of the organization and carried the most weight in the overall ratings. Outstanding Lending Test performance was also received in the Multistate area of IL-WI, the State of Colorado and the State of Wisconsin. Lending Test performance was good in the State of Indiana and the State of Michigan.
- TCF’s Investment Test performance is excellent across all rating areas except for the State of Illinois where the Investment Test performance was considered good. TCF has made a significant level of qualified investments in all areas. Investments focused on the primary identified credit and economic development needs in all assessment areas, which included affordable housing in all rated areas.
- TCF’s Service Test performance is good. The primary support for this rating is the location of branches and ATMs for accessibility to low- and moderate-income customers. TCF has excellent hours of operation in all rated areas. Employees also provide a good level of community development services, including serving in leadership capacities. By rating areas, TCF had excellent Service Test performance in the Colorado, Michigan and Minnesota areas and good Service Test performance in the Multistate area of IL-WI. Service Test performance was adequate in the States of Illinois and Indiana.

## 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 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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 refinancings, 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 a 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 a 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 a 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 at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Description of Institution

TCF National Bank (TCF) is an interstate bank headquartered in Wayzata, Minnesota. Its parent company is the \$16 billion TCF Financial Corporation (TCFFC), also of Wayzata, Minnesota.

TCF is a full-service commercial bank. It has a retail focus and emphasis on customer convenience. 97% of its branch locations are open seven days a week and have expanded hours of operation. 56% of their locations are located in supermarkets which allow for convenient access for customers of all income levels. Although all states have supermarket locations, the Cub Foods stores in Minnesota and Jewel-Osco stores in Illinois are the most prevalent. TCF also has an extensive automated teller machine (ATM) network.

TCF has operating subsidiaries involved in commercial leasing, mutual fund sales and charitable contributions. They also had a residential mortgage lending subsidiary, which was merged out of existence at the end of 2004, however, its lending activity through that time has been included in this evaluation. TCF management asked that we also consider the activities of TCF Foundation and TCF Leasing, Inc. in this evaluation. TCF Foundation is the operating subsidiary through which the bank makes many of its charitable contributions, especially those in the States of Minnesota and Colorado. TCF Leasing, Inc. is a general equipment finance company that holds qualified investments in some of TCF's assessment areas. None of TCF's subsidiaries has an adverse impact on TCF's capacity to lend or invest in its communities.

TCF's 450 branch offices are located in six states. It operates 109 branch offices in Minnesota, most of which are in the Minneapolis-St. Paul-Bloomington MSA (100). It operates 203 branch offices in Illinois, the majority of which are in the Chicago-Naperville-Joliet MD (184). TCF also has 56 branches in Michigan, 46 in Colorado, 31 in Wisconsin, and five in Indiana.

In addition to branch offices, TCF operates 20 loan production offices (LPOs). There are six located in Illinois, six in Wisconsin, five in Michigan, two in Arizona and one in Indiana.

TCF has \$16 billion assets as of December 31, 2007, with net loans and leases representing 77% of those assets. The loan portfolio consists of 57% one-to-four family residential real estate, commercial, commercial real estate and multifamily real estate at 41%, and consumer installment lending at 2%.

There are no known legal, financial or other factors impeding TCF's ability to help meet credit needs in its assessment areas.

TCF's last CRA examination was as of January 12, 2004 and the CRA rating was "Satisfactory."



## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for the Lending Test was January 1, 2003 through December 31, 2006, except for community development loans which were evaluated through December 31, 2007. In this evaluation, we considered home mortgage loan information reported by both TCF and TCFMC through HMDA reports. We evaluated TCF's business and community development lending based on data TCF had collected. TCF is not involved in agricultural lending, so farm loans and Tables 7 and 12 are not part of this performance evaluation.

All HMDA loans were evaluated using 2000 census data, however, 2003 HMDA data was evaluated separately from 2004-2006 HMDA loans due to changes in the MSA designations that occurred in 2004. Appendix C and D contain tables reflecting only the data from 2004-2006 as it is considered most reflective of the bank's overall performance. Also, greater weight was given to this evaluation period since it more closely reflects the bank's current performance context. References to "evaluation period" in the lending test portions relate specifically to 2004-2006 data. The impact from 2003 is noted separately in the narrative comments.

Home mortgage loans represent the largest portion of lending activity during the 2004-2006 evaluation period and represented 36,561 loans totaling nearly \$4.6 billion. Small loans to businesses during the same timeframe accounted for 3,208 loans totaling \$551 million and represented only 8% of the lending volume by number and 11% by dollar.

Refinance loans were the most predominant loan product in each of TCF's assessment areas. As a result, performance for refinance loans received the most weight. There were instances in which very few loans of a certain loan type were originated or purchased in an assessment area. When there were ten or fewer loans of a certain loan type in an assessment area, an analysis of that loan type was not performed. Performance for that loan type would not have been a material consideration in the evaluation of the bank's overall performance for that assessment area. In addition, when the bank's market share for a loan type in an assessment was less than .10%, analysis of market share was not completed.

The geographic distribution conclusions are based on the combination of the geographic distribution of the bank's loans within its assessment areas, whether there were any unexplained gaps in lending in any geographic areas within the assessment areas, combined with the degree to which the bank's loans benefit the assessment area versus the areas within each state that are not in the assessment areas.

In our analysis of borrower distribution, we considered the level of poverty in each assessment area and the impact it could have on the ability of lower-income families to obtain loans. Similarly, we considered housing costs relative to area incomes and the limiting affects those costs could have on the demand for loans by lower-income families. Refer to Appendix C: Market Profiles for poverty levels and housing costs for each full-scope assessment area.

The evaluation period for the Investment Test was January 1, 2004 through December 31, 2007. We considered grants and investments made by TCF, TCF Foundation and TCF Leasing, Inc. We gave primary consideration to the volume of the grants and investments

made during the current evaluation period. Additional consideration was given to the responsiveness of those grants and investments to identified community development needs. We also considered investments made during prior evaluation periods that remain outstanding, although they received a lesser consideration in this evaluation.

The evaluation period for the Service Test was January 1, 2004 through December 31, 2007. We gave primary consideration to TCF's delivery of retail products and services to its assessment areas. We evaluated the range of products and services offered by the branch offices, particularly any differences between branches in low- or moderate-income geographies relative to those in middle- or upper-income geographies. We also considered the community development services TCF provides in its assessment areas, although they received a lesser consideration in this evaluation.

### **Data Integrity**

Before we began this evaluation, we reviewed the HMDA and small business loan data TCF had collected, as well as HMDA data TCFMC had collected. Based on a sample of the HMDA data from the years 2003-2006 for both TCF and TCFMC, we determined the data was generally reliable and was used for this evaluation.

We also reviewed the bank's CRA data for the years 2003-2006. However, we noted errors in the reporting of small business loan renewals. The bank made revisions to the 2004-2006 data. The corrected data was reviewed and we determined that it was generally reliable and was used for this evaluation. Revisions made by the bank are reflected in the 2006 publicly available data but not the public data for 2004-2005. The bank did not make revisions to 2003 data which was deemed to be unreliable and was not used for this evaluation. As the 2003 CRA data represents an insignificant portion of the bank's overall lending (just over 1% by number and less than 1% by dollar), this did not impact the overall rating.

During the evaluation, we also reviewed the loans, investments and services management had presented with a primary purpose of community development. We confirmed that most did have such a primary purpose. We based this evaluation on only those loans, investments and services that had such a primary purpose.

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

In each state and multistate metropolitan area where the bank has an office, we selected one assessment area for a full-scope review. That assessment area was the one with the highest volume of dollars of deposits and numbers of loans within that state. Refer to the "Scope" section under each State Rating for details regarding how the areas were selected.

### **Ratings**

The bank's overall rating is a blend of the one multistate metropolitan area rating and the six state ratings in which TCF has branch offices. We placed greater weight on the bank's performance in the areas from which it derives greater volumes of deposits. As a result, the most weight was placed on TCF's performance in the State of Minnesota, from which TCF derives 39% of its deposits. The percentages of deposits TCF derives from the other rated areas are 30% for Illinois, 17% for Michigan, 6% for Colorado, 4% for Wisconsin, 3% for the

Multistate MSA and 1% for Indiana. Similarly, within each rated area, the greatest weight was based on the relative deposits derived from each assessment area. Refer to the “Scope” sections under each state for details regarding how the assessment areas were weighted in arriving at the overall rating for that rated area.

## **Fair Lending or Other Illegal Credit Practices Review**

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

## Multistate Metropolitan Area Rating

### LAKE COUNTY-KENOSHA COUNTY IL-WI MD 29404

**CRA rating for the Lake County-Kenosha County IL-WI MD: Outstanding**

**The Lending Test is rated: Outstanding**

**The Investment Test is rated: Outstanding**

**The Service Test is rated: High Satisfactory**

The major factors that support this rating include:

- TCF's Outstanding Lending Test performance is based on performance in the Lake County-Kenosha County IL-WI MD. TCF demonstrated good lending activity, excellent geographic distributions, and excellent overall borrower income distributions. Community development lending also has a positive impact on the overall Lending Test performance.
- TCF's Outstanding Investment Test performance in the Multistate AA is based on its excellent level of investments which are focused toward the primary identified credit and economic development needs in the MD.
- TCF's High Satisfactory performance under the Service Test in the Multistate AA is demonstrated by excellent accessibility of branches to people and geographies of different income levels, excellent hours of operation and ATM distributions, and an adequate level of community development services.

### Description of Institution's Operations in Lake County-Kenosha County IL-WI MD

TCF has established an assessment area (AA) that consists of the entire Lake County-Kenosha County IL-WI MD (Lake-Kenosha MD), which includes both counties of Lake County, Illinois and Kenosha County, Wisconsin. TCF derives less than 3% of its overall deposits from this AA. Deposit market share reports for these two counties show TCF ranking 20<sup>th</sup> out of 57 financial institutions with a presence in the AA. Of TCF's loan originations and purchases considered in this evaluation, just less than 5% were from this AA. TCF operates 22 branches in the Lake-Kenosha MD.

Refer to the Market Profile for the Lake County-Kenosha County IL-WI MD in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

### Scope of Evaluation in Lake County-Kenosha County IL-WI MD

The Lake-Kenosha MD received a full-scope review because it is a multistate metropolitan division and, as such, must be assigned a rating. We assigned one overall rating to the MD.

Because TCF originated only a minimal number of multifamily loans during the evaluation period in this AA, analysis of this product was not meaningful. The loan information for this product is outlined in Table 5 in Appendix D for this AA.

We considered information from community organizations and various members of the communities for this evaluation. Information obtained from these contacts is included in the Market Profile section in Appendix C.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Lake-Kenosha MD is rated "Outstanding." Based on full-scope review, the bank's performance in the Lake-Kenosha MD is excellent.

#### **Lending Activity**

Refer to Tables 1 Lending Volume in the Multistate Metropolitan Area section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In the Lake-Kenosha MD, lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. In this market, TCF's lending activity compares well to that of other lenders. TCF has the 20<sup>th</sup> largest share of deposits of the 57 financial institutions with a presence in Lake or Kenosha counties with total deposits of \$300 million. These deposits represent 2.92% of TCF's total aggregate market deposits.

By the volume of originations and purchases, TCF's most significant loan product was home mortgage refinance, followed distantly by home purchase and then home improvement loans and small loans to businesses.

During the evaluation period, TCF originated and purchased 1,198 HMDA loans totaling \$151 million. For home mortgage refinance, TCF ranked 25<sup>th</sup> out of 573 lenders that reported HMDA data in the MD with a .91% market share. For home purchase, TCF ranked 82<sup>nd</sup> out of 530 lenders with a .25% market share and they ranked 23<sup>rd</sup> out of 211 lenders with a 1.19% market share for home improvement loans.

During the evaluation period, TCF originated and purchased 41 small loans to businesses totaling just over \$7 million. For small loans to businesses, TCF's is ranked 53 out of 124 CRA reporters with a .04% market share.

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

#### ***Home Mortgage Loans***

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

The geographic distribution of TCF's home mortgage loans is excellent.

#### **Home Purchase Loans**

The geographic distribution of TCF's home purchase loans is excellent. The percentage of TCF's loans in low-income geographies is near to the percentage of owner-occupied housing units in those geographies. In moderate-income geographies, TCF exceeded the demographic. TCF's market share in low-income geographies is somewhat lower than its overall market share but in moderate-income geographies, TCF's market share exceeded its overall market share. The geographic distribution of home purchase loans in 2003 is adequate.

### **Home Improvement Loans**

The geographic distribution of TCF's home improvement loans is excellent. The percentage of TCF's home improvement loans in low- and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's market shares in both low- and moderate-income geographies significantly exceeded its overall market share. The geographic distribution of home improvement loans in 2003 is adequate.

### **Refinance Loans**

The geographic distribution of TCF's home refinance loans is excellent. The percentage of TCF's refinance loans in low- and moderate-income geographies exceeded the percentage of owner occupied housing units in those geographies. In addition, TCF's market share in both low- and moderate-income geographies exceeded its overall market share. The geographic distribution of refinance loans in 2003 is excellent.

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

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

The geographic of TCF's small loans to businesses is excellent. The percentage of TCF's small loans to businesses in low-income geographies significantly exceeds the percentage of businesses located in those geographies. For moderate-income geographies, the bank exceeds the demographics. TCF's overall lending market share within this market is low and does not allow for a meaningful analysis.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Multistate Metropolitan Area.

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

The in-out ratios for this evaluation were completed at the state level. Refer to the State of Illinois and the State of Wisconsin for in-out ratios for both HMDA and CRA data.

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

### ***Home Mortgage Loans***

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

Borrower distribution in the Lake-Kenosha MD reflects excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families. TCF's market share of loans to low- and moderate-income borrowers exceeds its overall market share. The distribution of home purchase loans to borrowers of different income levels in 2003 is excellent.

### **Home Improvement Loans**

TCF's distribution of home improvement loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families. TCF's market share of loans to low- and moderate-income borrowers exceeds its overall market share. The distribution of home improvement loans to borrowers of different income levels in 2003 is excellent.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families. TCF's market share of loans to low- and moderate-income borrowers exceeds its overall market share. The distribution of refinance loans to borrowers of different income levels in 2003 is good for low-income borrowers and excellent for moderate-income borrowers.

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

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

The distribution of borrowers in the Lake-Kenosha MD is poor among business customers of different sizes. TCF's loans to small businesses (those with revenues of \$1 million or less) is lower than the percentage of businesses with those smaller revenues. TCF's overall lending market share within this market is low and does not allow for a meaningful analysis.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the Multistate Metropolitan Area section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a positive impact on lending performance in the Lake-Kenosha MD. During the evaluation period, TCF originated one \$3.6 million loan to refinance two affordable housing buildings which include 84 low-income units. The loan was not considered complex or innovative.

### **Product Innovation and Flexibility**

TCF's offering of flexible loan products had a neutral impact on Lending Test performance. Although TCF and TCFMC offered various loans under a range of flexible conventional and government loan programs, the majority of those loan products were discontinued after 2004. The volume of flexible loan products remaining was not sufficient to provide a positive impact on the overall Lending Test performance.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the Lake-Kenosha MD is rated "Outstanding." Based on a full-scope review, the bank's performance is excellent.

Refer to Table 14 in the Multistate Metropolitan Area section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments originated by TCF in the Lake-Kenosha MD is excellent. TCF made 27 investments totaling nearly \$1.8 million during the evaluation period. In addition, five investments totaling \$232 thousand remain outstanding from prior periods.

Current period qualified investments consisted of both investments and grants. Twelve of those were for affordable housing, including eight investments totaling \$1.7 million in mortgage-backed securities that provide affordable housing within the MD. The remaining grants were to nonprofit organizations that focus on social services for low- and moderate-income persons (\$36 thousand). We did not identify any investments that were particularly complex or innovative, nor did we identify any situations in which the bank has taken a leadership role.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**



The bank's performance under the Service Test in the Lake-Kenosha MD is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Lake-Kenosha MD is good.

### **Retail Banking Services**

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

Services and products are readily accessible to individuals of different income levels through TCF's retail branch locations in the Lake-Kenosha MD. While they do not have any branches in low-income CTs, less than 4% of the population resides in those CTs. TCF has 36% of their branches located in moderate-income CTs which exceeds the 27% of the population living in moderate-income CTs. Of the eight branch locations in moderate-income CTs, three are traditional branches and five are in supermarkets, allowing for greater access to persons of all income levels.

Hours of operation are excellent at all locations due to convenient, extended hours. All branches offer banking services seven days a week. In addition, 39% of TCF's 31 ATMs located in this AA are located in moderate-income CTs.

### **Community Development Services**

TCF employees provide an adequate level of community development services within the Lake-Kenosha MD. TCF employees supported two organizations, one dealing with affordable housing and the other providing social services benefiting low- and moderate-income families and individuals. Services do not demonstrate any complexity or innovation.

## State Rating

### State of Colorado

#### CRA Rating for Colorado<sup>1</sup>: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

The major factors that support this rating include:

- TCF's Outstanding Lending Test in the State of Colorado is the combination of good lending activity, excellent overall geographic distributions, and excellent overall borrower income distributions.
- TCF's overall Outstanding Investment Test performance in the State of Colorado is based on the excellent level of qualified community development investments given the bank's resources and capacity.
- TCF's Outstanding performance under the Service Test for Colorado is demonstrated by the accessibility of TCF's branches to individuals and geographies of different income levels, its record of opening branches, excellent hours of service, and an excellent level of community development services.

### Description of Institution's Operations in the State of Colorado

TCF has three assessment areas (AAs) in Colorado, a portion of the Denver-Aurora MSA, a portion of the Colorado Springs MSA and a portion of the Boulder MSA. TCF expanded operations into the Boulder MSA in 2004. TCF's Colorado operations account for approximately 6% of TCF's total deposits as of June 30, 2007.

Of the three AAs, TCF has the greatest presence in the Denver-Aurora MSA. In this AA, they have 38 branches, 41 ATMs and nearly \$438 million in deposits. According to the FDIC Summary of Deposit data as of June 30, 2007, TCF has the 20<sup>th</sup> largest deposit market share in the six-county area that comprises their AA of the 84 financial institutions with a presence in that AA. In the Colorado Springs MSA, deposit market share reports show TCF's \$136 million in deposits ranking 8<sup>th</sup> out of 41 institutions with 2.51% of the market share. In the Boulder MSA, TCF's \$20 million in deposits ranks 27<sup>th</sup> in market share of the 32 financial institutions with a presence in that AA.

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<sup>1</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Refer to the Market Profiles for the Denver-Aurora MSA in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in the State of Colorado**

Of TCF's three Colorado AAs, we selected the Denver-Aurora MSA for a full-scope review. TCF's AA includes 6 of the 10 counties that comprise the entire Denver-Aurora MSA (Denver MSA). The Denver MSA is the area in which TCF has the larger portion of both deposits and loans in the State of Colorado. As a result, the Denver MSA carried the most weight in assigning the ratings. We performed a limited-scope review for the Colorado Springs MSA and the Boulder MSA. More information on the scope of the evaluation is included in Appendix A.

Because TCF did not originate multifamily loans in Colorado, Table 5 is not included in the performance evaluation for this state. In addition, the Colorado Springs AA originated only minimal small business loan volume so analysis of this data was not meaningful, however, the numbers are included on Tables 6 and 11 for the State of Colorado. The Boulder AA did not originate any small business loans during the evaluation period.

We considered information from community organizations and various members of the Denver community for this evaluation. Information obtained from these contacts is included in the Market Profile section in Appendix C.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in the State of Colorado is rated "Outstanding." Based on a full-scope review, the bank's performance in the Denver MSA is excellent.

### **Lending Activity**

Refer to Table 1 Lending Volume in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. For this highly competitive market, TCF's lending activity is reasonable compared to other lenders given their limited presence in the AA. TCF has the 20<sup>th</sup> largest share of deposits of the 84 financial institutions within its defined AA, representing .97% of aggregate market deposits and totaling nearly \$438 million.

By the volume of originations and purchases, TCF's most significant loan product was home mortgage refinances, followed by home purchase, home improvement loans and small loans to businesses.

During the evaluation period, TCF originated and purchased 750 home mortgage loans in the Denver MSA totaling \$108 million. For home mortgage refinance, TCF ranked 77<sup>th</sup> of 760 lenders that reported HMDA data in the AA with a .18% market share. For home purchase, TCF ranked 134<sup>th</sup> out of 823 lenders with a .09% market share and they ranked 40<sup>th</sup> out of 278 lenders reporting home improvement loans with a .27% market share.

For small business lending, TCF ranked 85<sup>th</sup> out of 185 lenders reporting CRA data with a .01% market share.

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

### ***Home Mortgage Loans***

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

The geographic distribution of TCF's home mortgage loans in the Denver MSA is excellent.

### **Home Purchase Loans**

TCF's geographic distribution of home purchase loans is excellent. In the Denver MSA, the percentage of TCF's loans in low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. TCF's lending market shares within this market equaled its overall market share for low-income demographics and exceeded it for moderate-income. The geographic distribution of home purchase loans is adequate in 2003.

### **Home Improvement Loans**

TCF's geographic distribution of home improvement loans is adequate. The percentage of TCF's loans in low-income geographies exceeded the percentage of owner-occupied housing units in those geographies. In moderate-income geographies, TCF's percentage of loans was somewhat lower than the demographics. TCF's lending market shares in both low- and moderate-income geographies are lower than their overall market share. The geographic distribution analysis of home improvement loans for 2003 is not meaningful due to low volume of home improvement loans.

### **Refinance Loans**

TCF's geographic distribution of refinance loans is excellent. The percentage of refinance loans in low-income geographies exceeded the percentage of owner-occupied housing in those geographies. TCF's market share in those low-income geographies is not meaningful. In moderate-income geographies, TCF's percentage of loans was near to the demographics and its market share exceeded its overall market share. The geographic distribution of refinance loans is excellent in 2003.

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

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

The geographic distribution of TCF's small loans to businesses in the Denver MSA is good.

In the Denver MSA, the percentage of TCF's small loans to businesses in low-income geographies exceeds the percentage of businesses located in those geographies. TCF's percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of businesses located in those geographies. TCF's lending market shares within this market are low and do not allow for a meaningful analysis.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review of lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Denver MSA.

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

In the State of Colorado, TCF made a substantial majority of its loans within its AAs. TCF made 93% of its HMDA loans and 100% of its small loans to businesses within its AAs. TCF's concentration of local lending shows an excellent responsiveness to area credit needs.

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

### ***Home Mortgage Loans***

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

Borrower distribution in the Denver MSA reflects excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is excellent. In the Denver MSA, the percentage of TCF's loans to low- and moderate-income borrowers exceeds the percentages of low- and moderate-income families, respectively. TCF's market share for low- and moderate-income borrowers also exceeds its overall market share. The distribution of home purchase loans to borrowers of different income levels is good in the Denver MSA for 2003.

### **Home Improvement Loans**

TCF's distribution of home improvement loans to borrowers of different income levels is excellent. In the Denver MSA, the percentage of TCF's loans to low- and moderate-income borrowers exceeds the percentages of low- and moderate-income families, respectively.

TCF's market share for low- and moderate-income borrowers also exceeds its overall market share. The analysis of 2003 home improvement loans is not meaningful due to low volume of loans.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. In the Denver MSA, the percentage of TCF's loans to low-income borrowers is near to the percentage of low-income families. TCF's market share of loans to low-income borrowers exceeds its overall market share. For moderate-income borrowers, the percentage of TCF's loans exceeds the demographic. TCF's market share of moderate-income borrowers exceeds its overall market share. The distribution of home refinance loans to borrowers of different income levels is excellent for 2003.

### **Small Business Loans**

Refer to Table 11 in the State of Colorado section of 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 distribution of borrowers in the Denver MSA reflects excellent penetration among business customers of difference sizes.

In the Denver MSA, the percentage of TCF's loans to small businesses (those with revenues of \$1 million or less) exceeds the percentage of businesses in the MSA with those smaller revenues. TCF's overall lending market share within this market is low and does not allow for a meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

Community development lending had a neutral impact on the lending performance in the Denver MSA. TCF originated four community development loans in the Denver MSA during the evaluation period, totaling \$47 million. They also originated four community development loans in the Colorado Spring AA totaling \$22 million and two community development loans in the Boulder AA totaling \$11 million.

### **Product Innovation and Flexibility**

TCF's offering of flexible loan products had a neutral impact on the Lending Test performance in the State of Colorado. TCF originated 14 loans under flexible loan programs targeted to low- and moderate-income borrowers in 2003 and 2004.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Colordao Springs MSA is somewhat weaker than the bank's Outstanding Lending Test rating,

but would still be considered High Satisfactory. Performance in the Boulder MSA did not provide a meaningful analysis due to the low volume of lending in that AA. Refer to the Tables 1 through 13 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Colorado is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Denver AA is excellent.

Refer to Table 14 in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

TCF's volume of qualified investments in the Denver MSA is excellent. During the evaluation period TCF made 80 qualified investments in the Denver MSA totaling nearly \$3.3 million. In addition, two investments totaling \$143 thousand in prior period investments remain outstanding.

All prior period investments and 12 current period investments (totaling \$3 million) were mortgage-backed securities providing affordable housing to low- and moderate-income borrowers residing in the Denver MSA. In addition, the bank made monetary donations totaling \$291 thousand to 45 various organizations. The majority of the organizations provided social services to low- and moderate-income individuals, followed closely by affordable housing and economic development organizations. We did not identify any investments that were particularly complex or innovative, nor did we identify any situations in which the bank has taken a leadership role.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Colorado Springs MSA is not inconsistent with the bank's Outstanding Investment Test rating. The bank's performance under the Investment Test in the Boulder MSA is weaker than the overall Outstanding rating due primarily to the limited amount of time the bank has been operating in the AA and the small volume of deposits the single branch has. Refer to the Table 14 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the State of Colorado is rated "Outstanding." Based on a full-scope review, the bank's performance in the Denver MSA is excellent.

## Retail Banking Services

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

The dispersion of branches and accessibility to products and services is excellent. TCF's delivery systems are readily accessible to geographies and individuals of different incomes. TCF offers extended lobby and drive-in hours at all of its locations, including Saturday and Sunday banking hours. These services enhance the accessibility of the branches.

TCF operates 38 branches in the Denver MSA, representing 83% of all TCF branches in the State of Colorado. The percentage of branches in moderate-income geographies exceeds the percentage of the population residing in those tracts. Twelve branches (32%) of the bank's branches are located in moderate-income tracts compared with 28% of the AA population residing in moderate-income tracts. While the bank does not have any branches located in low-income geographies, less than 5% of the AA population resides in those tracts.

TCF has 67 bilingual employees in the State of Colorado, 53 of which are proficient in Spanish. In addition to Spanish, TCF employees speak an additional seven languages which enables them to provide personalized service to their customers.

TCF's record of opening and closing branches in the AA is good. TCF did not close or relocate any branches in the Denver MSA during the evaluation period. TCF opened 25 branches during the evaluation period, nine of which were in moderate-income tracts.

ATMs supplement the branch network by providing consumers and small business account holders access to funds both during and outside traditional banking hours. TCF operates 41 ATMs throughout the Denver MSA as part of its overall service delivery systems. Although none of the ATMs are located in low-income tracts, the percentage of ATM's in moderate-income tracts (29%) exceeds the population residing in moderate-income CTs (28%).

Other alternative delivery systems include check cards, online banking and telephone banking.

## Community Development Services

The bank's level of community development services is excellent. This assessment is based on the opportunities in the AA and the type of organizations that benefit from the services provided.

TCF employees provided an excellent level of community development services in the Denver MSA. TCF worked with 15 community development organizations. In 12 of the organizations, employees served in a leadership capacity. The organizations provide a variety of services to low- and moderate-income individuals, create affordable housing for low- and moderate-income individuals and promote economic development.

## Conclusions for Areas Receiving Limited-Scope Reviews



Based on limited-scope reviews, the bank's performance under the Service Test in the Colorado Springs MSA is not inconsistent with the bank's Outstanding performance under the Service Test in the State of Colorado. The bank's performance under the Service Test in the Boulder MSA is weaker than the bank's Outstanding rating due to the single branch located in that MSA and the length of time the bank has been operating in that AA. Refer to Table 15 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Illinois

#### CRA Rating for Illinois<sup>2</sup>: Satisfactory

The Lending Test is rated: Outstanding

The Investment Test is rated: High Satisfactory

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- TCF's Outstanding Lending Test performance in the State of Illinois is entirely based on performance in the Chicago-Naperville-Joliet MD. While TCF has two additional AAs as of the date of this examination, those AAs were not in existence as of December 31, 2006 so were not included in the Lending Test performance. TCF has demonstrated excellent lending activity, excellent overall geographic distributions and excellent overall borrower income distributions. Community development lending provided a neutral impact on overall Lending Test performance.
- TCF's High Satisfactory Test performance in the State of Illinois is based on its good level of investments which are focused toward the primary identified credit and economic development needs in the AA.
- TCF's Low Satisfactory performance in the State of Illinois under the Service Test is demonstrated by adequate accessibility of branches and ATMs to people and geographies of different income levels, excellent hours of operation, and an excellent level of community development services.

### Description of Institution's Operations in Illinois:

TCF has three assessment areas (AA's) in Illinois; the entire Chicago-Naperville-Joliet MD (Chicago MD), a portion of the Champaign-Urbana MSA (Champaign AA), and a portion of the Kankakee-Bradley MSA (Kankakee AA). TCF derives just over 30% of its deposits (approximately \$3.1 billion) from the State of Illinois. The Chicago MD dominates the bank's deposit market share for the state with 99.98% of deposits. The Chicago MD is the second largest market for the entire bank. TCF has 184 branches and 301 ATMs in the Chicago MD. Branches consist of 139 supermarket branches, 40 traditional branches, and 5 college campus branches.

TCF has one college campus branch and eight ATMs in the Champaign AA. Less than 1% of TCF's Illinois deposits are from the Champaign AA. In the Kankakee AA, TCF has one

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<sup>2</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

supermarket branch and three ATMs. Less than 1% of TCF's Illinois deposits are from the Kankakee AA also.

Refer to the Market Profile for the Chicago-Naperville-Joliet, IL MD in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Illinois:**

Of the three AAs in the State of Illinois, we selected the Chicago MD for a full-scope review. This area contains a substantial majority of the deposits and all the loans for TCF as the other two AAs were not operational until 2007. However, the Champaign and Kankakee AAs were considered with limited scope reviews for the Investment and Service Tests. More information on the scope of the evaluation is included in Appendix A.

We considered information from community organizations and various members of the communities for this evaluation. Information obtained from these contacts is included in the market profile section in Appendix C.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Illinois is rated "Outstanding." Based on a full-scope review, the bank's performance in the Chicago MD is excellent.

### **Lending Activity**

Refer to Table 1 Lending Volume in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In the Chicago MD, lending levels reflect excellent responsiveness in relation to area credit needs and the bank's deposit market share. In this very competitive market, lenders tend to have lower levels of loans relative to deposits than those typical in other markets. For this market, TCF's lending activity compares well to that of other lenders. TCF has the 15th largest share of deposits of 305 financial institutions with branch offices in the MD. TCF's deposits total \$3,120 million and represent 1.16% of aggregate market deposits.

By volume of originations and purchases, TCF's most significant loan product was home mortgage refinance followed distantly by home purchase. Small loans to businesses represented their next largest product, followed lastly by home improvement loans.

During the evaluation period, TCF originated and purchased 12,730 HMDA loans totaling \$1,838 million. For home mortgage refinance, TCF ranked 24<sup>th</sup> of 929 lenders that reported HMDA data in the Chicago MD in 2006 with a 1.05% market share. For home purchase, TCF ranked 78<sup>th</sup> of 1,008 lenders with a .24% market share and their home improvement lending ranked 24<sup>th</sup> out of 474 lenders reporting those loans with a .91% market share.

During the evaluation period, TCF originated and purchased 523 small loans to businesses totaling \$100 million in the Chicago-Naperville-Joliet MD. For small loans to businesses, TCF ranked 67<sup>th</sup> of 222 financial institutions reporting CRA data with a .03% market share.

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

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the State of Illinois section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of TCF's home mortgage loans in the Chicago MD is excellent.

### **Home Purchase Loans**

TCF's geographic distribution of home purchase loans is good. The percentage of TCF's loans in low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies but its market share in low-income geographies is lower than the bank's overall market share. In moderate-income geographies, TCF's market share is near to its overall market share. The geographic distribution of home purchase loans in 2003 is good.

### **Home Improvement Loans**

TCF's geographic distribution of home improvement loans is excellent. The percentage of TCF's loans in low- and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's market shares in both low- and moderate-income geographies exceeded its overall market share. The geographic distribution of home improvement loans is excellent in 2003.

### **Refinance loans**

TCF's geographic distribution of refinance loans is excellent. The percentage of TCF's loans in both low- and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's market share in both low- and moderate-income geographies exceeded its overall market share. The geographic distribution of refinance loans is excellent in 2003.

### **Multi-family loans**

TCF's geographic distribution of multifamily loans is adequate. The percentage of TCF's loans in low-income geographies is significantly lower than the percentage of multifamily units in that geography. Similarly, TCF's market share in low-income geographies is significantly lower than its overall market share. The percentage of TCF's loans in moderate-income geographies significantly exceeds the demographic and TCF's market share in those moderate-income geographies is somewhat lower than its overall market share. TCF's geographic distribution of multifamily loans in 2003 is adequate.

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

Refer to Table 6 in the State of Illinois section of 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 TCF's small loans to businesses in the Chicago MD is excellent. The percentage of TCF's small loans to businesses in both low- and moderate-income geographies significantly exceeded the percentage of businesses located in those geographies. TCF's overall lending market share within this market is low and does not allow for a meaningful analysis.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Chicago MD.

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

For the State of Illinois, TCF made a substantial majority of its loans within its assessment area. TCF made 92% of its HMDA loans and 93% of its small loans to businesses within the state. This analysis is based on loan originations and purchases by TCF National Bank and does not include loan originations and purchases by TCFMC.

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

### ***Home Mortgage Loans***

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

Borrower distribution reflects overall excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low-income borrowers is lower than the percentage of low-income families but still considered good given that 10% of the families in the AA are living below poverty level and are unable to afford the high cost of housing in the AA which has a median housing value of \$175 thousand. TCF's market share of loans to low-income borrowers exceeds its overall market share. For moderate-income borrowers, the percentage of TCF's loans significantly exceeds the demographic. TCF's market share for moderate-income borrowers exceeds its overall market share. TCF's distribution of home purchase loans to borrowers of different income levels is excellent in 2003.

### **Home Improvement Loans**

TCF's distribution of home improvement loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low-income borrowers significantly exceeds the percentage of low-income families. For moderate-income borrowers, the percentage of TCF's loans significantly exceeds the demographic. TCF's market share for both low- and moderate-income borrowers exceeds its overall market share. TCF's distribution of home improvement loans to borrowers of different income levels is excellent in 2003.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low-income borrowers is somewhat below the percentage of low-income families but considered excellent given the poverty level and high cost of housing within the AA. Its market share for low-income borrowers exceeds its overall market share. For moderate-income borrowers, the percentage of TCF's loans significantly exceeds the demographic. TCF's lending market shares for moderate-income borrowers exceeds its overall market share. TCF's distribution of refinance loans to borrowers of different income levels in 2003 is excellent.

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

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

The distribution of borrowers in the Chicago MD reflects poor penetration among business customers of different sizes. The percentage of TCF's small loans to small businesses (those with revenues of \$1 million or less) is lower than the percentage of businesses in the MD with those smaller revenues. TCF's overall lending market share within this market is low and does not allow for a meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a neutral impact on the overall lending performance in the Chicago MD. During the evaluation period, TCF originated 20 community development loans totaling \$6.2 million in the Chicago MD. This is a moderate volume relative to the bank's size and resources. The largest of these loans totaled \$3.9 million and was made to refinance the construction of a retail strip center that was located in a moderate-income tract in the Roosevelt/Cicero Industrial Corridor and Enterprise Zone. Through TCF's continued participation with the lending intermediary Community Investment Corporation, the bank also made several loans totaling \$977 thousand to help provide affordable housing for low- and moderate-income individuals.

## **Product Innovation and Flexibility**

TCF offered one flexible loan product that had a positive impact on the Lending Test performance in the State of Illinois. Between 2004 and 2006, the bank originated 445 loans or \$68 million of My American Home loans. This is a residential real estate loan product that TCF offers to borrowers who lack traditional credit history and are primarily low- or moderate-income individuals.

## **INVESTMENT TEST**

Refer to Table 14 in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Illinois is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Chicago MD is good. During the evaluation period, TCF made 297 qualified investments totaling \$15 million in the Chicago MD. In addition, 14 prior period investments totaling \$5.6 million remain outstanding.

Current period qualified investments in the Chicago MD are centered in affordable housing. These investments represented \$13.6 million or 91% of total investments. TCF purchased \$8.7 million in Fannie Mae mortgage backed securities, comprised of loans originated to low- and moderate-income borrowers within the Chicago MD. Another \$4.8 million was provided to Neighborhood Housing Services of Chicago, a developer of low- and moderate-income housing.

Other than affordable housing, qualified investments were centered in community services. Several investments were to organizations that focus on youth development programs for low- and moderate-income individuals. In addition, TCF also works with local community schools through the bank's Bank at School and Art in Your Community programs, which primarily serve low- and moderate-income students.

TCF Bank and DePaul University created a scholarship program that provides financial assistance to adult undergraduate students. On an annual basis, seven recipients are selected from the University's seven colleges. During the evaluation period, TCF provided \$63,000 to this scholarship program. In 2006, TCF also worked with representatives of St. Xavier University to develop a scholarship program that would enable students to intern with social service agencies that serve low- and moderate-income individuals and families in the Chicago area. TCF provided \$10,000 to this scholarship program during the evaluation period. These are excellent examples of TCF's leadership role in creating and developing investment opportunities that directly benefit the community.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Investment Test in the Champaign and Kankakee AA's are weaker than the overall "High Satisfactory" performance

under the Investment Test in Illinois. There were no qualified investments made for the Champaign and Kankakee AA's during the evaluation period due to the newness of these branches. Lack of qualified investments for the limited-scope review AAs did not affect the State's High Satisfactory rating as they represent only .02% of the bank's deposits within the State of Illinois. TCF is currently working on identifying opportunities for investments in these AAs.

Refer to Table 14 in the State of Illinois section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

Performance in the State of Illinois is rated "Low Satisfactory." The rating is based on performance in the Chicago MD which demonstrates adequate performance.

### **Retail Banking Services**

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

Branches distributions provide adequate access to people and geographies of different income levels within the Chicago MD. TCF operates 184 offices within the Chicago MD, with four offices located in low-income geographies and 21 located in moderate-income geographies. This demonstrates poor branch distribution in low-income census tracts when compared to area demographics and adequate distribution in moderate-income census tracts.

The opening and closing of offices in the Chicago MD in this evaluation period have not positively impacted the accessibility of TCF's delivery systems. Within the Chicago MD, TCF opened 24 branches, only two of which were in moderate-income census tracts and one in an N/A census tract. There were 16 locations closed during the evaluation period, including two located in moderate-income census tracts. Both branches were closed when the supermarket stores they occupied were closed. While their availability to persons in low- and moderate-income census tracts have not increased during this evaluation period, TCF's presence in middle- and upper-income census tracts in the Chicago MD have increased by seven locations.

TCF's business hours are excellent due to extended hours and the use of seven days a week banking at most locations. There are no differences in banking hours based on the income level of the geographies. While there are variances, these are based on the type of branches established. Campus branches have fewer hours and are not open on Sundays, compared to the extended hours offered by traditional and supermarket branches daily. The Chicago MD has two of five campus branches located in low- and moderate-income census tracts. Other offices in low- or moderate-income geographies have extended hours and are open seven days a week.

The distribution of ATMs in low- and moderate-income geographies is adequate and provides additional access to financial services. Within the Chicago MD, the distribution of TCF's 301



ATMs indicates adequate performance in both low- and moderate-income census tracts compared to area demographics. 3.99% of their ATMs are located in low-income tracts and 14.62% are located in moderate-income tracts. These percentages are lower than the percentage of persons living in those tracts. Twenty-nine of the ATMs in low- or moderate-income tracts are full-service and the remaining are cash-dispensing only.

TCF actively markets their products and services to the Hispanic community, which has been identified as an under-banked community. To improve access to financial services, the bank accepts the Mexican Consulate-issued identification card with photo as primary identification and the IRS designated tax identification number, ITIN, as a means of verifying identity for both interest-bearing deposit accounts and home loans. TCF has both sponsored and participated in various events for individuals to obtain these forms of identification and to market the bank's products and services. Financial literacy programs have also been offered.

In addition, TCF has at least one bilingual person in 145 of their branch locations. Throughout the organization, TCF has employees proficient in 47 different languages, in addition to sign language.

### **Community Development Services**

There is an excellent level of community development services in the Chicago MD. TCF participated in services to 92 organizations that attend to community development needs in the Chicago MD. Community development services are centered in educational programs that primarily serve low- and moderate-income students. TCF continues to support a number of local community schools that primarily serve low- and moderate-income students through TCF's Bank-at-School and Art in Your Community programs. TCF employees participate with a number of community organizations that are addressing a variety of community development needs.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Service Test in the Kankakee AA is not inconsistent with the bank's Low Satisfactory performance, however the bank's performance under the Service Test in the Champaign AA is considered excellent due to their branch location in a moderate-income tract and 7 of 8 ATMs located in low- or moderate-income tracts. Both limited-scope AAs have excellent hours of operation. Both AAs opened their locations during 2007 and have not closed any branches. There were no qualified community development services in these two AAs during the evaluation period.

Refer to Table 15 in the State of Illinois section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Indiana:

#### CRA Rating for Indiana<sup>3</sup>: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- TCF's High Satisfactory Lending Test performance in the State of Indiana is the combination of adequate lending activity, good overall geographic distributions, and excellent overall borrower income distributions.
- TCF's Outstanding Investment Test performance in the State of Indiana is based on the excellent level of investments that focus on affordable housing, which is a need identified in this AA.
- TCF's Low Satisfactory performance under the Service Test in the State of Indiana is due to the lack of branches or ATMs in low- or moderate-income CTs and limited presence in the State, but mitigated by the extended hours of operation at all branch locations.

### Description of Institution's Operations in the State of Indiana

TCF has two AAs in Indiana, the Gary MD which includes all of Lake and Porter Counties, but not the entire MD, and the entire Michigan City MSA. TCF derives 0.16% of its deposits (just over \$16 million) from Indiana. Approximately .47% of TCF's loans considered in this evaluation are from the state.

In the Gary MD, TCF has four branches, all of which are located in supermarkets, and four ATMs. 89% of TCF's Indiana deposits are from Gary. According to the FDIC Summary of Deposit data as of June 30, 2007 for the counties of Lake and Porter, Indiana, TCF holds the 25<sup>th</sup> largest deposit market share with 0.16% of the deposits.

In Michigan City, TCF has one in-store branch and two ATMs. 11% of Indiana deposits are from the Michigan City MSA. Deposit market share reports show TCF ranking 11<sup>th</sup> out of 11 institutions in the MSA with \$1.8 million in deposits.

Refer to the Market Profiles for the Gary MD in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>3</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## Scope of Evaluation in the State of Indiana

Of TCF's two Indiana AA's, the Gary MD was selected for a full-scope review. It is the area in which TCF has the larger portion of both deposits and loans. As a result, the Gary MD is the area that carries the most weight in assigning the ratings. We performed a limited-scope review for the Michigan City MSA. More information on the scope of the evaluation is included in Appendix A.

Because TCF did not originate multifamily loans in the State of Indiana during the evaluation period, Table 5 is not included in the performance evaluation for this state. TCF did originate a minimal number of small business loans in the State of Indiana during the evaluation period, however, as there were less than 10 loans, we did not analyze those loans for the Lending Test. For additional information on the small business lending in the State of Indiana, refer to Tables 6 and 11.

We considered information from community organizations and various members of the Gary MD community for this evaluation. Information obtained from these contacts is included in the Market Profile section in Appendix C.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the State of Indiana is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Gary MD is good.

### Lending Activity

Refer to Table 1 Lending Volume in the State of Indiana section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect adequate responsiveness in relation to area credit needs and the bank's deposit market share. TCF's deposits in this AA total \$14.3 million and represent .16% of the aggregate market deposits of the 31 financial institutions with branch offices in this AA.

By the volume of originations and purchases, TCF's most significant loan product was home mortgage refinance, followed by home purchase. Small loans to businesses and home improvement loan volumes were minimal during the evaluation period and were not considered as part of this Lending Test.

For this market, TCF's lending activity is weaker than but still considered reasonable compared to other lenders in the MD. During the evaluation period, TCF originated and purchased 156 reportable home mortgage loans totaling \$17.4 million in the Gary MD. For home mortgage refinance, TCF ranked 97<sup>th</sup> of 484 lenders that reported HMDA data in the Gary MD during the evaluation period, with a .21% market share. For home purchase, TCF ranked 126<sup>th</sup> of 458 lenders reporting with a .10% market share.

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

### ***Home Mortgage Loans***

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

The geographic distribution of TCF's home mortgage loans in the Gary MD is good.

### **Home Purchase Loans**

TCF's geographic distribution of home purchase loans is excellent. In the Gary MD, the percentage of TCF's loans in low-income geographies was near to the percentage of owner-occupied housing units in those geographies. In moderate-income geographies, TCF's percentage of loans significantly exceeded the demographics. TCF's lending market shares within this market are low and do not allow for a meaningful analysis. Due to low volume, the geographic distribution of home purchase loans was not meaningful for 2003.

### **Home Improvement Loans**

TCF's geographic distribution of home improvement loans does not provide a meaningful analysis as only three home improvements loans were originated during the evaluation period.

### **Refinance Loans**

TCF's geographic distribution of refinance loans is good. The percentage of TCF's loans in low-income geographies were lower than the percentage of owner-occupied housing units on those geographies but their market share in those low-income geographies exceeded its overall market share. In moderate-income geographies, TCF's percentage of loans exceeded the demographics while its market share was somewhat lower than its overall market share. The geographic distribution of refinance loans is adequate in 2003.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Gary MD.

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

In the State of Indiana, TCF made a high percentage of its loans within its AA. TCF made 87% of its HMDA loans within its AAs.

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

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

Borrower distribution in the Gary MD reflects excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is excellent. In the Gary MD, the percentage of TCF's loans to low-income borrowers is near to the percentage of low-income families. For moderate-income borrowers, the percentage of TCF's loans exceeds the demographic. TCF's market share for low- and moderate-income borrowers exceeds its overall market share. Due to low volume, the distribution of home purchase loans to borrowers of different income levels was not meaningful for 2003.

### **Home Improvement Loans**

An analysis of home improvement loans was not meaningful due to the small volume of these loans during the evaluation period.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. TCF's distribution of refinance loans to borrowers of different income levels is somewhat lower than the percentage of low-income families. TCF's market share of loans to low-income borrowers is near to its overall market share. For moderate-income borrowers, the percentage of TCF's loans exceeds the demographic and the market share also exceeds the overall market share. The borrower distribution of refinance loans in 2003 is good.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of Indiana section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

Community development lending had a neutral impact on lending performance in the Gary MD. TCF did not originate any community development loans in this AA during the evaluation period.

### **Product Innovation and Flexibility**

TCF's offering of innovative and flexible loan products had a neutral impact on Lending Test performance.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope review, the bank's performance under the Lending Test in the Michigan City MSA does not provide for a meaningful analysis as the volume of loans originated during the evaluation period is minimal for all loan types. Refer to Tables 1 through

13 in the State of Indiana section of Appendix D for the facts and data that support this conclusion.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Indiana is rated "Outstanding." Based on a full-scope review, the bank's performance in the Gary MD is excellent.

Refer to Table 14 in the State of Indiana section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments originated by TCF in the Gary MD is excellent. TCF made 15 investments totaling over \$1.9 million during the evaluation period. Of this, 97% by dollar and 33% by number went toward meeting the need of affordable housing.

Current period qualified investments consisted of both investments and grants. TCF made one investment representing the majority of the dollar volume through the purchase of a Low Income Housing Tax Credit project. The remaining \$92 thousand in investments were in the form of grants to local nonprofit organizations that focus on social services for low- and moderate-income persons (70%) and low-income housing needs (30%). We did not identify any investments that were complex or innovative, nor did we identify any situations in which the bank has taken a leadership role. The volume of qualified investments had a significant bearing on the assigned rating, as did the responsiveness of the investments to identified needs in the community.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Investment Test in the Michigan City MSA is not inconsistent with the bank's "Outstanding" performance under the Investment Test in the State of Indiana.

Refer to the Table 14 in the State of Indiana section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the State of Indiana is rated "Low Satisfactory". Based on the full-scope review, the bank's performance in the Gary MD is adequate.

### **Retail Banking Services**

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

All four TCF branches and ATMs are located in middle- or upper-income CTs. One branch was opened and one was closed during the evaluation period. The bank's record of opening or closing offices did not have an adverse impact on our conclusions.

Hours of operation are excellent due to convenient, extended hours. All branches located in the Gary MD are located in grocery stores and are open seven days a week.

None of the Gary MD branch offices have a full range of lenders onsite. Commercial loan inquiries are referred to the Burr Ridge, Illinois location and residential real estate applications are processed through the Consumer Lending division in Illinois.

### **Community Development Services**

TCF employees provide an adequate level of community development services within the Gary MD given the limited number and type of branches. During the evaluation period, TCF employees supported two organizations, one relating to affordable housing and one for community services targeting low- and moderate-income persons. Services do not demonstrate any complexity, innovation or leadership involvement.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Service Test in the Michigan City MSA is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in the State of Indiana. Refer to Table 15 in the State of Indiana section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Michigan

#### CRA Rating for Michigan: Outstanding

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

The major factors that support this rating include:

- TCF's High Satisfactory lending performance in the State of Michigan is the combination of good lending activity, excellent overall geographic distributions, and good overall borrower income distributions.
- TCF's Outstanding Investment Test performance in the State of Michigan is based on an excellent level of investments that focus on affordable housing, which is a need identified in this AA.
- TCF's Outstanding performance under the Service Test in the State of Michigan is due to the accessibility of services in moderate-income CTs, the extended hours of operation at all branch locations and an excellent level of community development services.

### Description of Institution's Operations in the State of Michigan

As of the date of this evaluation, TCF has four assessment areas (AAs) in Michigan, a portion of the Warren-Troy-Farmington Hills MSA (WFH MSA), the Ann Arbor MSA, a portion of the Detroit-Livonia-Dearborn MSA (Detroit AA), and a portion of Marquette County, Michigan (Marquette AA). TCF derives 17% of its deposits (nearly \$1.8 billion) from Michigan. Approximately 15% of TCF's loans considered in this evaluation are from the state. Of the four AAs the WFH MSA is the most predominant with 46% of the state's deposits, 57% of the branch locations and 59% of the loan volume. The regional headquarters is located in the Detroit AA.

In the WFH MSA, TCF has 32 branches (two of which are in supermarkets) and 35 ATMs. Deposit market share reports from the Federal Deposit Insurance Agency as of June 30, 2007 show TCF's deposit market share in the four counties of the WFH MSA where they have a presence is ranked 11<sup>th</sup> of the 46 institutions with a presence in the AA. TCF's \$802 million in deposits represent 1.45% of the deposit market share.

In the Ann Arbor MSA, TCF has 11 branches and 39 ATMs, representing 20% of the state's branch locations. 45% of TCF's Michigan deposits are from Ann Arbor and 25% of the loan volume is from this AA. Deposit market share reports show TCF's \$797 million in deposits with a ranking of second of the 18 financial institutions in the MSA, representing 15.36% of the deposit market share.

In the Detroit AA, TCF has 12 branches and 16 ATMs. Nearly 9% of TCF's Michigan deposits are from this AA. Deposit market share for the entire Detroit-Livonia-Dearborn MSA shows



TCF's \$155 million in deposits representing a market share of .48% ranking them 12<sup>th</sup> of 29 financial institutions in the entire MSA.

In Marquette County, TCF has one branch located on a university campus and four ATMs. Less than 1% of TCF's Michigan's deposits come from this AA. This office was opened in the fall of 2006 and, as of June 30, 2007 FDIC Market Share reports, has \$829 thousand in deposits giving TCF a ranking of 8<sup>th</sup> of the 8 financial institutions with a presence in Marquette County.

In March, 2007, TCF sold the branches located in the Saginaw, Bay City and Battle Creek AAs. TCF continues to operate three loan production offices and six ATM's in these areas, which are now considered to be outside of the AA as of December 31, 2007.

Refer to the market profiles for the Warren-Troy-Farmington Hills MD in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in the State of Michigan**

Of TCF's four Michigan AA's, we selected the WFH MSA for a full-scope review. This is the area in which TCF has the largest portion of both deposits and loans and the most number of branch locations. As a result, the WFH MSA is the area that carried the most weight in assigning the ratings. We performed limited-scope reviews for the other three AAs. More information on the scope of the evaluation is included in Appendix A.

We also included in our evaluation the additional three AA's that TCF had in Michigan as of December 31, 2006. These include the Saginaw, Bay City and Battle Creek AAs. The Lending Test includes loans in these AA's through December 31, 2006, and the Investment and Service test also include investments and services in these AA's through the date of the sale of the offices.

We considered information from community organizations and various members of the WFH community for this evaluation. Information obtained from these contacts is included in the Market Profile section in Appendix C.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in the State of Michigan is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the WFH is good.

### **Lending Activity**

Refer to Table 1 Lending Volume in the State of Michigan section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. TCF's lending activity compares well to that of other lenders. TCF has the 11<sup>th</sup> largest share of deposits of the 46 financial institutions with a presence in the four counties of the WFH MSA which make up TCF's AA.

TCF's most significant loan product by both numbers and dollars of loans was refinance loans followed by small loans to businesses. These two products represented more than 85% of number of loans originated or purchased during the evaluation period in this AA. These two products were followed distantly by home purchase loans and then home improvement loans.

During the evaluation period, TCF originated and purchased 2,683 HMDA loans totaling \$389 million and 704 small loans to businesses totaling \$172 million in the WFH MSA. For home mortgage refinance, TCF ranked 18<sup>th</sup> out of 667 lenders that reported HMDA data in the WFH MSA with a .75% market share. For home purchase loans, TCF ranked 97<sup>th</sup> out of 611 reporting lenders with a .14% market share. TCF ranked 31<sup>st</sup> out of 270 lenders reporting home improvement loans with a .72% market share.

For small loans to businesses, TCF ranked 31<sup>st</sup> out of 124 lenders reporting CRA data in the WFH MSA with a .14% market share.

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

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the State of Michigan section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of TCF's home mortgage loans in the WFH MSA is excellent.

### **Home Purchase Loans**

The geographic distribution of TCF's home purchase is excellent. In the WFH MSA, the percentage of TCF's loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. TCF's market share in those low-income geographies also significantly exceeded its overall market share. In moderate-income geographies, TCF's percentage of loans was near to the demographic and its market share is somewhat lower than its overall market share. The geographic distribution of home purchase loans is good in 2003.

### **Home Improvement Loans**

TCF's geographic distribution of home improvement loans is excellent. In low- and moderate-income geographies in the WFH MSA, the percentage of TCF's loans far exceeded the percentage of owner-occupied housing units in those geographies. TCF's market share in both low- and moderate-income geographies also exceeded its overall market share. The geographic distribution of home improvement loans is excellent in 2003.

### **Refinance Loans**

TCF's geographic distribution of refinance loans in the WFH MSA is excellent. In low- and moderate-income geographies in the WFH MSA, the percentage of TCF's loans exceeded the percentage of owner-occupied housing units in those geographies. TCF's market share in both low- and moderate-income geographies also exceeded its overall market share. The geographic distribution of refinance loans is adequate in 2003.

### **Multi-family Loans**

TCF's geographic distribution of multifamily loans is adequate. TCF originated or purchased only 12 multi-family loans in the WFH MSA during the evaluation period and none of those were in low-income geographies. TCF's geographic distribution of multifamily loans in moderate-income geographies is near to the percentage of multifamily units in those geographies. TCF's market share in moderate-income geographies exceeded its overall market share. The geographic distribution of multi-family loans is excellent in 2003.

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

Refer to Table 6 in the State of Michigan section of 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 TCF's small loans to businesses in the WFH MSA is excellent.

In the WFH MSA, the percentage of TCF's small loans to businesses in low-income geographies exceeded the percentage of businesses located in those geographies. TCF's market share in low-income geographies significantly exceeded its overall market share. In moderate-income geographies, the bank's percentage of small loans to businesses is somewhat lower than the demographic. TCF's market share in moderate-income geographies was near to the overall market share of small loans to businesses.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the WFH MSA.

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

In the State of Michigan, TCF made a high percentage of its loans within its assessment area. During the evaluation period, TCF made 79% of its HMDA loans within its Michigan AAs. TCF made 94% of its small loans to businesses within its Michigan AAs. The volume of local lending within the State of Michigan shows good responsiveness to area credit needs.

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

### ***Home Mortgage Loans***

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

Borrower distribution in the WFH MSA reflects excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is excellent. In the WFH MSA, the percentage of TCF's loans to low-income borrowers exceeds the percentage of low-income families. For moderate-income borrowers, the percentage of TCF's loans exceeds the demographics. TCF's market shares of loans to both low- and moderate-income borrowers exceeded its overall market share. Distribution of home purchase loans to borrowers of different income levels is excellent in 2003.

### **Home Improvement Loans**

TCF's distribution of home improvement loans to borrowers of different income levels is excellent. In the WFH MSA, the percentage of TCF's loans to both low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families, respectively. TCF's market share of loans exceeds its overall market share in both areas. The distribution of home improvement loans to borrowers of different income levels is excellent in 2003.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. In the WFH MSA, the percentage of TCF's loans to both low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families, respectively. TCF's market share of loans exceeds its overall market share in both areas. The distribution of refinance loans to borrowers of different income levels is excellent in 2003.

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

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

The distribution of borrowers in the WFH MSA reflects poor penetration among business customers of different sizes. In the WFH MSA, the percentage of TCF's loans to small businesses (those with revenues of \$1 million or less) is well below the percentage of businesses in the MSA with those smaller revenues. TCF's market share within the AA is low and does not allow for a meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of Michigan section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition,

Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on lending performance in the WFH MSA. TCF did not originate any community development loans in the WFH MSA during the evaluation period. Community development lending was limited to 17 community development loans totaling \$96 thousand in the limited-scope Saginaw AA.

### **Product Innovation and Flexibility**

TCF's offering of flexible loan products had a neutral impact on the Lending Test performance. TCF, through its affiliate, TCFMC, originated loans under ten different flexible loan programs during the evaluation period; however, most of those loan programs have not been available since TCFMC dissolved, in late 2004. The volume of flexible loan products remaining was not sufficient to provide a positive impact on the overall Lending Test performance.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Ann Arbor MSA, Bay, Saginaw and Battle Creek AAs is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in the State of Michigan. Lending in the Marquette AA was not meaningful as no lending took place in that AA due to the newness of that AA at the time of this evaluation. Lending in the Detroit AA was somewhat weaker than the overall High Satisfactory performance and would be considered adequate due to their poor performance in the geographic distribution and their good performance in the income distribution. Refer to the Tables 1 through 13 in the State of Michigan section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Michigan is rated "Outstanding." Based on a full-scope review, the bank's performance in the WFH MSA is excellent.

Refer to Table 14 in the State of Michigan section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments originated by TCF in the WFH MSA is excellent. TCF made 141 investments totaling \$4.2 million during the evaluation period. In addition, four investments totaling \$792 thousand remain outstanding from period periods. Due to the sale of the branch locations in Michigan in early 2007, the bank requested that we analyze their Investment Test in Michigan using the AAs in effect at that time. Of the combined total investments, 97% by dollar and 10% by number went toward meeting the need of affordable housing in the WFH MSA.

Current period qualified investments consisted of both investments and grants. TCF made 15 investments totaling \$4 million. All investments were in mortgage-backed securities and

provided affordable housing within the MSA. Three investments directed to small business development assisted in the retention/creation of 176 jobs in the MSA. The remaining qualified investments were grants to local nonprofit organizations that focus on social services for low- and moderate-income persons (94%), low-income housing (3%) and economic development through the financing of small businesses (3%). We did not identify any investments that were particularly complex or innovative, nor did we identify any situations in which the bank has taken a leadership role. The volume of qualified investments had a significant bearing on the assigned rating, as did the responsiveness of the investments to identified needs in the community.

## **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Ann Arbor MSA, Detroit-Dearborn MSA and Battle Creek MSA is not inconsistent with the bank's overall "Outstanding" performance under the Investment Test in Michigan. The performance under the Investment Test for the Bay and Saginaw areas were weaker than the Outstanding Investment Test rating for the State of Michigan but still considered good. Performance in the Marquette AA is weaker than the Outstanding performance in Michigan. They had no investments during the evaluation period. Refer to the Table 14 in the State of Michigan section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the State of Michigan is rated "Outstanding." Based on a full-scope review, the bank's performance in the WFH MSA is excellent.

### **Retail Banking Services**

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

TCF branches are accessible to people and geographies of all income levels. TCF has 32 offices in the WFH MSA, two of which are located in supermarkets. The bank has an excellent presence in moderate-income geographies. The bank's record of opening or closing offices did not have an impact on our conclusions. TCF opened eight offices and closed seven offices. One was in a moderate-income CT and was closed due to low transaction volume. Four additional branches are available in the area with the closest being 1.5 miles away.

Hours of operation are excellent due to convenient, extended hours. All branches offer banking services seven days a week. In addition, eight (23%) of the 35 ATMs are located in moderate-income CTs.

In addition, TCF has at least one bilingual person in 44 of their Michigan branch locations. Throughout the organization, TCF has employees proficient in 47 different languages, in addition to sign language.

TCF offered a check cashing service for payroll checks for reduced fees compared to typical commercial check cashing businesses through year-end 2006. A person using this service need not have a TCF deposit account but must provide identification information through an application process and obtain a check cashing card. TCF continues to cash government checks for non-customers at no charge.

### **Community Development Services**

TCF employees provide a good level of community development services within the WFH MSA. TCF employees supported 19 organizations, generally split between affordable housing and social services that benefit low- and moderate-income families and individuals. Services do not demonstrate any complexity or innovation but TCF demonstrates good leadership by involvement on the boards or various subcommittees.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Ann Arbor MSA, the Detroit AA, the Battle Creek MSA, the Saginaw MSA and the Bay City MSA is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in the State of Michigan. TCF's performance in the Marquette AA is weaker than the overall bank's performance in Michigan for the Service Test as no qualifying services were provided for this AA from the date the office opened in late 2006 through December, 2007. Refer to Table 15 in the State of Michigan section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Minnesota

**CRA Rating for Minnesota<sup>4</sup>: Outstanding**  
**The Lending Test is rated: Outstanding**  
**The Investment Test is rated: Outstanding**  
**The Service Test is rated: Outstanding**

The major factors that support this rating include:

- TCF's Outstanding Lending Test performance in the State of Minnesota is the combination of excellent lending activity, excellent overall geographic distributions, and excellent overall borrower income distributions. Community development lending was also a positive element of performance in the Lending Test.
- TCF's Outstanding Investment Test performance in the State of Minnesota is based on its excellent level of investments that are focused toward affordable housing, a primary identified credit need in the area.
- TCF's Outstanding performance under the Service Test in the State of Minnesota is demonstrated through its ready accessibility of branches to people and geographies of different income levels, supplemented by its record of opening branches, excellent hours of service, ATM distribution and the community development services its employees provide within the Minneapolis-St. Paul-Bloomington MSA.

### Description of Institution's Operations in the State of Minnesota

TCF has four assessment areas (AA) in Minnesota; the Minneapolis-St. Paul-Bloomington MSA, which includes the majority, but not all of the Minnesota portion of the MSA (Minneapolis MSA), the Mankato AA which includes both Blue Earth and Nicollette counties, a portion of the Duluth MSA and all of the St. Cloud MSA. TCF derives 39% of its deposits from Minnesota, just over \$4 billion. Approximately 33% of TCF's loans considered in this evaluation are from this state. The Minneapolis-St. Paul-Bloomington MSA is the metropolitan area in which TCF has its corporate headquarters. It is the most dominant market, not only within the State of Minnesota (96% of the MN deposits come from this AA) but also for the entire bank.

TCF has 100 branches in the Minneapolis MSA. Of these, 56 are in supermarkets and two are on the University of Minneapolis campus. In addition, TCF has 393 ATMs in the area. Deposit market share reports show the \$4 billion in deposits gives TCF a ranking of third among 167 financial institutions in the nine metro counties included in TCF's Minneapolis MSA AA. TCF defines its Minneapolis MSA AA as 9 of the 11 MN counties in the Minneapolis-St. Paul-

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<sup>4</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.



Bloomington MSA, plus four census tracts adjacent to the MSA in Rice County, just south of the MSA. The AA does not extend into the Wisconsin portion of the MSA.

TCF has one branch and ten ATM's in the Duluth MSA. The branch is located on a university campus. Less than 1% of the deposits are from this AA. Deposit market share reports show the \$12 million in deposits giving TCF a ranking of 23<sup>rd</sup> among the 24 financial institutions in the Duluth MSA with a .48% market share.

In the Mankato AA, TCF has four branches and seven ATMs. Two percent of TCF's Minnesota deposits are from this AA. Deposit market share reports for the two counties comprising this AA shows TCF with \$80 million in deposits and a 6<sup>th</sup> place ranking out of the 21 financial institutions with a presence in this AA. TCF has a 5.06% market share.

In the St. Cloud MSA, TCF has four branches and 12 ATMs. Two percent of TCF's Minnesota deposits are from St. Cloud. Deposit market share reports for the St. Cloud MSA indicate TCF has a 6<sup>th</sup> place ranking with \$87 million in deposits out of the 34 financial institutions with a presence in this MSA. Their market share is 2.54%.

Refer to the market profile for the Minneapolis-St. Paul-Bloomington MSA in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

## **Scope of Evaluation in Minnesota**

Of TCF's four Minnesota AAs, we selected the Minneapolis MSA for a full-scope review. It is the area in which TCF has the largest portion of both deposits and loans. Because of the significance of this AA to TCF, it is the area that carried virtually all the weight in assigning the ratings for Minnesota. We performed a limited-scope review for the other three AAs. More information on the scope of the evaluation is included in Appendix A.

We considered information from community organizations and various members of the community for this evaluation. Information obtained from these contacts is included in the Market Profile section in Appendix C.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in the State of Minnesota is rated "Outstanding." Based on a full-scope review, the bank's performance in the Minneapolis MSA is excellent.

### **Lending Activity**

Refer to Tables 1 Lending Volume in the State of Minnesota section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect excellent responsiveness in relation to area credit needs and the bank's deposit market share. For this market, TCF's lending activity is strong compared to that of other lenders. TCF has the 4<sup>th</sup> largest share of deposits of 173 financial institutions in the bank's AA. TCF's deposits total nearly \$4 billion and represent 5.52% of aggregate market deposits.

By the volume of originations and purchases, TCF's most significant loan product was mortgage refinance, followed by home improvement loans. Home purchase was the next largest loan product, followed by small loans to businesses.

During the evaluation period, TCF originated and purchased 10,550 home mortgage loans totaling \$1.2 billion dollars in the Minneapolis MSA. For home mortgage refinance, TCF ranked 6th out of 697 lenders that reported HMDA data in the AA with a 1.49% market share. For home improvement loans, TCF ranked 3<sup>rd</sup> out of 341 lenders reporting home improvement loans with a 8.12% market share. For home purchase, TCF ranked 57th of 713 lenders with a .34% market share.

During the evaluation period, TCF originated and purchased 1,098 small loans to businesses totaling \$89 million in the AA. For small loans to businesses, TCF ranked 22<sup>nd</sup> out of 111 lenders reporting CRA data in 2006 with .10% of the market share.

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

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of TCF's home mortgage loans in the Minneapolis MSA is excellent.

### **Home Purchase Loans**

TCF's geographic distribution of home purchase loans in the Minneapolis MSA is excellent. The percentage of TCF's loans in low-income geographies significantly exceeds the percentage of owner-occupied housing units in those geographies. The percentage of TCF's loans in moderate-income geographies also significantly exceeds the percentage of owner-occupied housing units. TCF's market share in both low- and moderate-income geographies exceeds its overall market. The geographic distribution of home purchase loans is excellent in 2003.

### **Home Improvement Loans**

TCF's geographic distribution of home improvement loans is excellent. In both low- and moderate-income geographies in the Minneapolis MSA, the percentage of TCF's loans significantly exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's market shares in both low- and moderate-income geographies exceeded its

overall market share. The geographic distribution of home improvement loans in 2003 is excellent.

### **Refinance Loans**

TCF's geographic distribution of refinance loans in the Minneapolis MSA is excellent. The percentage of TCF's loans in low-income geographies is near to the percentage of owner-occupied housing units in those geographies. TCF's market share in low-income geographies is somewhat lower than its overall market share. TCF's geographic distribution of refinance loans in moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. TCF's market share in moderate-income geographies exceeds its overall market share. The geographic distribution of refinance loans is excellent in 2003.

### **Multifamily Loans**

TCF's geographic distribution of multifamily loans is adequate. The percentage of TCF's loans in low-income geographies significantly exceeds the percentage of multifamily units in those geographies and is considered excellent, however TCF's loans in moderate-income geographies is significantly lower than the percentage of multifamily units in those geographies and considered very poor. TCF's market share in low-income geographies exceeds its overall market share and in moderate-income geographies is near to its overall market share. The geographic distribution of multifamily loans is good in 2003.

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

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

The geographic distribution of TCF's small loans to businesses in the Minneapolis MSA is good.

In the Minneapolis MSA, the percentage of TCF's small loans to businesses in low-income geographies substantially meets the percentage of businesses located in low-income geographies. In moderate-income geographies, TCF's small loans to businesses is somewhat lower than the percentages of businesses. TCF's market share in low-income geographies exceeded its overall market share in the low-income geographies and was somewhat lower than its overall market share in the moderate-income geographies.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Minneapolis MSA.

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

In the State of Minnesota, TCF made a substantial majority of its loans within its AAs. TCF made 90% of its HMDA loans within its Minnesota AAs. TCF made 98% of its small loans to

businesses within its Minnesota AAs. The analysis is based on loan originations and purchases by TCF National Bank and does not include loan originations and purchases by the bank's operating subsidiary, TCFMC.

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

### ***Home Mortgage Loans***

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

Borrower distribution in the Minneapolis MSA reflects excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is excellent. In the Minneapolis MSA, the percentage of TCF's loans to low-income borrowers substantially meets the percentage of low-income families. For moderate-income borrowers, the percentage of TCF's loans significantly exceeds the demographic. TCF's market share of loans to both low- and moderate-income borrowers exceeds its overall market share. The distribution of home purchase loans to borrowers of different income levels is excellent in 2003.

### **Home Improvement Loans**

TCF's distribution of home improvement loans to borrowers of different income levels is excellent. In the Minneapolis MSA, the percentage of TCF's loans to low- and moderate-income borrowers significantly exceeds the percentage of low- and moderate-income families, respectively. In addition, TCF's market share of loans to low and moderate-income borrowers exceeds its overall market share. The distribution of home improvement loans to borrowers of different income levels is excellent in 2003.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. In the Minneapolis MSA, the percentage of TCF's loans to low-income borrowers substantially meets the percentage of low-income families. TCF's market share of loans to low-income borrowers exceeds its overall market share. For moderate-income borrowers, the percentage of TCF's loans significantly exceeds the demographics and its market share exceeds its overall market share. In 2003, the distribution of refinance to borrowers of different income levels is excellent.

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

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

The distribution of borrowers in the Minneapolis MSA reflects poor penetration among business customers of different sizes. In the Minneapolis MSA, the percentage of TCF's small loans to small businesses (those with revenues of \$1 million or less) is lower than the percentage of businesses in the MSA with those smaller revenues. TCF's market share of small loans to small businesses exceeded its overall lending market share.

### ***Other Loans Presented for Consideration***

TCF submitted 12 loans totaling nearly \$11 million for multi-family housing units located in low- or moderate-income census tracts for additional consideration in this evaluation. TCF indicated that these projects, which include 394 units, help support the local need for affordable housing, which is a need confirmed by our various community contacts made during the examination. These loans confirm TCF's willingness to address community needs.

### **Community Development Loans**

Refer to Table 1 Lending Volume in the State of Minnesota section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that qualify as CD loans and those other loans presented for consideration referenced above. Table 5 does not separately list CD loans, however.

Community development lending had a positive impact on lending performance in the Minneapolis MSA. During the evaluation period, TCF originated 16 loans totaling \$40.6 million. \$12.9 million was devoted to environmental remediation of a site, infrastructure, development and construction of a 114-unit condo unit under a Redevelopment Plan by the City of St. Paul to develop a moderate-income census tract. Another \$21 million was designated for construction and/or improvements of affordable housing units for low- and moderate-income individuals. The remaining \$6 million was for various businesses to construct office buildings under economic development plans to promote economic development.

### **Product Innovation and Flexibility**

TCF's offering of flexible loan products had a neutral impact on Lending Test performance. TCF and TCFMC offered loans under a range of conventional and government loan programs which did provide flexibility, however, those programs have not been offered since 2004. TCF does have other programs which offer flexible loan products, such as the Bancroft Neighborhood Association loan program for home improvements targeted to that specific neighborhood (moderate-income), the Longfellow Community Council home improvement loans, Entry Cost Assistance Program loans, Homeward loans to homeowners within low- to moderate-income census tracts, and the My American Home Loan program targeted to applicants who lack traditional credit history. The volume of lending in all of these programs, however, was not enough to generate a positive impact on overall Lending Test performance.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the limited scope AAs are not inconsistent with the bank's overall Outstanding performance in the Lending Test in the State of Minnesota. Refer to the Tables 1 through 13 in the State of Minnesota section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Minnesota is rated "Outstanding." Based on a full-scope review, the bank's performance in the Minneapolis MSA is excellent.

Refer to Table 14 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments originated by TCF in the Minneapolis MSA is excellent. During the evaluation period, TCF originated 622 qualified investments totaling \$21.7 million. In addition, 12 prior period investments totaling \$5.2 million remain outstanding. Of the total, 87% of the funds went toward meeting the identified need of affordable housing that is discussed in the Market Profile for this AA.

Current period qualified investments consisted of both investments and grants. TCF made 19 investments totaling \$16.8 million. These were mortgage-backed securities and Low-Income Housing Tax Credits providing housing to low- and moderate-income borrowers in the MSA. The remaining \$4.9 million in grants went to various local nonprofit organizations. The grants focused on social services for low- and moderate-income persons (47%), affordable housing needs (41%), revitalization or stabilization of the MSA (12%) and economic development through the financing of small businesses in the MSA (less than 1%).

TCF was instrumental in funding and helping to create the Family Housing Fund's new loan program called the Home Prosperity Fund (the "Fund"). This Fund is a joint effort between US Bank, Wells Fargo, TCF and Thrivent Financial and has initial investments of \$16 million with a goal of reaching \$50 million by 2012. The purpose of the Fund is to revitalize neighborhoods and increase housing opportunities for families through the Twin Cities metropolitan area. The Fund will provide, in part, money to assist organizations working in neighborhoods threatened by foreclosure. They will acquire vacant, boarded homes to repair and sell to responsible owners. The Fund will also help create new affordable housing opportunities in Minneapolis, St. Paul and suburban communities and provide gap loans to families so they can afford to purchase a new home.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the St. Cloud MSA and the Mankato AA are not inconsistent with the bank's overall Outstanding Investment Test performance in the State of Minnesota. The limited-scope review for the Duluth MSA represents weaker performance than the bank's overall Outstanding Investment Test in the state. As this assessment area represents only .30% of the bank's deposits within the State of Minnesota, their weaker performance did not impact the overall Investment Test

conclusions for the State of Minnesota. Refer to the Table 14 in the State of Minnesota section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the State of Minnesota is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Minneapolis MSA is excellent.

### **Retail Banking Services**

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

TCF branches are readily accessible to people and geographies of different income levels. TCF has 100 branches in the AA. TCF has three branches in low-income census tracts (3%). This compares favorably to the area demographics as only 4.8% of the population are located in low-income census tracts. Twenty-one of their branches (21%) are located in moderate-income census tracts which is excellent compared to the 17.43% of the population that reside in moderate-income census tracts. TCF closed one branch during the evaluation period located in a moderate-income census tract due to failure to negotiate a lease arrangement, but was able to move those accounts to another moderate-income branch located only six blocks away. In addition, they opened two branches in low-income tracts and three in moderate-income tracts which increased their accessibility to these areas during the evaluation period.

TCF's extensive ATM network in the MSA consists of 393 ATMs and provides an excellent distribution throughout low- and moderate-income tracts. 5.6% of those ATMs are located in low-income tracts and 24.17% are located in moderate-income tracts. These percentages exceed the percentage of persons living in those tracts. Forty-nine of the ATMs in low- or moderate-income tracts are full-service and the remaining are cash-dispensing only.

Hours of service are excellent. Of the 100 branches, only one campus location does not have weekend hours. 56 of the locations are in-store branches which have extended hours including 11 hours a day during the week (Monday-Friday) and 9 hours each on Saturday and Sunday. The 42 traditional branches and one campus branch are also open seven days a week; seven hours on Saturdays and four hours on Sundays.

Typically only the traditional branch locations have lenders on-site. There is only one in-store location that continues to have an on-site lender presence. However, a loan referral network is in place for all locations to ensure that there is not an adverse impact on low- or moderate-income customers due to lack of lenders being on-site. Based on the bank's Lending Test performance, it appears that this method is reaching the needs of the low- and moderate-income customers.

TCF also offers bilingual services. Although the Minneapolis MSA does not have a specific list of locations offering these services, several of the branches have employees that speak more

than one language. Throughout the organization, employees speak 47 different languages, in addition to sign language. That information is posted internally on the bank's intranet site so all staff with a need for a particular language are able to contact the appropriate person for assistance.

## **Community Development Services**

TCF employees provide an excellent level of community development services within the Minneapolis MSA. Employees spent more than 14,000 hours of volunteer work with 47 different organizations to provide much needed affordable housing assistance or social services to low- and moderate-income people. TCF's performance is noteworthy in light of the size of other financial organizations within the MSA.

In addition, TCF employees have demonstrated leadership through their involvement with some of these organizations. The Friends of Ascension was established in 1999 by TCF Executive Officers and TCF involvement in this organization has been ongoing through both investments/grants and services. Numerous TCF employees volunteer from October through April each year in a tutoring program for math and reading skills which has had a substantial impact on students. Executive Officers are heavily involved on the Board of Directors and TCF has devoted one staff attorney full-time to assist this organization with legal services and on-going charter school administration.

TCF received national recognition as an outstanding business partner in 2004 from Goodwill Industries International. This award was for the work TCF has done to develop a program to help people with barriers to employment have a chance to learn skills for entry-level work in the banking industry. Goodwill/Easter Seals Minnesota provides education, training and employment services for persons with disabilities and other disadvantages. TCF assists in curriculum development, training, facilities and financial support. TCF incorporated training facilities for the program into the design of one of their new traditional branches in the St. Paul area, along with serving as a community meeting facility.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the St. Cloud MSA is not inconsistent with the bank's overall excellent performance under the Service Test in the State of Minnesota. In the Duluth MSA, the bank's performance is weaker than the bank's overall performance in the state because there are no offices or ATMs located in low- or moderate-income geographies. There are no low- or moderate-income geographies in the Mankato AA. The weaker performance in the Duluth MSA did not impact the overall Service Test conclusions for the State of Minnesota as their deposits represent less than 1% of the overall deposits for the State of Minnesota. Refer to Table 15 in the State of Minnesota section of Appendix D for the facts and data that support these conclusions.



## State Rating

### State of Wisconsin:

#### CRA Rating for Wisconsin<sup>5</sup>: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- TCF's Outstanding Lending Test performance in the State of Wisconsin is the combination of excellent lending activity, excellent overall geographic distributions, and excellent overall borrower income distributions.
- TCF's Outstanding Investment Test performance in the State of Wisconsin is based on the excellent level of qualified community development investments given the bank's resources and capacity.
- TCF's High Satisfactory Service Test rating in the State of Wisconsin is based on TCF providing good access to people and geographies of different income levels, excellent hours of operation and a good level of community development services.

### Description of Institution's Operations in Wisconsin

TCF has two assessment areas (AAs) in Wisconsin, the Milwaukee-Waukesha-West Allis MSA (Milwaukee MSA) and the Racine MSA. TCF's Wisconsin operations account for approximately 4% of TCF's total deposits (\$424 million) as of June 30, 2007. TCF operates 26 branches and 48 ATMs in the State of Wisconsin.

Of the two AAs, TCF has the greatest presence in the Milwaukee MSA. TCF's AA includes the full counties of Milwaukee and Waukesha but not the other two counties that would comprise the entire MSA. The Milwaukee MSA has 21 branches and 42 ATMs within the AA. The Racine MSA has five branches and six ATMs within the AA. According to the FDIC Summary of Deposit data as of June 30, 2007, TCF National Bank holds the 17<sup>th</sup> largest deposit market share of 51 institutions with a presence within the Milwaukee MSA with .94%. The bank's Racine AA includes the entire MSA and TCF holds the 11<sup>th</sup> largest deposit market share of the 18 financial institutions in that MSA with 2.44%.

Refer to the Market Profiles for the Milwaukee-Waukesha-West Allis MSA in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>5</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## Scope of Evaluation in State of Wisconsin

Of TCF's two Wisconsin AAs, we selected the Milwaukee MSA for a full-scope review. It is the area in which TCF has the largest portion of both deposits and loans and, as a result, it carried the most weight in assigning the ratings. We performed a limited-scope review for the Racine MSA. More information on the scope of the evaluation is included in Appendix A.

We considered information from community organizations and various members of the Milwaukee-Waukesha community for this evaluation. Information obtained from these contacts is included in the Market Profile section in Appendix C.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the State of Wisconsin is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Milwaukee MSA is excellent.

### Lending Activity

Refer to Table 1 Lending Volume in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect excellent responsiveness in relation to area credit needs and the bank's deposit market share. For this market, TCF's lending activity is strong compared to that of other lenders. TCF has the 18<sup>th</sup> largest share of deposits of 51 financial institutions with branch offices in the bank's Milwaukee MSA AA. TCF's deposits total \$424 million and represent .94% of aggregate market deposits.

TCF's most significant loan product was home mortgage refinance, followed by home improvement loans, home purchase loans and small loans to businesses.

During the evaluation period, TCF originated and purchased 2,575 HMDA loans totaling \$215 million in the Milwaukee AA. For home mortgage refinance, TCF ranked 22<sup>nd</sup> out of 501 lenders that reported HMDA data in the AA with a .73% market share. For home improvement, TCF ranked sixth of 192 lenders with a 4.18% market share. TCF ranked 61<sup>st</sup> out of 490 lenders reporting home purchase loans with a .39% market share.

During the evaluation period, TCF originated and purchased 320 small loans to businesses totaling \$94 million in the Milwaukee AA. For small loans to businesses, TCF ranked 25<sup>th</sup> out of 97 lenders that reported CRA data in the AA with a .20% market share.

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

#### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of TCF's home mortgage loans in the Milwaukee AA is excellent.

### **Home Purchase Loans**

TCF's geographic distribution of home purchase loans is adequate. In the Milwaukee AA, the percentages of TCF's loans in low-income geographies are near to the percentage of owner-occupied housing units. The percentage of TCF's loans in moderate-income geographies is somewhat lower than the demographic. TCF's market shares in both low- and moderate-income geographies are lower than its overall market share. The geographic distribution of home purchase loans is excellent in 2003.

### **Home Improvement Loans**

TCF's geographic distribution of home improvement loans in the Milwaukee AA is excellent. The percentage of TCF's loans in low- and moderate-income geographies significantly exceeds the percentage of owner-occupied housing in those geographies. TCF's market share in low-income geographies is somewhat lower than the bank's overall market share but in the moderate-income geographies significantly exceeds the bank's overall market share. The geographic distribution of home improvement loans is excellent in 2003.

### **Refinance Loans**

TCF's geographic distribution of refinance loans is excellent. In the Milwaukee AA, the percentage of TCF's loans in low- and moderate-income geographies significantly exceeds the percentage of owner-occupied housing units in those geographies. Market share performance is strong as TCF's market share in both low- and moderate-income geographies significantly exceeds its overall market share. The geographic distribution of refinance loans in 2003 is excellent.

### **Multifamily Loans**

TCF's geographic distribution of multifamily loans in the Milwaukee AA is adequate. The percentage of TCF's loans in low-income geographies is significantly lower than the percentage of multifamily units in those geographies. For moderate-income geographies, the percentage of TCF's loans exceeds the demographics. TCF's market share in low-income geographies is significantly lower than the bank's overall market share but in moderate-income geographies is near to the bank's overall market share. The geographic distribution of multifamily loans in 2003 is excellent.

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

Refer to Table 6 in the State of Wisconsin section of 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 TCF's small loans to businesses in the Milwaukee AA is excellent.

In the Milwaukee AA, the percentages of TCF's small loans to businesses in both low- and moderate-income geographies exceed the percentages of businesses located in those geographies. In addition, TCF's market shares in both low- and moderate-income geographies significantly exceed its overall market share.

### ***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. We did not identify any unexplained conspicuous gaps in the Milwaukee AA.

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

In the State of Wisconsin, TCF made a substantial majority of its HMDA loans within its AAs. During the evaluation period, TCF made 99% of its HMDA loans within its Wisconsin AAs. Small loans to businesses also were well represented as 89% of the small business lending was done within the Wisconsin AAs.

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

### ***Home Mortgage Loans***

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

Borrower distribution in the Milwaukee MSA reflects excellent penetration among home mortgage loan customers of different income levels.

### **Home Purchase Loans**

TCF's distribution of home purchase loans to borrowers of different income levels is adequate. In the Milwaukee AA, the percentage of TCF's loans to low-income borrowers is lower than the percentage of low-income families and the bank's market share is significantly lower than their overall market share. For moderate-income borrowers, the percentage of TCF's loans is near to the demographics and the bank's market share is lower than its overall market share. The distribution of home purchase loans to borrowers of different income levels in 2003 is excellent.

### **Home Improvement Loans**

TCF's distribution of home improvement loans to borrowers of different income levels is excellent. In the Milwaukee AA, the percentage of TCF's loans to low-income borrowers is near to the percentage of low-income families. This performance is strong in light of the higher

level of poverty that exists in this AA. TCF's market share of loans to low-income borrowers exceeds its overall market share. For moderate-income borrowers, the percentage of TCF's loans exceeded the demographic and its market share exceeds its overall market share. The distribution of home improvement loans to borrowers of different income levels in 2003 is good.

### **Refinance Loans**

TCF's distribution of refinance loans to borrowers of different income levels is excellent. In the Milwaukee AA, the percentage of TCF's loans to low-income borrowers is near to the percentage of low-income families. This performance is strong in light of the higher level of poverty that exists in this AA. TCF's market share of loans to low-income borrowers exceeds its overall market share. For moderate-income borrowers, the percentage of TCF's loans significantly exceeds the demographic and its market share exceeds its overall market share. The distribution of refinance loans to borrowers of different income levels is excellent in 2003.

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

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

The distribution of borrowers in the Milwaukee MSA reflects adequate penetration among business customers of different sizes.

In the Milwaukee AA, the percentage of TCF's loans to small businesses (those with revenues of \$1 million or less) is lower than the percentage of businesses in the AA with those smaller revenues. TCF's market share of loans to small businesses is lower than its overall market share.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a positive impact on the lending performance in the Milwaukee MSA. During the evaluation period, TCF originated four community development loans totaling \$11 million. One \$8 million loan was used to acquire land to build a new Department of Public Works facility as part of Milwaukee's Renewal Community Initiative. The other three loans were for an organization that provides social services to indigent clients.

### **Product Innovation and Flexibility**

TCF's offering of flexible loan products had a neutral impact on Lending Test performance. TCF offered flexible loans through TCFMC through 2004 under a range of conventional and

government loan programs. During the evaluation period, TCF originated 47 loans under loan programs targeted to low- and moderate-income borrowers in the Milwaukee AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Racine MSA is not inconsistent with the bank's overall "Outstanding" performance under the Lending Test in the State of Wisconsin. The only exception was that an analysis for multifamily loans was not meaningful in the Racine MSA due to low volume.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the State of Wisconsin is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Milwaukee MSA is excellent.

Refer to Table 14 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

TCF's volume of qualified investments in the Milwaukee AA is excellent. During the evaluation period TCF made 81 qualified investments totaling \$2.9 million. In addition, three investments totaling \$277 thousand that originated in prior periods remain outstanding.

During the review period, TCF made 10 investments totaling \$2.4 million in mortgage backed securities. These mortgages were to borrowers with low- or moderate-incomes residing in the MSA. All prior period investments were also mortgage-based securities to borrowers with low- or moderate-incomes.

The bank also made monetary donations totaling \$500 thousand to 33 various organizations. Grant proceeds went to organizations that provide social services for low- and moderate-income persons (\$284 thousand), affordable housing (\$172 thousand), economic development (\$39 thousand) and community revitalization (\$5 thousand). We did not identify any investments that were particularly complex or innovative, nor did we identify any situations in which the bank has taken a leadership role.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Racine MSA is somewhat weaker than the bank's overall "Outstanding" performance under the Investment Test in Wisconsin, but still considered good. Refer to the Table 14 in the State of Wisconsin section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the State of Wisconsin is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Milwaukee AA is good.

## **Retail Banking Services**

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

The dispersion of branches and accessibility to products and services is good. TCF's delivery systems are readily accessible to geographies and individuals of different incomes. TCF offers extended lobby and drive-in hours at a majority of its locations, including Saturday and Sunday banking hours. These services enhance the accessibility of the branches.

TCF operates 21 branches in the Milwaukee AA, representing 75% of all TCF branches in the State of Wisconsin. The percentage of branches located in low-income geographies is less than the percentage of population residing in those tracts. One office (5%) is located in a low-income tract compared to 12% of the AA population residing in those tracts. The percentage of branches located in moderate-income geographies exceeds the percentage of population residing in those tracts. Five offices (24%) are located in moderate-income tracts, compared to 16% of the AA population residing in those tracts.

TCF's record of opening and closing branches in the AA decreased the number of branches in low-income tracts by one. During the evaluation period, a total of seven branches were closed, also including one in a moderate-income tract. Of the four branches opened during the evaluation period, only one was located in a moderate-income tract, and none were in low-income tracts. The branches in the low- and moderate-income tracts were closed due to lack of business opportunities.

Lobby hours, services and products do not vary in a way that inconveniences any portion of the AA. TCF offers excellent accessibility through extended hours of operation seven days a week. Banking hours are consistent throughout the AA.

ATMs supplement the branch network by providing consumers and small business account holders access to funds both during and outside traditional banking hours. TCF operates 42 ATMs throughout the Milwaukee AA as part of its overall service delivery system. The dispersion of ATMs represents an excellent distribution across the AA. Three ATMs (7%) are located in low-income tracts compared to 12% of the population. 11 of the ATMs (26%) are located in moderate-income tracts compared to 16% of the AA population residing in those tracts.

## **Community Development Services**

The bank's level of community development services is good. This assessment is based on the opportunities in the AA and type of organizations that benefit from the services provided.

TCF employees provide a good level of community development services within the Milwaukee MSA. TCF employees have provided community development services to 17 different organizations during the evaluation period. In nine of the organizations, employees were in a leadership capacity. The organizations provide a variety of services to LMI individuals, create affordable housing for LMI individuals and promote economic development and community revitalization.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited scope review, the bank's performance under the Service Test in the Racine MSA is not inconsistent with the bank's overall "High Satisfactory" performance in the State of Wisconsin.



## 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 nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): (01/01/2003 to 12/31/2006) CD Loans: (01/01/2003 – 12/31/2007) Investment and Service Tests: (01/01/2004 – 12/31/2007)	
<b>Financial Institution</b>		<b>Products Reviewed</b>
TCF National Bank (TCF) Wayzata, Minnesota		Home mortgage, small business and community development loans.
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
CF Mortgage Corporation TCF Foundation TCF Leasing, Inc.	Operating subsidiary Operating subsidiary Operating subsidiary	Home mortgage loans. Charitable contributions. General equipment finance.
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Lake County-Kenosha County, IL-WI MD #29404</b>	Full Scope	Entire MD (Lake County, Illinois and Kenosha County, WI)
<b>State of Colorado</b>		
Boulder MSA #14500	Limited Scope	Portion of Boulder County (14 of 64 CTs)
Colorado Springs MSA #17820	Limited Scope	All of El Paso County but excluding Teller County
Denver-Aurora MSA #19740	Full Scope	All of Adams, Arapahoe, Broomfield, Denver, Douglas and Jefferson Counties, but excluding Clear Creek, Ebert, Gilpin and Park Counties in the MSA
<b>State of Illinois</b>		
Chicago-Naperville-Joliet MD #16974	Full Scope	Entire MD (Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry and Will counties)
Champaign-Urbana MSA #16580	Limited Scope	Portion of Champaign County (30 of 41

Kankakee-Bradley MSA #28100	Limited Scope	CTs) and none of Ford or Platt counties in MSA Portion of Kankakee county (17 of 26 CTs)
<b>State of Indiana</b>		
Gary MD	Full Scope	All of Lake and Porter counties in the MD but not Jasper or Newton counties
Michigan City-LaPorte MSA #33140	Limited Scope	Entire MSA (LaPorte county)
<b>State of Michigan</b>		
Warren-Troy-Farmington Hills MD #47644	Full Scope	All of Livingston, Macomb, Oakland and St. Clair counties in the MD but not Lapeer County
Ann Arbor MSA	Limited Scope	Entire MSA (Washtenaw county)
Detroit-Livonia-Dearborn MD #19804	Limited Scope	Portion of Wayne County (430 of 620 CTs)
Marquette	Limited Scope	Portion of Marquette County (10 of 26 CTs)
<b>State of Minnesota</b>		
Minneapolis-St. Paul-Bloomington MSA #33460	Full Scope	All of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, Washington and Wright Counties in the MSA but none of Chisago or Isanti counties in the MSA, plus 4 CTs in Rice County, a non-MSA county adjacent to the MSA.
Duluth MSA #20260	Limited Scope	Portion of St. Louis County (33 of 70 CTs) but none of Carlton County.
Mankato	Limited Scope	All of Blue Earth and Nicollet Counties, MN
St. Cloud MSA #41060	Limited Scope	All of MSA (Benton and Stearns counties)
<b>State of Wisconsin</b>		
Milwaukee-Waukesha-West Allis MSA #33340	Full Scope	All of Milwaukee and Waukesha counties in MSA but none of Ozaukee and Washington counties
Racine MSA #39540	Limited Scope	All of MSA (Racine county)

## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		TCF NATIONAL BANK		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
TCF National Bank	Outstanding	Outstanding	High Satisfactory	Outstanding
Multistate Metropolitan Area or State:				
Lake County-Kenosha County IL-WI MD	Outstanding	Outstanding	High Satisfactory	Outstanding
State of Colorado	Outstanding	Outstanding	Outstanding	Outstanding
State of Illinois	Outstanding	High Satisfactory	Low Satisfactory	Satisfactory
State of Indiana	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
State of Michigan	High Satisfactory	Outstanding	Outstanding	Outstanding
State of Minnesota	Outstanding	Outstanding	Outstanding	Outstanding
State of Wisconsin	Outstanding	Outstanding	High Satisfactory	Outstanding

(\*) 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**

<b>Lake County-Kenosha County IL-WI MD</b>	<b>C-2</b>
<b>Denver-Aurora MSA</b>	<b>C-3</b>
<b>Chicago-Naperville-Joliet MD</b>	<b>C-4</b>
<b>Gary MD</b>	<b>C-6</b>
<b>Warren-Troy-Farmington Hills MD</b>	<b>C-8</b>
<b>Minneapolis-St. Paul-Bloomington MSA</b>	<b>C-10</b>
<b>Milwaukee-Waukesha-West Allis MSA</b>	<b>C-12</b>

## Lake County-Kenosha County IL-WI

Demographic Information for Full Scope Area: ILWI KenoshaLake 2006						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	181	4.42	25.97	34.81	34.81	0.00
Population by Geography	793,933	3.53	27.25	37.38	31.84	0.00
Owner-Occupied Housing by Geography	207,026	1.51	20.24	40.98	37.26	0.00
Business by Geography	50,653	2.31	17.60	34.98	45.10	0.00
Farms by Geography	1,304	1.61	16.26	49.85	32.29	0.00
Family Distribution by Income Level	203,940	18.97	18.40	22.80	39.82	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	76,220	6.14	39.46	38.85	15.55	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		71,293 86,000 6%	Median Housing Value Unemployment Rate (2000 US Census)		199,317 2.32%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2006 HUD updated MFI

This assessment area consists of the entire Lake County-Kenosha County, IL-WI MD which includes Lake County, Illinois and Kenosha County, Wisconsin. According to the FDIC Summary of Deposit data as of June 30, 2007, TCF holds the 20<sup>th</sup> largest deposit market share in the MD. There are 57 financial institutions in the MD taking deposits in 292 offices. Based on 2000 census data, the Lake-Kenosha MD has one deposit-taking institution for every 13,929 residents. No single institution dominates the market. The top deposit gatherer has a market share of 14.76%, which is 1.50 times and 2.5 times as large as the shares of the second and third place gatherers.

Assessment area needs are focused on affordable housing according to our community contacts. Programs identified include homebuyer education and counseling, flexible mortgage products, rehab loans for lower income families and foreclosure intervention programs. An accomplished nonprofit organization in Lake County is currently developing a loan pool that will be based on bank participation as investors and as lenders. The pool will provide a second mortgage for 25% of the cost to purchase a home, a state agency will provide up to \$15K secured by a 3<sup>rd</sup> lien, and a bank will provide a first mortgage loan for 65% of the cost to purchase the home. The City of Kenosha also administers two loan programs for affordable housing. Kenosha also has devoted resources to developing community revitalization plans for a commercial street that serves several LMI neighborhoods.

At least 22 separate nonprofit organizations engaged in a variety of community development endeavors serve the Lake County-Kenosha MD and seven more serve a wider regional area that includes Lake and Kenosha counties, several of which serve affordable housing needs.

## Denver-Aurora MSA

Demographic Information for Full Scope Area: CO Denver May06						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	531	3.95	26.93	38.79	28.25	2.07
Population by Geography	2,130,766	4.67	28.17	39.55	27.49	0.12
Owner-Occupied Housing by Geography	554,528	1.94	22.29	42.16	33.62	0.00
Business by Geography	210,367	3.88	23.94	37.02	34.28	0.87
Farms by Geography	3,451	1.83	21.01	38.37	38.22	0.58
Family Distribution by Income Level	536,892	18.26	18.82	23.74	39.18	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	199,086	7.79	42.25	36.86	13.10	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		61,301 71,300 7%	Median Housing Value Unemployment Rate (2000 US Census)		179,669 2.16%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2006 HUD updated MFI

The assessment area consists of a portion of the Denver-Aurora MSA including all of Adams, Arapahoe, Broomfield, Denver, Douglas and Jefferson counties, but excluding Clear Creek, Ebert, Gilpin and Park counties. The City of Denver is the state's capital and the center of its economic activity. As of June 30, 2007, TCF had nearly \$438 million in deposits. TCF ranks 20<sup>th</sup> in deposit market share in the six-county area that comprises their AA of the 84 financial institutions with a presence in the MSA.

Major industries in the Denver MSA include services, retail trade, finance and construction. The largest employers represent a diverse cross-section of industries including aerospace, telecommunications, financial services, airlines and high technology. 50% of the Colorado workforce is concentrated in the Denver MSA. Unemployment in the Denver MSA is lower than the national rate for 2007.

The Denver MSA represents nearly 50% of the population in the state. Community and credit needs in the area include affordable housing for low- and moderate-income individuals and families and financial support and assistance for organizations whose focus is the LMI population. The primary issue for affordable housing is the high cost of developable land and existing housing for rehab but the Denver housing market is softening and there may be future affordable housing opportunities. Primary issues for small businesses are limited capital for business expansion and financing new businesses.

## Chicago-Naperville-Joliet, IL MD

Demographic Information for Full Scope Area: IL Chicago 2006						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,724	13.63	24.83	35.67	24.88	0.99
Population by Geography	7,628,412	8.00	23.35	39.50	29.15	0.01
Owner-Occupied Housing by Geography	1,751,998	2.59	15.03	45.23	37.15	0.00
Business by Geography	436,303	3.51	13.99	38.40	43.81	0.28
Farms by Geography	7,168	0.99	7.20	52.71	39.10	0.00
Family Distribution by Income Level	1,863,871	20.85	17.60	22.09	39.45	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	716,797	14.42	33.36	38.20	14.02	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		60,166 72,100 10%	Median Housing Value Unemployment Rate (2000 US Census)		174,526 3.20%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2006 HUD updated MFI

The assessment area consists of the Chicago-Naperville-Joliet, IL MD which is comprised of Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry, and Will Counties. Competition among the financial institutions is high within the assessment area. There are 305 banks operating throughout the area. As of June 30, 2007, TCF had \$3.1 billion in deposits within the assessment area, with a market share of 1.16%. Three large financial institutions dominate the market share with 38% of the deposits.

The economy of the Chicago MD has expanded over the last few years. According to the third quarter 2007 HUD market profile, while the manufacturing sector has reduced jobs, there has been hiring in the professional and business services, education and health services, and hospitality sectors. The largest five employers in the Chicago MD include Jewel-Osco Stores, Advocate Health Care Systems, United Parcel Service Inc., SBC Communications Inc, and Wal-Mart Stores, Inc.

The Chicago Empowerment Zone consists of neighborhoods on the south and west sides of the city. The communities involved include Austin, Humboldt Park, East Garfield Park, West Garfield Park, Lower West Lawndale, North Lawndale, South Lawndale, New City, Washington Park, Oakland, Grand Boulevard, Kenwood, and Woodlawn. The combined population of the zone is 199,938 and covers 14 square miles. The State of Illinois has designated 20 Enterprise Zones in the 8-county Chicago-Naperville-Joliet MD. They are distributed among the following counties: Cook County (16 zones), Grundy (1), Kane (1), and Will County.

Many areas in the city of Chicago and in older, inner-ring suburbs need increased investment from the public and private sectors. State and local government agencies have extensive plans and resources devoted to stimulating new housing construction and renovation of older

housing units. Financing tools available to the public sector for stimulating various types of housing development include affordable housing bond financing programs, Low-Income Housing Tax Credits and State Housing Tax Credits. Owner occupied housing as a percent of all occupied units has increased from 63.5% in 2000 to 67.3% in 2006. Vacant units have also increased from 5.49% in 2000 to 9.75% in 2006.

The opportunities for banks to provide credit and other financial services – particularly community development loans, investments and services – in the Chicago area are abundant. Some of the community development and financial services needs include conventional flexible home mortgage loans, homebuyer education, financial education, and grant funding for CDFI's. The Chicago region has many nonprofit organizations that are engaged in every type of community development program available, including financial education, individual development accounts, micro loans, and job training. State and local government agencies have a wide variety of economic development tools that are designed to mitigate the risks and decrease the costs to the private sector for participating in local development efforts.



### Gary MD

Demographic Information for Full Scope Area: IN LakePorterIN 2006						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	136	10.29	27.21	40.44	22.06	0.00
Population by Geography	631,362	4.37	23.15	43.90	28.58	0.00
Owner-Occupied Housing by Geography	167,190	2.03	18.70	45.55	33.71	0.00
Business by Geography	37,022	4.59	16.68	44.49	34.23	0.00
Farms by Geography	801	0.87	5.12	49.81	44.19	0.00
Family Distribution by Income Level	167,554	20.22	17.66	22.92	39.19	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	63,475	7.95	34.30	40.59	17.16	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		52,518 61,300 11%	Median Housing Value Unemployment Rate (2000 US Census)		102,126 3.23%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2006 HUD updated MFI

The assessment area consists of Lake and Porter Counties of the Gary MD MD # 23844. The assessment area is located in the northwestern corner of the state. This entire Gary MD consists of four counties and has one deposit-taking institution for every 15,784 residents and one office for every 2,419 residents.

TCF provides a financial products and services in this area via 4 branch offices and 4 ATMs. All branches are located in supermarkets with seven-days a week availability. Bank competition in this market includes 40 banks operating 261 offices inside the assessment area. Financial service providers include large interstate banks, national mortgage companies, and local financial institutions. As of June 30, 2007, TCF ranked 31st with deposits of 0.15% of the area. J.P. Morgan Chase Bank, NA is the market leader with an 18% deposit market share.

The Gary MD is socially and economically diverse. Heavy industry (steel-making and oil refining) dominates the northern portion of the AA while the southern portion is predominately rural. The entire region is becoming more closely tied to the Chicago region as residents seeking cheaper housing and better schools, compared to the immediate Chicago area, are relocating to the area. As the areas become more integrated, challenges include bridging disparities in wealth and opportunity and bringing different planning tools and techniques to the region.

Major employers in the area include steel makers/finishers, local and regional hospitals, and casinos. The top four employers in the Gary MD are in the steel industry. Due to the dominance of this industry in the area, a need for small business loans for other types of businesses are an identified need in the community. The state of Indiana is concentrating on diversifying its economy into other economic sectors.

There are many opportunities to participate in various community development activities. Other than small business loans, multi-family housing and new single-family housing are identified needs. There are a number of organizations that are actively involved in these endeavors. There are also many organizations involved in small business development and financing micro-enterprises. Financial institutions can work with these organizations to help meet the credit and community development needs of the communities they serve. Banks can support these organizations by providing flexible credit products, grant funding, and financial expertise.

**Warren-Troy-Farmington Hills MD**

Demographic Information for Full Scope Area: MI WarrenFarmingtonHills 2006						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	644	2.48	19.88	51.40	25.93	0.31
Population by Geography	2,303,491	2.12	19.87	51.98	26.02	0.02
Owner-Occupied Housing by Geography	694,313	1.01	18.42	53.08	27.49	0.00
Business by Geography	175,422	2.65	17.91	51.08	28.19	0.16
Farms by Geography	4,562	1.36	16.05	61.79	20.80	0.00
Family Distribution by Income Level	617,415	18.23	18.57	23.86	39.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	227,202	3.81	29.93	52.90	13.36	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		67,923 79,500 6%	Median Housing Value Unemployment Rate (2000 US Census)		165,075 2.06%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2006 HUD updated MFI

The assessment area consists of Livingston, Macomb, Oakland, and St. Clair Counties of the Warren-Troy-Farmington Hills MD # 47644. It does not include Lapeer County. Lapeer County is not included in the delineation due to its poor proximity to bank offices. The assessment area is located in the southeastern corner of the state, north of the Detroit area with a population of nearly \$2.5 million people.

TCF provides a full range of financial products and services in this area via 32 branch offices and 35 ATMs. Bank competition is strong in this market with 49 banks operating 803 offices inside the assessment area. Financial service providers include large interstate banks, national mortgage companies, and local financial institutions. As of June 30, 2007, TCF had the eleventh largest share of deposits of the financial institutions in the assessment area. TCF deposits total \$802 million and represent 1.43% of area deposits. LaSalle Bank Midwest is the market leader with a 30% deposit market share.

This region is experiencing economic hardship. The area is heavily dependent on the auto industry with the top three employers (General Motors, Daimler Chrysler, and Ford Motor Company) being auto companies. Currently, the auto industry is shedding jobs at a high rate with unemployment at 7.5%. Results have lead to increased foreclosures, falling property values, expanding inventories, and slowing construction due to the suffering housing market. Vacant housing units increased from 4% of all units to nearly 8%.

Beside the three auto companies previously mentioned, other major employers in the area include a local hospital, school districts, management, and advertising companies.

Housing costs are moderate. Based on the 2000 US Census information, the median cost of housing is \$165,075 with 74% of the units being owner occupied. The HUD updated median

family income is \$76,400. Nearly 6% of the population lives below the poverty level in the AA. This is likely to increase with the increasing trend of unemployment in the area.

There are many opportunities to participate in various community development activities. Identified needs include home improvement and repair funding, financing for nonprofit housing developers, flexible conventional home mortgage programs, financial education and foreclosure intervention programs, and higher quality rental housing. There are numerous organizations that are actively involved in these endeavors. State resources are also available to local communities and banks to participate in affordable housing and economic development efforts. In addition, the state of Michigan designates Smart Zones to accelerate the development of businesses in technology-related fields. Three of these zones are in Oakland County in the WFH MD. Local resources include the Southwest Michigan Council of Governments which provides planning for transportation, workforce, housing and economic development. Financial institutions can work with these organizations to help meet the credit and community development needs of the communities they serve. Banks can support these organizations by providing flexible credit products, grant funding, in-kind donations of equipment and financial expertise, and with investments.

**Minneapolis-St. Paul-Bloomington MSA**

Demographic Information for Full Scope Area: MN MplsStPaul 2006						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	719	6.54	20.03	47.84	24.90	0.70
Population by Geography	2,822,870	4.80	17.43	50.94	26.75	0.08
Owner-Occupied Housing by Geography	780,005	1.58	13.61	54.75	30.06	0.00
Business by Geography	215,334	4.20	15.69	52.70	27.25	0.16
Farms by Geography	5,858	0.80	7.85	61.54	29.79	0.02
Family Distribution by Income Level	709,301	16.89	18.68	26.15	38.28	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	252,310	7.44	25.17	52.82	14.57	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		58,293 70,365 6%	Median Housing Value Unemployment Rate (2000 US Census)		145,816 2.01%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2006 HUD updated MFI

The bank’s assessment area consists of portions of the Minneapolis-St. Paul-Bloomington MSA and is entirely in the State of Minnesota. The assessment area consists of all of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, Washington and Wright counties in the MSA but does not include Chisago or Isanti counties or any Wisconsin portions of the MSA. In addition, their designated assessment area includes four census tracts directly south of the MSA in the adjacent Rice County. The non-metropolitan tracts contain a branch located in the City of Northfield. The City of Northfield is located partially in Dakota County and partially in Rice County. This extension of the assessment area meets the regulatory requirements as it does not substantially extend beyond the MSA.

Market leaders in the MSA are Wells Fargo and US Bank and between them have more than 50% of the deposit market share. TCF is ranked third with 6.30% of the deposit market share. The 9-county metro area which TCF calls its Minneapolis MSA AA has 167 institutions taking deposits in 777 offices. Based on 2000 census data, the 13-county MSA has one deposit-taking institution for every 16,048 residents and one office for every 3,472 residents.

Several community contacts said that affordable housing and home loan products are needed in the Minneapolis MSA, especially for the many immigrants and refugees that settle in the area. Such needs include flexible home mortgage financing, home improvement loans, gap financing to make up the difference between the cost to purchase and improve a home and its immediate market value, down payment assistance. In addition, they indicated that a comprehensive foreclosure prevention program that would entail counseling is needed along with affordable deposit products with features such as low minimum balances and few fees.

The federal government has provided tax credits and funding to help the Cities of Minneapolis and St. Paul pursue their community development objectives. Large portions of these cities qualify as SBA Historically Underutilized Business Zones (i.e. census tracts in which 50% or more of households have incomes less than 60% of the area median income, based on the most recent census data). In addition, large portions of the City of Minneapolis (lying northwest, south and east of downtown) have been designated by the US Department of Housing and Urban Development as Empowerment Zones, which provides tax incentives to promote economic development in these areas. The federal Brownfields Economic Development Initiative designated the City of St. Paul as a “Showcase Community” for its successful program for redeveloping polluted and abandoned land.

The Cities of Minneapolis and St. Paul have focused significant resources on the development of businesses in the new, growing immigrant communities that have formed there. Much of this support has been provided through nonprofit organizations that provide management assistance, financing, incubator building space and other services to these businesses.

An extraordinarily large number of wide range of nonprofit organizations and community development financial institutions serves every LMI neighborhood in the Cities of Minneapolis and St. Paul and the entire metropolitan area. These organizations develop affordable housing, provide financing to nonprofit organizations, provide financing and management assistance to small businesses and provide financial education, homeownership counseling, job training, and a variety of social services to low- and moderate-income persons. These organizations are innovative to an unusual degree; they are well-funded, especially by area foundations and they are highly regarded by elected and appointed officials. They are an integral component of the community development system in the metro area. Financial institutions can find many investment and community development loan and service opportunities among these organizations and programs.

### Milwaukee-Waukesha-West Allis MSA

Demographic Information for Full Scope Area: WI Milwaukee 2006						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	416	18.99	19.95	37.98	22.36	0.72
Population by Geography	1,500,741	11.87	16.37	42.27	29.29	0.19
Owner-Occupied Housing by Geography	359,082	4.46	12.07	46.58	36.88	0.00
Business by Geography	84,971	7.80	12.98	43.13	35.53	0.57
Farms by Geography	1,780	2.13	5.39	48.37	43.88	0.22
Family Distribution by Income Level	383,799	19.84	17.89	23.61	38.65	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	144,827	20.54	24.36	40.13	14.97	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		56,640 66,800 10%	Median Housing Value Unemployment Rate (2000 US Census)		125,318 2.73%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2006 HUD updated MFI

The Milwaukee-Waukesha-West Allis, WI MSA consists of four counties in Wisconsin. TCF's assessment area includes all of Milwaukee and Waukesha counties but none of Ozaukee and Washington counties. According to FDIC Summary of Deposit data as of June 30, 2007, TCF National Bank holds the 17th largest deposit market share of the 51 financial institutions within the counties that comprise the bank's assessment area. This is a competitive banking market, with 62 institutions taking deposits in 605 offices in the entire MSA. Based on 2000 census data, the four-county Milwaukee MSA has one deposit-taking institution for every 24,206 residents and one office for every 2,481 residents. M&I Bank dominates the market, with U.S. Bank holding a large second-place share but still well behind M&I. The market share of M&I is 1.49 times larger than the market share of U. S. Bank, and 4.17 times larger than the market share of Chase Bank, in third-place.

Feedback from community contacts indicates that key concerns in the area are the high rate of foreclosures in several areas on the northwest side of Milwaukee. The U.S. Department of Housing and Urban Development (HUD) has been convening a group of government agencies, nonprofit organizations and others, beginning in June, 2007, to discuss a variety of approaches to this problem and the Federal Reserve Bank of Chicago in December, 2007 sponsored a conference in the Milwaukee area on this topic.

Affordable housing remains a primary need in the area including needs for flexible home mortgage programs, credit builder programs for those persons with poor credit and homebuyer education programs. Also needed are programs that will stimulate new entrepreneurial activity to provide expertise and ready funding for viable business concepts, especially in fields other than manufacturing in order to diversity the economy of the area.

Community development efforts in the City of Milwaukee and its neighborhoods are struggling to produce sustained development and it appears that the majority of development projects are located only in the poorest of neighborhoods.

Milwaukee and its older suburbs do have a wide range of nonprofit organizations and other resources that can help banks meet the credit and community development needs described above. A small group of neighborhood-based nonprofits also has produced significant results, revitalizing for example, a stretch of North Avenue that has been severely deteriorated for decades, and providing direction and focus to community development and investment activities on the south side of the city.



Appendix D: Tables of Performance Data

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## Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of 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. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated 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. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, 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. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

**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.

**Tables of Performance Data**

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<b>Lake County-Kenosha County IL-WI MD</b>	<b>D-5</b>
<b>State of Colorado</b>	<b>D-17</b>
<b>State of Illinois</b>	<b>D-28</b>
<b>State of Indiana</b>	<b>D-40</b>
<b>State of Michigan</b>	<b>D-51</b>
<b>State of Minnesota</b>	<b>D-63</b>
<b>State of Wisconsin</b>	<b>D-75</b>

Table 1. Lending Volume

LENDING VOLUME		Geography: MULTI-STATE						Evaluation Period: January 1, 2003 to December 31, 2006				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Lake-Kenosha IL-WI	100	1,198	150,649	41	7,337	0	0	1	3,600	1,240	161,586	100

\* Loan Data as of December 31, 2006. Rated area refers to either the state or multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is January 1, 2003 through December 31, 2007.  
 \*\*\* Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: MULTI-STATE				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Lake-Kenosha IL-WI	210	100	1.51	1.43	20.24	33.33	40.98	52.86	37.26	12.38	0.22	0.16	0.39	0.18	0.13	
<b>Limited Review:</b>																

\* Based on 2006 Peer Mortgage Data: Western Region.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT												Geography: MULTI-STATE				Evaluation Period: January 1, 2003 to December 31, 2006				
MA/Assessment Area:	Total Home Improvement 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	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Lake-Kenosha IL-WI	95	100	1.51	5.26	20.24	41.05	40.98	52.63	37.26	1.05	1.19	1.79	1.49	1.69	0.13					
<b>Limited Review:</b>																				

\* Based on 2006 Peer Mortgage Data: Western Region.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: MULTI-STATE					Evaluation Period: January 1, 2003 to December 31, 2006				
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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Lake-Kenosha IL-WI	884	100	1.51	2.49	20.24	37.10	40.98	48.64	37.26	11.76	0.91	1.54	1.81	0.93	0.28						
<b>Limited Review:</b>																					

\* Based on 2006 Peer Mortgage Data: Western Region.

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

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













Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: MULTI-STATE		Evaluation Period: January 1, 2004 to December 31, 2006		
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*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$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>									
Lake-Kenosha IL-WI	41	100	67.30	36.59	63.41	14.63	21.95	0.04	0.06
<b>Limited Review:</b>									

\* Based on 2006 Peer Small Business Data: US.

\*\* 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.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 29.27% of small loans to businesses originated and purchased by the Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: MULTI-STATE				Evaluation Period: January 1, 2004 to December 31, 2007			
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>									
Lake-Kenosha IL-WI	5	232	27	1,776	32	2,008	100	0	0
<b>Limited Review:</b>									

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MULTI-STATE <b>Evaluation Period:</b> January 1, 2004 to December 31, 2007																	
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>																	
Lake-Kenosha IL-WI	100	22	100	0.00	36.36	36.36	27.27	1	0	0	0	0	+1	3.53	27.25	37.38	31.84
<b>Limited Review:</b>																	





Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: COLORADO				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Denver-Aurora	213	67.19	1.94	3.76	22.29	32.86	42.16	41.78	33.62	21.60	0.09	0.09	0.17	0.09	0.05	
<b>Limited Review:</b>																
Colorado Springs	104	32.81	0.12	0.96	19.55	28.85	49.48	49.04	30.85	21.15	0.15	0.29	0.30	0.17	0.04	
Boulder	0	0	0	0	14.86	0	52.68	0	32.46	0	0	0	0	0	0	

\* Based on 2006 Peer Mortgage Data: Western Region.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: COLORADO				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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>																
Denver-Aurora	38	41.30	1.94	2.63	22.29	18.42	42.16	65.79	33.62	13.16	0.27	0	0.21	0.45	0.13	
<b>Limited Review:</b>																
Colorado Springs	54	58.70	0.12	0	19.55	18.52	49.48	50.00	30.85	31.48	1.12	0.00	1.44	1.07	1.06	
Boulder	0	0	0	0	14.86	0	52.68	0	32.46	0	0	0	0	0	0	

\* Based on 2006 Peer Mortgage Data: Western Region.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: COLORADO					Evaluation Period: January 1, 2003 to December 31, 2006				
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	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Denver-Aurora	495	64.62	1,94	2.02	22.29	21.82	42.16	45.66	33.62	30.51	0.18	0.00	0.20	0.18	0.17					
<b>Limited Review:</b>																				
Colorado Springs	269	35.12	0.12	0.00	19.55	18.96	49.48	50.56	30.85	30.48	0.28	0.00	0.33	0.32	0.19					
Boulder	2	0.26	0.00	0.00	14.86	0.00	52.68	50.00	32.46	50.00	0.00	0.00	0.00	0.00	0.00					

\* Based on 2006 Peer Mortgage Data: Western Region.

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: COLORADO		Evaluation Period: January 1, 2004 to December 31, 2006		
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>																
Denver-Aurora	23	85.19	3.88	4.35	23.94	17.39	37.02	47.83	34.28	30.43	0.01	0.03	0.00	0.01	0.01	
<b>Limited Review:</b>																
Colorado Springs	4	14.81	5.33	0.00	24.54	0.00	41.12	50.00	29.01	50.00	0.02	0.00	0.00	0.02	0.02	
Boulder	0	0	0.00	0.00	16.17	0.00	46.16	0.00	37.53	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Small Business Data: US.  
 \*\* 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 (2006).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: COLORADO					Evaluation Period: January 1, 2003 to December 31, 2006					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Denver-Aurora	213	67.19	18.26	19.34	18.82	36.79	23.74	26.42	39.18	17.45	0.11	0.44	0.21	0.10	0.02	
<b>Limited Review:</b>																
Colorado Springs	104	32.81	17.17	13.46	18.97	35.58	24.84	23.08	39.03	27.88	0.19	0.69	0.44	0.12	0.08	
Boulder	0	0	15.41	0.00	18.37	0.00	25.24	0.00	40.99	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Western Region.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by Bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: COLORADO				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****						
<b>Full Review:</b>																
Denver-Aurora	38	41.30	18.26	18.42	18.82	36.84	23.74	31.58	39.18	13.16	0.28	0.66	0.36	0.37	0.12	
<b>Limited Review:</b>																
Colorado Springs	54	58.70	17.17	14.81	18.97	25.93	24.84	25.93	39.03	33.33	1.20	3.47	1.66	1.30	0.69	
Boulder	0	0.00	15.41	0.00	18.37	0.00	25.24	0.00	40.99	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Western Region.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by Bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: COLORADO		Evaluation Period: January 1, 2003 to December 31, 2006			
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share						
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp		
<b>Full Review:</b>																	
Denver-Aurora	495	40.71	18.26	11.76	18.82	29.01	23.74	31.44	39.18	27.79	0.23	0.43	0.30	0.27	0.15		
<b>Limited Review:</b>																	
Colorado Springs	269	22.12	17.17	9.33	18.97	30.97	24.84	31.72	39.03	27.99	0.37	0.60	0.51	0.42	0.25		
Boulder	2	0.16	15.41	50.00	18.37	50.00	25.24	0.00	40.99	0.00	0.00	0.00	0.00	0.00	0.00		

\* Based on 2006 Peer Mortgage Data: Western Region.

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.4% of loans originated and purchased by Bank.



Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: COLORADO		Evaluation Period: January 1, 2004 to December 31, 2006		
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*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$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>									
Denver-Aurora	23	85.19	64.10	69.57	82.61	8.70	8.70	0.01	0.01
<b>Limited Review:</b>									
Colorado Springs	4	14.81	66.34	50.00	100.00	0.00	0.00	0.02	0.02
Boulder	0	0.00	66.42	0.00	0.00	0	0	0.00	0.00

\* Based on 2006 Peer Small Business Data: US.

\*\* 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.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 14.81% of small loans to businesses originated and purchased by the Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: COLORADO				Evaluation Period: January 1, 2004 to December 31, 2007			
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>									
Denver-Aurora	2	143	80	3,291	82	3,434	76.53	0	0
<b>Limited Review:</b>									
Colorado Springs	0	0	24	970	24	970	21.62	0	0
Boulder	0	0	6	9	6	9	0.20	0	0
Statewide/Regional	1	68	0	0	1	68	1.52	0	0
Outside area	6	6	0	0	6	6	0.13	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: COLORADO Evaluation Period: January 1, 2004 to December 31, 2007																	
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>																	
Denver-Aurora	73.73	37	82.22	0	32.43	43.24	24.32	25	0	0	9	10	6	4.67	28.17	39.55	27.49
<b>Limited Review:</b>																	
Colorado Springs	22.82	7	15.56	0	28.57	42.86	28.57	5	3	0	1	2	1	0.34	26.24	47.96	25.46
Boulder	3.45	1	2.22	0	0	100	0	1	0	0	0	1	0	0.00	17.97	51.36	30.64

Table 1. Lending Volume

LENDING VOLUME		Geography: ILLINOIS						Evaluation Period: January 1, 2003 to December 31, 2006				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Chicago-Naperville-Joliet	100	12,730	1,837,631	523	99,791	0	0	20	6,268	13,273	1,950,695	99.98
<b>Limited Review:</b>												
Champaign-Urbana	0											0.02
Kankakee-Bradley	0											0.00

\* Loan Data as of December 31, 2006. Rated area refers to either the state or multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is January 1, 2003 to December 31, 2007.  
 \*\*\* Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.





Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: ILLINOIS					Evaluation Period: January 1, 2003 to December 31, 2006				
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	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Chicago-Naperville-Joliet	10,122	100	2.59	4.29	15.03	21.76	45.23	52.51	37.15	21.44	1.05	1.23	1.33	1.25	0.61					
<b>Limited Review:</b>																				

\* Based on 2006 Peer Mortgage Data: Western Region.  
 \*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.  
 \*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.













Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: ILLINOIS		Evaluation Period: January 1, 2004 to December 31, 2006		
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*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$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-Naperville-Joliet	523	100	66.12	32.12	63.48	10.52	26.00	0.03	0.04
<b>Limited Review:</b>									

\* Based on 2006 Peer Small Business Data: US.

\*\* 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.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 34.23% of small loans to businesses originated and purchased by the Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: ILLINOIS				Evaluation Period: January 1, 2004 to December 31, 2007			
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-Naperville-Joliet	14	5,617	297	15,005	311	20,622	99.83	0	0
<b>Limited Review:</b>									
Champaign-Urbana	0	0	0	0	0	0	0.00	0	0
Kankakee-Bradley	0	0	0	0	0	0	0.00	0	0
Statewide/Regional	6	6	0	0	6	6	0.02	0	0
Outside area	1	30	0	0	1	30	0.15	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: ILLINOIS Evaluation Period: January ,1 2004 to December 31, 2007																	
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-Naperville-Joliet	99.98	184	98.92	2.19	11.48	46.45	39.89	23	16	0	0	4	3	8.00	23.35	39.50	29.15
<b>Limited Review:</b>																	
Champaign-Urbana	.02	1	0.54	0	100	0	0	1	0	0	1	0	0	8.53	34.31	29.99	27.04
Kankakee-Bradley	0.00	1	0.54	0	0	0	100	1	0	0	0	0	1	3.19	17.54	65.14	14.13

Table 1. Lending Volume

LENDING VOLUME		Geography: INDIANA				Evaluation Period: January 1, 2003 to December 31, 2006						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Gary	91.53	156	17,436	6	1,602	0	0	0	0	162	19,038	88.79
<b>Limited Review:</b>												
Michigan City-LaPorte	8.47	15	1,485	0	0	0	0	0	0	15	1,485	11.21

\* Loan Data as of December 31, 2006. Rated area refers to either the state or multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is January 1, 2003 to December 31, 2007.  
 \*\*\* Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.



Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: INDIANA		Evaluation Period: January 1, 2003 to December 31, 2006											
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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Gary	57	93.44	2.03	1.75	18.70	29.82	45.55	35.09	33.71	33.33	0.10	0.40	0.23	0.08	0.06
<b>Limited Review:</b>															
Michigan City-LaPorte	4	6.56	0	0	13.50	25.00	69.17	75.00	17.33	0.00	0.08	0.00	0.00	0.10	0.00

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: INDIANA				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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>																
Gary	3	75.00	2.03	0.00	18.70	0.00	45.55	100.00	33.71	0.00	0.09	0.00	0.00	0.21	0.00	
<b>Limited Review:</b>																
Michigan City-LaPorte	1	25.00	0.00	0.00	13.50	100.00	69.17	0.00	17.33	0.00	0.23	0.00	2.17	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: INDIANA Evaluation Period: January 1, 2003 to December 31, 2006				
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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Gary	96	90.57	2.03	1.04	18.70	19.79	45.55	37.50	33.71	41.67	0.21	0.44	0.15	0.21	0.24
<b>Limited Review:</b>															
Michigan City-LaPorte	10	9.43	0.00	0.00	13.50	40.00	69.17	50.00	17.33	10.00	0.16	0.00	0.29	0.11	0.21

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: INDIANA		Evaluation Period: January 1, 2004 to December 31, 2006	
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>																		
Gary	6	100	4.59	0.00	16.68	50.00	44.49	0.00	34.23	50.00	0.01	0.00	0.00	0.00	0.01			
<b>Limited Review:</b>																		
Michigan City-LaPorte	0	0	0.00	0.00	30.97	0.00	58.32	0.00	10.71	0.00	0	0	0	0	0			

\* Based on 2006 Peer Small Business Data: US.  
 \*\* 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 (2006).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: INDIANA				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****					
<b>Full Review:</b>															
Gary	57	93.44	20.22	18.18	17.66	21.82	22.92	29.09	39.19	30.91	0.12	0.26	0.15	0.08	0.09
<b>Limited Review:</b>															
Michigan City-LaPorte	4	6.56	17.79	25.00	19.40	0.00	25.27	0.00	37.55	75.00	0.09	0.35	0.00	0.00	0.15

\* Based on 2006 Peer Mortgage Data: Eastern Region.  
 \*\* 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 Families is based on the 2000 Census information.  
 \*\*\*\* As a percentage of loans with borrower income information available. No information was available for 3.3% of loans originated and purchased by Bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: INDIANA				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Gary	3	75.00	20.22	0.00	17.66	0.00	22.92	100.00	39.19	0.00	0.09	0.00	0.00	0.32	0.00	
<b>Limited Review:</b>																
Michigan City-LaPorte	1	25.00	17.79	0.00	19.40	0.00	25.27	0.00	37.55	100.00	0.24	0.00	0.00	0.00	0.67	

\* Based on 2006 Peer Mortgage Data: Eastern Region.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by Bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: INDIANA		Evaluation Period: January 1, 2003 to December 31, 2006			
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share						
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp		
<b>Full Review:</b>																	
Gary	96	90.57	20.22	9.38	17.66	23.96	22.92	38.54	39.19	28.13	0.26	0.24	0.27	0.47	0.10		
<b>Limited Review:</b>																	
Michigan City-LaPorte	10	9.43	17.79	10.00	19.40	30.00	25.27	30.00	37.55	30.00	0.19	0.00	0.19	0.51	0.00		

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by Bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: INDIANA		Evaluation Period: January 1, 2004 to December 31, 2006		
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*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$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>									
Gary	6	100	63.61	66.67	16.67	33.33	50.00	0.01	0.00
<b>Limited Review:</b>									
Michigan City-LaPorte	0	0	65.53	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2006 Peer Small Business Data: US.

\*\* 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.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 0.0% of small loans to businesses originated and purchased by the Bank.



Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: INDIANA				Evaluation Period: January 1, 2004 to December 31, 2007			
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>									
Gary	0	0	15	1,950	15	1,950	71.61	0	0
<b>Limited Review:</b>									
Michigan City-LaPorte	0	0	2	773	2	773	28.39	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: INDIANA Evaluation Period: January 1, 2004 to December 31, 2007																	
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>																	
Gary	88.79	4	80.00	0	0	50.00	50.00	1	1	0	0	-1	+1	4.37	23.15	43.90	28.58
<b>Limited Review:</b>																	
Michigan City-LaPorte	11.21	1	20.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0	19.42	66.44	14.14

Table 1. Lending Volume

LENDING VOLUME		Geography: MICHIGAN						Evaluation Period: January 1, 2003 to December 31, 2006				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Warren-Troy-Farmington H	42.37	2,683	388,824	704	171,888	0	0	0	0	3,387	560,712	45.69
<b>Limited Review:</b>												
Ann Arbor	17.65	1,241	190,345	170	29,464	0	0	0	0	1,411	219,809	45.42
Detroit-Livonia-Dearborn	11.62	730	81,147	199	40,516	0	0	0	0	929	121,663	8.84
Saginaw Township North	11.62	858	66,226	53	10,763	0	0	17	96	928	77,085	0
Battle Creek	13.76	1,086	93,103	14	640	0	0	0	0	1,100	93,743	0
Bay City	2.98	221	15,500	17	834	0	0	0	0	238	16,334	0
Marquette	0	0	0	0	0	0	0	0	0	0	0	.05

\* Loan Data as of December 31, 2006.

\*\* The evaluation period for Community Development Loans is January 1, 2003 to December 31, 2007.

\*\*\* Deposit Data as of June 30, 2007.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: MICHIGAN				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
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	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Warren-Troy-Farmington Hills	341	35.82	1.01	2.35	18.42	17.30	53.08	60.41	27.49	19.94	0.14	0.39	0.11	0.16	0.09	
<b>Limited Review:</b>																
Ann Arbor	197	20.69	2.07	4.57	13.42	14.21	55.60	59.39	28.90	21.83	0.46	1.11	0.51	0.51	0.23	
Detroit-Livonia-Dearborn	123	12.92	1.43	3.25	18.22	8.94	43.44	44.72	36.91	43.09	0.09	0.00	0.01	0.10	0.13	
Saginaw Township North	109	11.45	8.48	3.67	8.97	6.42	58.66	63.30	23.89	26.61	0.54	0.00	0.62	0.63	0.40	
Battle Creek	152	15.97	1.18	0.00	19.41	15.79	52.71	53.95	26.70	30.26	0.97	0.00	1.01	1.12	0.74	
Bay City	30	3.15	0.00	0.00	15.32	36.67	67.48	50.00	17.20	13.33	0.22	0.00	0.22	0.29	0.00	
Marquette	0	0.00	0.00	0.00	9.33	0.00	68.99	0.00	21.68	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: MICHIGAN				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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>																
Warren-Troy-Farmington Hills	150	23.47	1.01	7.33	18.42	26.00	53.08	57.33	27.49	9.33	0.72	2.78	0.96	0.68	0.49	
<b>Limited Review:</b>																
Ann Arbor	93	14.55	2.07	0.00	13.42	7.53	55.60	73.12	28.90	19.35	4.75	0.00	3.55	5.43	4.12	
Detroit-Livonia-Dearborn	90	14.08	1.43	2.22	18.22	28.89	43.44	42.22	36.91	26.67	0.77	1.89	1.12	0.60	0.80	
Saginaw Township North	113	17.68	8.48	19.47	8.97	10.62	58.66	53.98	23.89	15.93	6.19	14.06	5.66	5.83	4.79	
Battle Creek	154	24.12	1.18	0.65	19.41	25.97	52.71	45.45	26.70	27.92	13.40	25.00	19.05	12.31	11.66	
Bay City	39	6.10	0.00	0.00	15.32	30.77	67.48	53.85	17.20	15.38	3.43	0.00	4.55	2.77	5.10	
Marquette	0	0.00	0.00	0.00	9.33	0.00	68.99	0.00	21.68	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: MICHIGAN Evaluation Period: January 1, 2003 to December 31, 2006				
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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Warren-Troy-Farmington Hills	2,180	41.96	1.01	1.51	18.42	20.18	53.08	60.00	27.49	18.30	0.75	1.20	0.78	0.84	0.55
<b>Limited Review:</b>															
Ann Arbor	931	17.92	2.07	1.83	13.42	9.77	55.60	60.47	28.90	27.93	2.57	1.27	2.19	2.78	2.47
Detroit-Livonia-Dearborn	516	9.93	1.43	0.58	18.22	10.08	43.44	44.38	36.91	44.96	0.31	0.13	0.19	0.34	0.35
Saginaw Township North	636	12.24	8.48	7.86	8.97	8.02	58.66	63.21	23.89	20.91	3.12	7.38	3.52	3.42	1.40
Battle Creek	780	15.02	1.18	0.38	19.41	13.33	52.71	49.87	26.70	36.41	4.84	2.17	3.84	4.83	5.75
Bay City	152	2.93	0.00	0.00	15.32	20.39	67.48	65.79	17.20	13.82	1.93	0.00	2.19	1.83	2.00
Marquette	0	0.00	0.00	0.00	9.33	0.00	68.99	0.00	21.68	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: MICHIGAN				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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>																
Warren-Troy-Farmington Hills	12	36.36	5.81	0.00	26.37	25.00	55.91	66.67	11.91	8.33	3.13	0	3.23	3.92	0	
<b>Limited Review:</b>																
Ann Arbor	20	60.61	22.08	35.00	30.13	40.00	39.91	25.00	7.88	0.00	10.53	25.00	0.00	13.33	0.00	
Detroit-Livonia-Dearborn	1	3.03	3.21	0.00	18.49	0.00	45.92	0.00	32.38	100	1.54	0.00	0.00	0.00	6.67	
Saginaw Township North	0	0.00	12.33	0.00	8.96	0.00	42.71	0.00	36.00	0.00	0.00	0.00	0.00	0.00	0.00	
Battle Creek	0	0.00	2.84	0.00	30.70	0.00	45.79	0.00	20.66	0.00	0.00	0.00	0.00	0.00	0.00	
Bay City	0	0.00	0.00	0.00	35.36	0.00	55.53	0.00	9.11	0.00	0.00	0.00	0.00	0.00	0.00	
Marquette	0	0.00	0.00	0.00	22.48	0.00	75.14	0.00	2.38	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: MICHIGAN		Evaluation Period: January 1, 2004 to December 31, 2006		
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>																
Warren-Troy-Farmington Hills	704	60.81	2.65	4.98	17.91	14.08	51.08	45.38	28.19	35.56	0.14	0.67	0.13	0.12	0.16	
<b>Limited Review:</b>																
Ann Arbor	170	14.71	11.25	8.24	13.79	15.29	51.67	54.71	23.29	21.76	0.21	0.00	0.35	0.18	0.26	
Detroit-Livonia-Dearborn	199	17.21	2.48	0.00	18.19	9.55	42.39	36.68	36.95	53.77	0.08	0.14	0.06	0.08	0.08	
Saginaw Township North	53	4.59	8.58	0.00	11.15	5.66	56.14	86.79	24.13	7.55	0.16	0.00	0.00	0.29	0.00	
Battle Creek	14	1.21	2.36	0.00	20.10	64.29	50.83	28.57	24.04	7.14	0.06	0.00	0.17	0.00	0.11	
Bay City	17	1.47	0.00	0.00	23.03	29.41	62.97	41.18	14.00	29.41	0.00	0.00	0.00	0.00	0.00	
Marquette	0	0.00	0.00	0.00	7.18	0.00	77.33	0.00	15.49	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Small Business Data: US.

\*\* 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 (2006).



Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: MICHIGAN					Evaluation Period: January 1, 2003 to December 31, 2006					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Warren-Troy-Farmington Hills	341	35.82	18.23	18.58	18.57	33.75	23.86	25.08	39.34	22.60	0.16	0.25	0.21	0.11	0.13	
<b>Limited Review:</b>																
Ann Arbor	197	20.69	19.62	22.51	18.04	34.03	22.71	20.94	39.63	22.51	0.56	1.75	0.49	0.39	0.46	
Detroit-Livonia-Dearborn	123	12.92	19.73	1.72	16.28	32.76	20.08	31.90	43.91	33.62	0.11	0.04	0.12	0.10	0.12	
Saginaw Township North	109	11.45	21.61	19.05	17.36	37.14	20.27	23.81	40.76	20.00	0.65	0.52	0.67	1.05	0.42	
Battle Creek	152	15.97	19.31	14.09	18.76	22.15	22.55	30.20	39.38	33.56	1.14	1.67	0.95	1.51	0.81	
Bay City	30	3.15	18.81	13.79	19.72	24.14	21.93	27.59	39.53	34.48	0.28	0.33	0.39	0.21	0.19	
Marquette	0	0.00	16.54	0.00	16.47	0.00	21.83	0.00	45.17	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006] Peer Mortgage Data: Eastern Region.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 4.1% of loans originated and purchased by Bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: MICHIGAN						Evaluation Period: January 1, 2003 to December 31, 2006						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Warren-Troy-Farmington Hills	150	23.47	18.23	34.90	18.57	34.90	23.86	13.42	39.34	16.78	0.75	1.37	0.87	0.44	0.65
<b>Limited Review:</b>															
Ann Arbor	93	14.55	19.62	18.48	18.04	23.91	22.71	27.17	39.63	30.43	4.85	5.04	4.29	5.38	4.73
Detroit-Livonia-Dearborn	90	14.08	19.73	22.22	16.28	26.67	20.08	28.89	43.91	22.22	0.80	1.64	0.82	0.85	0.52
Saginaw Township North	113	17.68	21.61	26.55	17.36	38.05	20.27	13.27	40.76	22.12	6.29	8.53	10.19	3.17	4.98
Battle Creek	154	24.12	19.31	17.53	18.76	29.87	22.55	27.92	39.38	24.68	13.72	13.95	17.57	13.91	10.61
Bay City	39	6.10	18.81	28.21	19.72	30.77	21.93	30.77	39.53	10.26	3.53	7.14	3.31	2.92	1.89
Marquette	0	0.00	16.54	0.00	16.47	0.00	21.83	0.00	45.17	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2006 Peer Mortgage Data: Eastern Region.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.3% of loans originated and purchased by Bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: MICHIGAN		Evaluation Period: January 1, 2003 to December 31, 2006			
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share						
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp		
<b>Full Review:</b>																	
Warren-Troy-Farmington Hills	2,180	41.96	18.23	20.27	18.57	28.69	23.86	29.85	39.34	21.19	0.95	1.51	1.11	0.93	0.67		
<b>Limited Review:</b>																	
Ann Arbor	931	17.92	19.62	14.61	18.04	23.23	22.71	29.23	39.63	32.93	3.22	4.35	3.66	3.30	2.64		
Detroit-Livonia-Dearborn	516	9.93	19.73	10.33	16.28	29.49	20.08	28.07	43.91	42.11	0.40	0.66	0.34	0.34	0.44		
Saginaw Township North	636	12.24	21.61	16.96	17.36	27.10	20.27	23.93	40.76	32.01	3.71	6.44	5.35	3.16	2.23		
Battle Creek	780	15.02	19.31	12.24	18.76	24.48	22.55	23.97	39.38	39.30	5.97	6.10	5.86	4.78	7.06		
Bay City	152	2.93	18.81	17.22	19.72	27.15	21.93	28.48	39.53	27.15	2.40	3.68	2.10	1.75	2.66		
Marquette	0	0.00	16.54	0.00	16.47	0.00	21.83	0.00	45.17	0.00	0.00	0.00	0.00	0.00	0.00		

\* Based on 2006 Peer Mortgage Data: Eastern Region.

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.9% of loans originated and purchased by Bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: MICHIGAN		Evaluation Period: January 1, 2004 to December 31, 2006		
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*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$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>									
Warren-Troy-Farmington Hills	704	60.81	68.39	27.98	44.89	22.87	32.24	0.14	0.11
<b>Limited Review:</b>									
Ann Arbor	170	14.71	68.55	41.18	60.00	15.29	24.71	0.21	0.26
Detroit-Livonia-Dearborn	199	17.21	68.36	35.68	55.78	18.59	25.63	0.08	0.09
Saginaw Township North	53	4.59	63.52	20.75	62.26	7.55	30.19	0.16	0.05
Battle Creek	14	1.21	65.07	28.57	85.71	14.29	0.00	0.06	0.16
Bay City	17	1.47	65.08	41.18	94.12	0.00	5.88	0.00	0.00
Marquette	0	0.00	64.12	0.00	0	0	0	0	0

\* Based on 2006 Peer Small Business Data: US.

\*\* 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.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 44.25% of small loans to businesses originated and purchased by the Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: MICHIGAN				Evaluation Period: January 1, 2004 to December 31, 2007			
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>									
Warren-Troy-Farmington Hills	4	792	141	4,202	145	4,994	39.97	0	0
<b>Limited Review:</b>									
Ann Arbor	1	137	229	5,235	230	5,372	43.00	0	0
Detroit-Livonia-Dearborn	1	52	72	852	73	904	7.24	0	0
Saginaw Township North	0	0	32	472	32	472	3.78	0	0
Battle Creek	0	0	36	549	36	549	4.39	0	0
Bay City	0	0	7	155	7	155	1.24	0	0
Marquette	0	0	0	0	0	0	0	0	0
Outside area	1	45	3	3	4	48	0.38	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MICHIGAN Evaluation Period: January 1, 2004 to December 31, 2007																	
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>																	
Warren-Troy-Farmington Hills	45.69	32	57.14	0	25.00	56.25	18.75	10	7	0	0	2	1	2.12	19.87	51.98	26.02
<b>Limited Review:</b>																	
Ann Arbor	45.42	11	19.64	36.36	0	45.45	18.18	1	1	1	0	1	0	11.48	18.11	48.69	21.72
Detroit-Livonia-Dearborn	8.84	12	21.43	0	0	66.67	33.33	8	1	0	0	6	1	3.16	24.88	41.14	30.76
Saginaw Township North	0	0	0.00	0	0	0	0	0	1	0	1	0	0	12.52	11.50	53.37	22.61
Battle Creek	0	0	0.00	0	0	0	0	0	0	0	0	0	0	1.99	23.53	51.25	23.21
Bay City	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0.00	19.55	65.06	15.39
Marquette	0.05	1	1.79	0	100	0	0	1	0	0	1	0	0	0.00	22.23	64.81	12.96

Table 1. Lending Volume

LENDING VOLUME		Geography: MINNESOTA						Evaluation Period: January 1, 2003 to December 31, 2006				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Minneapolis-St. Paul-Bloom	94.41	10,550	1,221,189	1,098	89,155	0	0	16	40,635	11,664	1,350,979	95.56
<b>Limited Review:</b>												
St. Cloud	2.95	356	43,058	8	203	0	0	0	0	364	43,261	2.16
Mankato	2.46	291	19,066	13	1,837	0	0	0	0	304	20,903	1.98
Duluth	0.18	22	1,924	0	0	0	0	1	460	23	1,947	0.30

\* Loan Data as of December 31, 2006. Rated area refers to either the state or multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is January 1, 2003 to December 31, 2007.  
 \*\*\* Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: MINNESOTA				Evaluation Period: January 1, 2003 to December 31, 2006						Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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>																
Minneapolis-St. Paul-Bloomington	2,251	92.29	1.58	4.13	13.61	24.61	54.75	50.29	30.06	20.97	0.34	0.63	0.39	0.34	0.28	
<b>Limited Review:</b>																
St. Cloud	124	5.08	0.00	0.00	7.89	4.84	73.68	65.32	18.43	29.84	0.29	0.00	0.33	0.27	0.36	
Mankato	57	2.34	0.00	0.00	0.00	0.00	65.51	75.44	34.49	24.56	0.88	0.00	0.00	1.17	0.31	
Duluth	7	0.29	3.19	0.00	19.77	71.43	38.59	0.00	38.44	28.57	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Western Region.

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



Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: MINNESOTA				Evaluation Period: January 1, 2003 to December 31, 2006					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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>																
Minneapolis-St. Paul-Bloomington	3,104	94.58	1.58	3.29	13.61	20.23	54.75	59.31	30.06	17.17	8.12	13.28	10.59	8.57	5.51	
<b>Limited Review:</b>																
St. Cloud	50	1.52	0.00	0.00	7.89	8.00	73.68	80.00	18.43	12.00	2.23	0.00	6.67	1.90	1.37	
Mankato	126	3.84	0.00	0.00	0.00	0.00	65.51	70.63	34.49	29.37	12.66	0.00	0.00	12.14	13.64	
Duluth	2	0.06	3.19	0.00	19.77	0.00	38.59	100.00	38.44	0.00	0.50	0.00	0.00	1.19	0.00	

\* Based on 2006 Peer Mortgage Data: Western Region.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: MINNESOTA					Evaluation Period: January 1, 2003 to December 31, 2006				
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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Minneapolis-St. Paul-Bloomington	5,170	94.52	1.58	1.39	13.61	15.61	54.75	60.23	30.06	22.77	1.49	0.87	1.55	1.64	1.19						
<b>Limited Review:</b>																					
St. Cloud	179	3.27	0.00	0.00	7.89	6.15	73.68	71.51	18.43	22.35	0.97	0.00	1.27	0.88	1.22						
Mankato	108	1.97	0.00	0.00	0.00	0.00	65.51	66.67	34.49	33.33	2.35	0.00	0.00	2.70	1.72						
Duluth	13	0.24	3.19	7.69	19.77	15.38	38.59	69.23	38.44	7.69	0.12	0.00	0.00	0.30	0.00						

\* Based on 2006 Peer Mortgage Data: Western Region.

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography:MINNESOTA						Evaluation Period: January 1, 2003 to December 31, 2006							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Minneapolis-St. Paul-Bloomington	24	88.89	10.05	16.67	29.64	4.17	46.30	54.17	14.00	25.00	0.68	1.30	0.65	0.00	1.69
<b>Limited Review:</b>															
St. Cloud	3	11.11	1.91	0.00	17.24	33.33	66.46	33.33	14.39	33.33	4.76	0.00	0.00	0.00	25.00
Mankato	0	0.00	0.00	0.00	0.00	0.00	82.26	0.00	17.74	0.00	0.00	0.00	0.00	0.00	0.00
Duluth	0	0.00	46.29	0.00	28.57	0.00	12.63	0.00	12.51	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2006 Peer Mortgage Data: Western Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: MINNESOTA		Evaluation Period: January 1, 2004 to December 31, 2006				
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>																		
Minneapolis-St. Paul-Bloomington	1,098	98.13	4.20	4.10	15.69	13.11	52.70	56.83	27.25	25.96	0.10	0.21	0.08	0.12	0.09			
<b>Limited Review:</b>																		
St. Cloud	8	0.71	3.48	0.00	10.06	0.00	71.08	37.50	15.37	62.50	0.02	0.00	0.00	0.03	0.00			
Mankato	13	1.16	0.00	0.00	0.00	0.00	74.42	76.92	25.58	23.08	0.00	0.00	0.00	0.00	0.00			
Duluth	0	0.00	36.99	0.00	21.46	0.00	19.48	0.00	22.07	0.00	0.00	0.00	0.00	0.00	0.00			

\* Based on 2006 Peer Small Business Data: US.

\*\* 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 (2006).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: MINNESOTA					Evaluation Period: January 1, 2003 to December 31, 2006					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Minneapolis-St. Paul-Bloomington	2,251	92.29	16.89	16.09	18.68	38.11	26.15	28.65	38.28	17.15	0.42	1.09	0.55	0.40	0.20	
<b>Limited Review:</b>																
St. Cloud	124	5.08	16.15	4.88	19.14	42.28	27.52	31.71	37.19	21.14	0.35	0.00	0.59	0.39	0.17	
Mankato	57	2.34	13.51	10.71	15.70	33.93	25.03	23.21	45.76	32.14	1.02	0.00	1.08	1.23	0.93	
Duluth	7	0.29	19.95	0.00	18.88	28.57	22.34	42.86	38.82	28.57	0.00	0.00	0.00	0.00	0.00	

\* Based on 2006 Peer Mortgage Data: Western Region.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 3.9% of loans originated and purchased by Bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: MINNESOTA						Evaluation Period: January 1, 2003 to December 31, 2006						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Minneapolis-St. Paul-Bloomington	3,105	94.58	16.89	30.54	18.68	35.24	26.15	23.45	38.28	10.76	8.36	18.57	10.57	7.36	3.91
<b>Limited Review:</b>															
St. Cloud	50	5.08	16.15	22.00	19.14	32.00	27.52	32.00	37.19	14.00	2.29	3.39	3.19	2.10	1.40
Mankato	126	2.34	13.51	15.87	15.70	31.75	25.03	32.54	45.76	19.84	13.07	23.81	16.87	11.58	9.35
Duluth	2	0.06	19.95	0.00	18.88	0.00	22.34	50.00	38.82	50.00	0.52	0.00	0.00	0.81	0.72

\* Based on 2006 Peer Mortgage Data: WesternRegion.

\*\* 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 Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by Bank.