

# **PUBLIC DISCLOSURE**

November 26, 2007

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Genoa Banking Company  
RSSD # 504311  
801 Main Street  
Genoa, Ohio 43430

Federal Reserve Bank of Cleveland

P.O. Box 6387  
Cleveland, OH 44101-1387

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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

The major factors and criteria contributing to this rating include:

- The loan-to-deposit ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area credit needs;
- A majority of loans and other lending-related activities are in the assessment area;
- Geographic distribution of loans reflects a reasonable dispersion throughout the assessment area;
- Distributions of loans to borrowers reflects an excellent penetration among individuals of different income levels (including low- and moderate-income);
- Distributions of loans to businesses reflects a reasonable penetration among businesses of different sizes given the demographics of the assessment area and;
- Community development activity was considered and therefore enhanced the bank's rating; and
- There were no CRA-related complaints filed against the bank since the previous CRA examination.

The previous CRA evaluation from November 11, 2002, the bank was rated Outstanding.

## SCOPE OF EXAMINATION

The evaluation of the Genoa Banking Company (“Genoa”) CRA performance covered the period from January 1, 2006 through June 30, 2007 and was performed utilizing the interagency small bank examination procedures. Under this examination method, the bank was evaluated by considering lending activity throughout its assessment area.

The lending test includes an analysis of:

- The loan-to-deposit ratio;
- The volume of loans extended inside and outside the bank’s assessment area;
- The geographic distribution of loans in the assessment area, including low- and moderate-income census tracts;
- The extent of lending to borrowers of different income levels, including low-and moderate-income borrowers, and businesses of different sizes, including small businesses; and
- The bank’s record of taking action in response to written complaints about its performance in helping meet the credit needs in its assessment areas.

The loan products evaluated included HMDA-reportable loans (mortgage loans), consumer loans, and small business loans. Mortgage loan products included home purchase loans, refinance loans, and home improvement loans. Although home improvement loans are generally included in evaluating a bank’s lending inside and outside of its assessment area, this product is not included in the geographic and borrower evaluations due to the limited number of loans extended by the bank during the evaluation period. Consumer loans included motor vehicle loans, other-secured loans, and other-unsecured loans.

Mortgage loans accounted for 21.8% of total loan volume and 45.7% of the total loans by dollar amount for loans originated during this review period, whereas consumer loans accounted for 66.3% of loan volume and 14.4% of the total loans by dollar amount for loans originated during this review period. Small business loans accounted for 11.9% of total loan volume and 25.6% of the total loans by dollar amount originated during this review period. Therefore, HMDA-reportable loans and consumer loans will be weighted equally and small business loans will be given the least amount of weight.

The bank's geographic distribution with respect to mortgage loans was assessed by comparing the percentage of loans made by each geography type (moderate- middle, and upper-income) to the percentage of owner-occupied units in each income category. In addition, the bank's geographic distribution with respect to consumer loans was assessed by comparing the percentage of loans made by each geography type (moderate- middle- and upper-income) compared to the percentage of households in each income category. Small business loans considered CRA loans were compared to the percentage of businesses within each geographic income category, regardless of revenue size of the business. It is noted the bank's lending patterns to moderate-income geographies in particular are weighted the most heavily in this analysis.

The bank's borrower distribution with respect to mortgage loans was assessed by comparing the percentage of loans made to borrowers in each income category to the percentage of families in each income category (low-, moderate-, middle-, and upper-income). The bank's borrower distribution with respect to consumer loans was assessed by comparing the percentage of loans made to borrowers in each income category to the households in each income category. In addition, poverty levels were considered. Poverty level is determined by both income and family size. Generally, a larger proportion of families at poverty level are found in the low-income category, and, to some extent, in the moderate-income category. Borrowers at poverty level often do not qualify for real-estate loans, so the percentage of families below poverty level was considered when evaluating lending performance to low-and moderate-income borrowers.

The bank's borrower distribution with respect to small business loans was assessed by comparing the percentage of loans made to businesses in each revenue category (less than or equal to \$1 million or greater than \$1 million) to the percentage of total businesses in each revenue category. The bank's lending pattern to businesses with \$1 million or less in revenue is weighted the heaviest for the analysis of this product type.

In general, the borrower distribution analysis was given greater weight in this evaluation because the bank's assessment area had only nine moderate-income census tracts and there are no low-income census tracts within its assessment area. Furthermore, the bank does not have any branches in moderate-income census tracts.

## DESCRIPTION OF INSTITUTION

Genoa is a full service banking institution that is a subsidiary of Genbanc, Inc. Genbanc and Genoa Banking Company are located in Genoa, Ohio. Genbanc also owns Genoa Banking Center Insurance Agency and GenBanc Software. The bank had assets of \$226.5 million as of June 30, 2007, which is an increase of approximately 41.9% since the previous examination in November 2002. As of the June 30, 2007, loans represent 78.1% of total assets, with the investments in municipal and U.S. government securities representing most of the remaining assets. According to the June 30, 2007 Call Report, of the \$177 million in loans, 40.3% are secured by 1-4 family dwellings, 45.1% are commercial secured real estate loans and other commercial loans, 6.7% are consumer loans, 1.9% are revolving lines of credit secured by residential real estate, 5.8% are construction loans, and the rest are secured by farm land or other agricultural loans.

Genoa, Ohio is a small rural community south of Toledo located in Ottawa County. Genoa has one defined assessment area. Within the assessment area, there are zero low-income tracts, nine moderate-income tracts, 14 middle-income tracts, and 13 upper-income tracts for a total of 36 census tracts. Genoa is a HMDA reporter, because all of its offices are located in the Toledo Ohio Metropolitan Statistical Area ("MSA"). Genoa has six offices located in the counties of Ottawa, Wood, and Lucas. Three of the bank's offices are located in middle-income tracts and the remaining three offices are located in upper-income tracts. All six offices have an ATM. One new office has opened since the previous examination. This office is located in Rossford, Ohio and it was opened on November 22, 2004. The following is a list of the bank's various office locations:

- Main office is located at 801 Main Street, Genoa, Ohio (MSA 45780)
- 3201 Navarre Avenue, Oregon, Ohio (MSA 45780)
- 352 Rice Street Elmore, Ohio (MSA 45780)
- 703 Conant Street, Maumee, Ohio (MSA 45780)
- 24950 W State Route 51, Millbury, Ohio (MSA 45780)
- 266 Glenwood Road, Rossford, Ohio (MSA 45780)

There are no legal or financial constraints preventing Genoa from meeting the credit needs of its assessment area consistent with its asset size, business strategy, resources, and local economy.

## **DESCRIPTION OF INSTITUTION'S OPERATIONS IN TOLEDO MSA, OH**

Genoa has designated all of Ottawa County, and portions of Lucas, Wood, and Sandusky Counties as its assessment area; the bank's assessment area is situated in the northwestern portion of Ohio. Ottawa, Lucas, and Wood Counties are all part of the Toledo MSA and only Sandusky County is a part of the Non-MSA Ohio. It is noted that the bank has only one census tract in Sandusky County, which is why the bank only has one defined assessment area.

### **Population**

According to the 2000 U.S. Census, the population within Genoa's assessment area is primarily White Non-Hispanic at 90.2%, Hispanic at 5.3%, and Black Not-Hispanic at 2.7%, with the total minority population at 9.8%. Of the assessment area's population, 27.1% are age 17 years and younger, 8.1% are age 18 to 24 years, 51.9% are age 25 to 64 years and 12.9% are age 65 and over.

### **Income Characteristics**

Based on the 2000 U.S. Census, the median family income for the bank's assessment area is \$53,317 compared to the State of Ohio's median family income of \$50,037.

Additionally, there are 58,485 households in the assessment area with 41,103 (70.3%) designated as families. Of the families in the assessment area, 16.9% are low-income, 17.4% moderate-income, 22.9% middle-income, and 42.9% are upper-income. Of these, 2,824 families (6.9%) have incomes below the poverty level. Since most of the families in the assessment area are middle- and upper-income families, the majority of lending would be expected in these categories.

### **Housing**

According to the 2000 U.S. Census, there were 62,667 housing units in the assessment area, of which 83.7% are one-to-four family units. Additionally, 68.8% of the housing units in the assessment area are owner occupied, while 24.5% are rental units, and 6.8% are vacant. The median age of the housing stock is 42 years. U.S. Census Data indicated that the median housing value is \$102,639 in the assessment area.

The 2000 U.S. Census data revealed that 12,915 housing units are located in moderate-income census tracts, 26,965 housing units are located in middle-income census tracts, and 22,787 housing units are located in upper-income geographies. As a result, a substantial amount of the bank's mortgage lending would be expected in the middle-income and upper-income census tracts.

## **Economics**

According to the Ohio Department of Development<sup>1</sup>, manufacturing, state and local government, and retail trade are the largest industries in the assessment area based on average annual employment for 2005.

According to the Ohio Department of Job and Family Services<sup>2</sup> for October 2007, the unemployment rates for the counties that make up the bank's assessment area are as follows: Ottawa County 6.2%, Lucas County 7.6%, Sandusky County, 5.5%, and Wood County 5.5%. The U.S. unadjusted unemployment rate is 4.4% and the State of Ohio unadjusted unemployment rate is 5.4%. Therefore, the bank's assessment area's average unemployment rates exceed both the U.S. unemployment rate and the State of Ohio's unemployment rate.

The demographic table on the following page illustrates the bank's assessment area.

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1 [www.odod.state.ohio.us](http://www.odod.state.ohio.us)

2 [www.lmi.state.oh.us](http://www.lmi.state.oh.us)

### Combined Demographics Report

Genoa Banking Company

Assessment Area(s): Toledo MSA 45780

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	6,950	16.9
Moderate-income	9	25.0	7,608	18.5	1,689	22.2	7,140	17.4
Middle-income	14	38.9	17,906	43.6	726	4.1	9,397	22.9
Upper-income	13	36.1	15,589	37.9	409	2.6	17,616	42.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>36</b>	<b>100.0</b>	<b>41,103</b>	<b>100.0</b>	<b>2,824</b>	<b>6.9</b>	<b>41,103</b>	<b>100.0</b>
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	12,915	6,690	15.5	51.8	4,957	38.4	1,268	9.8
Middle-income	26,965	19,798	45.9	73.4	5,312	19.7	1,855	6.9
Upper-income	22,787	16,613	38.5	72.9	5,062	22.2	1,112	4.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>62,667</b>	<b>43,101</b>	<b>100.0</b>	<b>68.8</b>	<b>15,331</b>	<b>24.5</b>	<b>4,235</b>	<b>6.8</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	464	10.3	407	10.5	45	9.1	12	9.5
Middle-income	1,802	40.0	1,552	40.0	187	37.7	63	50.0
Upper-income	2,238	49.7	1,923	49.5	264	53.2	51	40.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,504</b>	<b>100.0</b>	<b>3,882</b>	<b>100.0</b>	<b>496</b>	<b>100.0</b>	<b>126</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>86.2</b>		<b>11.0</b>		<b>2.8</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	3	1.2	3	1.2	0	0.0	0	0.0
Middle-income	166	66.7	161	66.0	5	100.0	0	0.0
Upper-income	80	32.1	80	32.8	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>249</b>	<b>100.0</b>	<b>244</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.0</b>		<b>2.0</b>		<b>0.0</b>

There is a significant amount of competition throughout the bank's assessment area. There are 27 institutions insured by the FDIC operating 7,222 offices within the counties of Lucas, Ottawa, Sandusky and Wood. According to the FDIC's Deposit Market Share Report, statistics as of June 30, 2007, Genoa Banking Company ranked ninth with 2.1% of the market share of deposits within the counties it serves. Fifth Third Bank ranked first with 23.4% of the market share of deposits with 33 office locations, Key Bank National Association ranked second with 16.1% of the market share with 27 office locations, Sky Bank ranked third with 13.3% of the market share with 31 office locations, and Huntington National Bank ranked fourth with 11.9% of the market share with 21 office locations.

### **Community Contact**

The community contact interview was conducted with an organization that promotes the industrial economic, commercial and civic development of Ottawa County. The contact indicated that although the expansion of existing businesses has decreased in the wake of current economy, economic conditions for Ottawa County remain relatively strong as there have been no plant closings or major layoffs. In addition, the business climate is diverse in Ottawa County and the county does not rely on any one type of business to keep the economy afloat.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

### Loan-to-Deposit Ratio

A financial institution's loan-to-deposit ratio compares the institution's aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of an institution's lending volume relative to its capacity to lend. Further, this ratio is derived by dividing the institution's quarterly net loans by the quarterly total deposits.

Genoa's loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs. The bank has averaged 91.9% over the past twenty quarters of operation and is above the peer group average ratio of 80.8%.<sup>3</sup> The bank's LTD ratio has consistently exceeded peer over the 20 quarters reviewed. The bank did not experience extreme fluctuations in its LTD ratio. Specifically, the bank's high LTD ratio was 97.0% and its low was 88.2%.

The following table shows Genoa's quarterly loan-to-deposit ratios for twenty quarters since the previous evaluation.

<b>Loan-to Deposit Ratios</b>			
As of Date	Net Loans (000s)	Total Deposits (000s)	Ratio
December 31, 2002	116,757	132,319	88.2
March 31, 2003	117,467	134,608	87.3
June 30, 2003	120,186	135,532	88.7
September 30, 2003	126,088	135,106	93.3
December 31, 2003	127,357	140,455	90.7
March 31, 2004	132,191	144,189	91.7
June 30, 2004	140,365	149,776	93.7
September 30, 2004	149,621	154,976	96.5
December 31, 2004	154,316	167,082	92.4
March 31, 2005	151,623	172,537	87.9
June 30, 2005	162,969	167,959	97.0
September 30, 2005	165,559	174,774	94.7
December 31, 2005	168,778	175,219	96.3
March 31, 2006	166,001	182,571	90.9
June 30, 2006	174,738	185,205	94.3
September 30, 2006	170,685	197,441	86.4
December 31, 2006	171,628	190,564	90.1
March 31, 2007	173,827	191,223	90.9
June 30, 2007	177,026	190,435	93.0
September 30, 2007	180,551	193,608	93.3
<b>Quarterly Loan-to-Deposit Ratio Average since the previous examination</b>			<b>91.9</b>

<sup>3</sup> National peer group consists of all commercial banks having assets between \$100 and \$300 million in nonmetropolitan areas with 3 or more full service offices.

### **Lending in the Assessment Area**

The following table illustrates that the percentage of loans made inside the assessment area was approximately 72.2%. This table depicts that a majority of loans, as measured by the number of loans, were originated inside the bank's assessment area. Further, a majority of loans, taken as a dollar amount, were also made inside the assessment area.

<b>Lending Inside and Outside the Assessment Area</b>								
<b>Loan Type</b>	<b>Inside the Assessment Area</b>				<b>Outside the Assessment Area</b>			
	<b># of Loans</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>	<b># of Loans</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
HMDA	275	71.2	37,036	67.0	111	28.8	18,205	33.0
Small Business	150	59.3	20,719	51.4	103	40.7	19,551	48.6
Consumer	836	75.5	11,648	76.2	271	24.5	3,636	23.8
<b>Total</b>	<b>1,261</b>	<b>72.2</b>	<b>69,403</b>	<b>62.6</b>	<b>485</b>	<b>27.8</b>	<b>41,392</b>	<b>37.4</b>

### ***Geographic Distribution of Lending***

The geographic distribution of loans reflects a reasonable penetration throughout the bank's assessment area. Although the bank's lending performance consistently fell below the demographics in the moderate-income category, there are no branches located in these census tracts. However, the bank made community development loans which support affordable housing in the moderate-income areas. Therefore, Genoa continues to help to make housing-related credit available within these neighborhoods.

#### **Mortgage Loans (HMDA)**

##### *Home Purchase*

The bank made thirteen loans (9.7%) in moderate-income geographies, which was considered adequate when compared to the percentage of owner-occupied housing units in these geographies at 15.5%. More loans were made by the bank in middle-income geographies at 57.5% compared to the percentage of owner-occupied housing units at 45.9%. The bank made 32.8% of its loans to upper-income geographies, which was comparable to the percentage of owner-occupied housing units in these geographies at 38.5%. Based on this analysis the bank's lending activity is considered adequate.

##### *Refinance*

The bank made four loans (3.7%) to moderate-income geographies, which was significantly lower than the demographics. The bank's lending in middle-income geographies at 50.9% was higher than the demographics. Furthermore, the bank's lending in upper-income geographies at 45.4% exceeded the demographics. Based on this analysis, the bank's lending activity in moderate-income geographies is considered poor.

Geographic Distribution of HMDA Loans Assessment Area/Group: Toledo MSA 45780								
	Total HMDA Loans		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies	
	#	% of Total	% of Owner Occ Units	% Bank Loans	% of Owner Occ Units	% Bank Loans	% of Owner Occ Units	% Bank Loans
Home Purchase	134	48.7	15.5	9.7	45.9	57.5	38.5	32.8
Refinance	108	39.3	15.5	3.7	45.9	50.9	38.5	45.4
Home Improvement	33	12.0	15.5	3.0	45.9	66.7	38.5	30.3

## Consumer Loans

### *Motor Vehicle Loans*

The bank originated 42 loans (8.0%) in the moderate-income tracts, which was significantly lower than the percentage of total households in these geographies at 19.9%. More loans were made in the middle-income geographies at 65.7% than the percentage of total households, which was 43.0%. In addition, the bank made a significant number of loans in upper-income geographies at 26.2%, which was comparable to the demographics at 37.1%. Based on this analysis, the bank's lending activity in moderate-income geographies is considered poor.

### *Other-Secured Loans*

The bank originated four loans (2.4%) in moderate-income tracts, which was significantly lower than the percentage of total households. Loans made in the middle-income geographies at 67.6% exceeded the demographics. Furthermore, loans made in the upper-income tracts at 30.0% almost equaled the demographics. Based on this analysis, the bank's lending activity in moderate-income geographies is considered poor.

### *Other-Unsecured Loans*

The bank originated 2 loans (1.4%) in moderate-income tracts, which was significantly lower than the demographics. Loans made in the middle-income geographies at 75.0% exceeded the proxy. Loans made in the upper-income geographies at 23.6% were consistent with the demographics. Based on this analysis, the bank's lending activity in moderate-income geographies is considered poor.

Geographic Distribution of Consumer Loans Assessment Area/Group: Toledo MSA 45780								
	Total Consumer Loans		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies	
	#	% of Total	% of Hhlds	% Bank Loans	% of Hhlds	% Bank Loans	% of Hhlds	% Bank Loans
Motor Vehicle	522	62.4	19.9	8.0	43.0	65.7	37.1	26.2
Other - Secured	170	20.3	19.9	2.4	43.0	67.6	37.1	30.0
Other - Unsecured	144	17.2	19.9	1.4	43.0	75.0	37.1	23.6

### Small Business Loans

The bank made four loans (2.7%) to moderate-income tracts, which was significantly lower than the percentage of total businesses by tract at 10.3%. The bank's lending in middle-income geographies at 55.3% was higher than the percentage of total businesses by geography at 40.0%. Furthermore, the bank's lending in upper-income tracts at 42.0% was comparable to the percentage of total businesses within these geographies at 49.7%. Based on this analysis, the bank's lending activity in moderate-income geographies is considered poor.

### ***Borrower Distribution of Lending***

Genoa has an excellent penetration of lending to borrowers of different income levels and a reasonable distribution of lending to businesses with revenues of \$1 million or less.

### Mortgage Loans

#### *Home Purchase Loans*

The bank made ten loans (7.5%) to low-income borrowers, which was significantly lower than the percentage of low-income families at 16.9%. The bank made 28 loans (20.9%) to moderate-income borrowers, which exceeded the percentage of moderate-income families at 17.4%. Middle-income borrowers received 26.9% of loans made in the assessment area, which exceeded the percentage of middle-income families at 22.9%. In addition, upper-income borrowers received 44.0% of loans made in the assessment area, which exceeded the percentage of upper-income families at 42.9%. Based on this analysis, the bank's penetration of lending to borrowers in different income categories is considered good.

#### *Refinance Loans*

The bank made nine loans (8.3%) to low-income borrowers, which was significantly lower than the percentage of low-income families at 16.9%. The bank made 19 loans (17.6%) to moderate-income borrowers, which is consistent with the percentage of moderate-income families in the assessment area. Middle-income borrowers received 24.1% of loans made in the assessment area, which exceeded the demographics. Furthermore, upper-income borrowers received 49.1% of loans made in the assessment area, which also exceeded the demographics. Based on this analysis, the bank's penetration of lending to borrowers in different income categories for this product is considered good.

Borrower Distribution of HMDA Loans Assessment Area/Group: Toledo MSA 45780										
	Total HMDA Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
	#	% of Total	% of Families	% Bank Loans	% of Families	% Bank Loans	% of Families	% Bank Loans	% of Families	% Bank Loans
Home Purchase	134	48.7	16.9	7.5	17.4	20.9	22.9	26.9	42.9	44.0
Refinance	108	39.3	16.9	8.3	17.4	17.6	22.9	24.1	42.9	49.1
Home Improvement	33	12.0	16.9	3.0	17.4	6.1	22.9	51.5	42.9	39.4

### Consumer Loans

*Motor Vehicle Loans*

The bank made 191 loans (36.6%) to low-income borrowers, which exceeded the percentage of low-income households in the assessment area at 19.8%. The bank made 143 loans (27.4%) to moderate-income borrowers, which exceeded the percentage of moderate-income households in the assessment area at 15.8%. Middle-income borrowers received 18.8% of the loans made in the assessment area, which equaled the percentage of middle-income households in the assessment area at 18.8%. Upper-income borrowers received 14.8% of the loans made in the assessment area, which was significantly lower than the percentage of upper-income households in the assessment area at 45.6%. Based on this analysis, the bank’s penetration of lending to borrowers in different income categories for this product is considered excellent.

*Other-Secured Loans*

The bank made 29 loans (17.1%) to low-income borrowers, which was comparable to the demographics. The bank made 46 loans (27.1%), which exceeded the demographics. Middle-income borrowers received 29.4% of loans made in the assessment area, which exceeded the demographics. Upper-income borrowers received 25.3%, which was lower than the demographics. Based on this analysis, the bank’s penetration of lending to borrowers in different income categories for this product is considered excellent.

*Other-Unsecured Loans*

The bank made 50 loans (34.7%) to low-income borrowers, which exceeded the demographics. The bank made 42 loans (29.2%) to moderate-income borrowers, which exceeded the demographics. Middle-income borrowers received 14.6% of loans made in the assessment area, which was comparable to the proxy. Upper-income borrowers received 13.2% of loans made in the assessment area, which was significantly lower than the proxy. Based on this analysis, the bank’s penetration of lending to borrowers in different income categories is considered excellent.

Borrower Distribution of Consumer Loans Assessment Area/Group: Toledo MSA 45780										
	Total Consumer Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
	#	% of Total	% of Hhlds	% Bank Loans	% of Hhlds	% Bank Loans	% of Hhlds	% Bank Loans	% of Hhlds	% Bank Loans
Motor Vehicle	522	62.4	19.8	36.6	15.8	27.4	18.8	18.8	45.6	14.8
Other - Secured	170	20.3	19.8	17.1	15.8	27.1	18.8	29.4	45.6	25.3
Other - Unsecured	144	17.2	19.8	34.7	15.8	29.2	18.8	14.6	45.6	13.2

*Small Business Loans*

The bank made 96 loans (64.0%), which fell below the percentage of total businesses (86.2%) with revenues of \$1 million or less. 62.0% of loans to small businesses were for \$100,000 or less. Based on this analysis, the bank’s lending to small businesses is considered reasonable.

**Community Development Activities**

Genoa made loans totaling approximately \$2.3 million to organizations that assist low- and moderate- income individuals and assist in the revitalization of low- and moderate- income areas. Included in these efforts is funding to community organizations used to build, rehabilitate, and facilitate the acquisition of affordable housing in moderate- income areas within its assessment area.

In their capacity as financial service providers, the officers and employees of Genoa Banking Company have been involved with the Ohio Department of Development Community Development Block Grant Program, Oregon Economic Development, Ottawa County Improvement Corporation, and Habitat for Humanity. In addition to serving in key financial advisory positions and on various committees of these organizations, employees of the bank work with Neighborhood Housing Services to educate low- and moderate-income individuals on first-time home-buying opportunities.

The bank's overall community development activities demonstrate a good responsiveness to community development needs of its assessment area.

### **Response to Consumer Complaints**

Genoa had no CRA-related complaints filed against them during this evaluation period.

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

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified during this evaluation period.

## APPENDIX A

### ASSESSMENT AREA MAP

Genoa Banking Company  
Assessment Area: Toledo MSA 45780

