



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

**Industrial Bank, National Association
Charter Number: 22850**

**1900 John Hanson Lane
Oxon Hill, MD 20745**

Office of the Comptroller of the Currency

**Maryland/National Capital Area
250 E Street, SW Independence Square
Washington, DC 20219**

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

Performance Levels	(Name of Depository Institution) 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:

- A substantial majority of home mortgage loans and small loans to businesses are originated within the assessment areas (AAs);
- The geographic distribution of home mortgage and small loans to businesses is excellent;
- The borrower distribution of home mortgage loans is excellent;
- The volume of Community Development loans is excellent;
- A good level of qualified community developments investments and grants; and
- Retail service delivery systems are readily accessible to geographies and individuals of different income levels and the bank's participation in qualified community development services is excellent.

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.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

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.

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 household 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 or a block numbering area 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 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).

Home Mortgage Loans: such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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 primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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

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

Description of Institution

The Industrial Bank, National Association (IBNA) is an independent, minority owned banking institution founded in 1934. It is headquartered in Oxon Hill, Maryland and serves the Washington, D.C. metropolitan area. The bank has offices located in the District of Columbia and in the Maryland counties of Prince George's and Charles. IBNA is a retail interstate bank with ten full service branches and six off-site automatic teller machines (ATMs). Eight of the branches also have on-site ATMs.

As of June 30, 2002 total bank assets were \$307 million. Total loans were \$137 million and total deposits were \$236 million.

IBNA is a wholly owned subsidiary of IBW Financial Corporation, a one-bank holding company headquartered in Washington, D.C. IBNA is a community bank with primary products that include residential mortgages and small business loans. The bank is a leader in lending to various faith-based community organizations and institutions in their assessment area (AA). These community groups provided necessary community services in low-and moderate-income areas and provide food and homeless shelters, health care, child care and housing services, employment and financial counseling, and drug and alcohol counseling.

As of June 30, 2002, net loans and leases represented 44% of total assets. The loan portfolio is comprised of residential mortgages (44%), commercial loans (51%), and consumer loans (5%). Net Tier 1 Capital is \$21 million as of June 30, 2002. Competition in the area is very strong and includes local community banks, regional banks, nationwide bank and non-bank financial institutions, and mortgage companies.

IBNA's last Public Evaluation (PE) was dated June 30, 1997 and the overall CRA rating assigned was "Outstanding". Since the previous PE, IBNA has closed one branch and has opened two new branches. There are no financial or legal impediments to hinder IBNA's ability to help meet its community credit needs. IBNA has no operating subsidiaries.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test for home mortgages reported under the Home Mortgage Disclosure Act (HMDA) is from January 1, 1998 through June 30, 2002. HMDA and small loans to businesses data for 1997 was lost and could not be recreated and corrected due to a computer problem. For small loans to businesses, the evaluation period is also from January 1, 1998 to June 30, 2002. For community development loans, and the Investment and Service Tests, the evaluation period is June 30, 1997 through October 7, 2002. An analysis of small loans to farms was not meaningful and was not conducted as no small farm loans were originated. Agricultural lending is not a primary business line of IBNA. Therefore, tables 7 and 12 are not included in the Public Evaluation.

Data Integrity

In March of 2000, IBNA's publicly filed HMDA and small business loan information and registers for 1998 and 1999 were examined by the OCC to verify the accuracy of the data. At that time, a significant amount of the loan data was found to be inaccurate. The information was then corrected, recompiled and refiled. The data integrity examination in February of 2002 revealed inaccurate loan data for 2000 and 2001. This data also was corrected, recompiled and refiled. In August 2002, another data integrity examination was completed and the data was found to be accurate. The 1997 data had been lost when a problem developed with the bank's computer system. This data could not be recreated and the integrity of the publicly reported data is doubtful. Therefore, this examination was completed with the data that has been corrected and tested.

Selection of Areas for Full-Scope Review

We performed a full-scope review of the bank's entire assessment area (AA). The ratings are based on conclusions reached in the evaluation of IBNA's performance in this full-scope AA. Please refer to the table in Appendix B for additional information regarding this area.

Ratings

The bank's overall rating is based on a full-scope review of its one AA in the Washington, D.C.-MD-VA-WV multistate metropolitan area. Home mortgage products received more weight in evaluating the Lending Test than small loans to businesses. Approximately 85% of the loans originated during the evaluation period were home mortgage loans in the AA, with small business loans accounting for nearly all of the remaining 15%. Also, home purchase mortgages were given more weight in our analysis than home improvement loans and refinance mortgages. Home purchase loans represent 52% of the mortgages originated in the AA. Furthermore, home purchase loans were identified as a primary credit need of the AA.

Fair Lending Review

An analysis of the most recent public comments, consumer complaint information and the most recent HMDA and small business lending data was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending examination was performed in 1999. No violations of the substantive provisions of the anti-discrimination laws and regulations were identified at that examination.

Multistate Metropolitan Area Rating

Washington, D.C.-MD-VA-WV Multistate Metropolitan Area (#8840)

**CRA rating for the Washington, D.C.-MD-VA-WV Multistate Metropolitan Area:
Outstanding**

The lending test is rated: Outstanding

The investment test is rated: High Satisfactory

The service test is rated: Outstanding

The major factors that support this rating include:

- A substantial majority of home mortgage loans and small loans to businesses are originated within the AA and the borrower and geographic distribution of loans is excellent.
- A good level of qualified community development investments and grants.
- The bank's delivery systems are readily accessible to geographies and individuals of different income levels within its AA and its level of community development services is excellent.

Description of Institution's Operations in the Washington, D.C.-MD-VA-WV Multistate Metropolitan Area

All of the bank's operations are in the Multistate Metropolitan Area. Please refer to the market profile for the Washington, D.C.-MD-VA-WV Multistate Metropolitan Area in appendix C for detailed demographics and other performance context information.

LENDING TEST

The bank's performance under the lending test is rated "Outstanding." Based on a full-scope review, the bank's performance in their AA is excellent. The bank has a large loyal deposit base, and additionally attracts large deposits from other financial institutions and large corporate depositors due to the minority ownership status. However, the loan to deposit ratio has traditionally lagged peer group banks. The bank's mission to serve individuals and small businesses in the low- and moderate-income areas impacts the level of lending. The loan requests of these borrowers is typically smaller in size, and therefore the dollar amount of the loans is lower than for banks in other markets. Lending capacity at the bank over the years has also been impacted by the departure of the Chief Credit Officer in August 1998, the Senior Lending Officer in January 1999, and the Senior Residential Lending Officer in November 1999.

At the time of this evaluation, the bank was operating under a Formal Agreement relating to safety and soundness, including credit practices and improving loan portfolio quality. The bank

competes with many community banks and large financial institutions, as well as numerous savings banks, credit unions, mortgage companies and other non-bank lenders in the area.

Lending Activity

Refer to Table 1 - Lending Volume in appendix D for the facts and data used to evaluate the bank's lending activity.

Lending activity in the Multistate Metropolitan Area is excellent. The bank's lending patterns are generally reflective of the credit needs of the community. Eighty-nine percent of the bank's lending is done in this AA. The bank's lending to individuals is centered in HMDA products, 85% for their AA. Purchase, home improvement, refinance and multifamily loans represent 52%, 7%, 36% and 5% respectively, of all mortgages originated in this AA. Small business credit is also a recognized credit need of the AA and therefore is reflected in the volume of lending, 15% for the AA. There is no small farm credit lending and this is not a business focus of the bank.

IBNA has ten branches and 100% of its deposits in the AA. The bank is ranked 36th in deposits, out of 113 financial institutions in this AA, with a 0.27% market share as of June 30, 2001. Lending patterns are also similar to deposit patterns. The market share for home purchase, home improvement, home refinance and multifamily mortgage loans was 0.15%, 0.60%, 0.11% and 6.35%, respectively, in 2000.

Based on 2000 HMDA Peer Mortgage Data, IBNA ranked 108th out of 535 lenders (with a 0.19% market share) in overall home mortgage lending. Large nationwide banks, mortgage companies and credit unions dominate this market.

Based on 2000 HMDA Peer Mortgage Data, IBNA ranked 111th out of 421 lenders (with a 0.15% market share) in home purchase lending behind large nationwide banks and mortgage companies. Based on this same data source, IBNA ranked 25th out of 126 lenders (with a 0.60% market share) in home improvement lending. Three nationwide financial institutions dominate this product in this AA with a combined market share of over 43%.

IBNA ranked 148th out of 398 lenders (with a market share of 0.11%) in home refinancing behind large nationwide banks and non-bank mortgage lenders in the AA. The bank ranked fourth out of 134 lenders (with a market share of 6.35%) in multifamily lending. Three large nationwide banks dominate this market in this product with over 35% combined market share.

Based on 2000 CRA peer data, IBNA ranks 32nd in small loans to businesses with a market share of 0.19%. The two top lenders are nationwide credit card issuers and dominate the AA with a combined 48% market share.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

Geographic distribution is excellent in the AA. Home purchase loan geographic distribution is excellent. In the AA, there are 56 low-income geographies. Home purchase loans made in low-income geographies significantly exceed the percentage of owner-occupied housing units. In the bank's 127 moderate-income geographies, their home purchase loans also exceed the percentage of owner-occupied housing. The bank's market share for these loans made in low-income geographies also significantly exceed the bank's overall market share. In the moderate-income geographies, the bank's loans again exceed their overall market share for home purchase loans.

Home improvement loan geographic distribution is also excellent. The bank's home improvement loans made in low-income geographies significantly exceed the percentage of owner-occupied housing units. Home improvement loans made in moderate-income geographies also significantly exceed the percentage of owner-occupied housing. IBNA's market share in both low-income and moderate-income geographies significantly exceeds its overall market share.

Refinance loan geographic distribution is excellent. The bank's refinance loans made in low-income geographies significantly exceed the percentage of owner-occupied housing units. The percentage of refinance loans made in moderate-income geographies also significantly exceeds the percentage of owner-occupied housing units that are within those geographies. The market share for loans made in low-income geographies exceeds IBNA's overall market share for refinance loans. The market share for refinance loans in moderate-income geographies is near to the bank's overall market share for these loans.

Multifamily loan geographic distribution is excellent. Of the 28 multifamily loans the bank originated in the AA, half of them were in low-income geographies. This percentage significantly exceeds the percentage of multifamily units in the low-income geographies. The percentage of the bank's multifamily loans made in moderate-income geographies is near to the percentage of multifamily units in those census tracts. IBNA's market share in both low- and moderate-income geographies exceeds its overall market share.

Small Loans to Businesses

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

Geographic distribution is excellent in the AA. IBNA's small loans to businesses in both low- and moderate-income geographies significantly exceed the percentage of businesses that are located in these geographies. IBNA's market share in both low- and moderate-income geographies also exceeds its overall market share.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in IBNA's lending patterns.

Inside/Outside Ratio

A substantial majority (89%) of the home mortgage loans, small loans to businesses, and community development (CD) loans originated by IBNA over the evaluation period were within its AA. For HMDA products, 91% of all originations were within the AA. Ninety-four percent of all purchase money mortgages originated were in the AA, 96% of all home improvement loans were in the AA, 85% of all refinances were in the AA and 93% of the multifamily loans were originated in the AA.

Seventy-eight percent of the small loans to businesses and 100% of the CD loans were within its AA. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of IBNA's home mortgage loans reflects excellent dispersion among borrowers of different income levels in the AA. Small loans to businesses also indicate excellent distribution.

We considered demographic factors including the high cost of housing compared to the median family income of a low-income person, and the high percentage of individuals below the poverty level in our home mortgage analysis.

Home Mortgage Loans

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

Borrower distribution for home purchase lending is excellent. The percentage of home purchase loans made to low-income borrowers in the AA exceeds the percentage of low-income families in the AA. IBNA's market share of home purchase loans to low-income borrowers also exceeds its overall market share. This performance is excellent. The percentage of loans made to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. IBNA's market share to moderate-income borrowers is near to its overall market share. This performance is also excellent.

Home improvement borrower distribution is excellent. The percentage of home improvement loans made to low-income borrowers in the AA is near to the percentage of low-income families in the AA. The bank originated 24% of its home improvement loans to low-income borrowers compared to 25% of families in the AA being low-income. The bank's market share to low-income borrowers exceeds the bank's overall market share of home improvement loans. The percentage of home improvement loans made to moderate-income borrowers in the AA exceeds the percentage of moderate-income families in the AA. IBNA's market share to moderate-income borrowers also exceeds its overall market share.

Home refinance borrower distribution is excellent. The percentage of refinance loans made to low-income borrowers in the AA again exceeds the percentage of low-income families in the AA. IBNA's market share to low-income borrowers also exceeds its overall market share for refinance loans. The percentage of refinance loans made to moderate-income borrowers in the AA exceeds the percentage of moderate-income families in the AA. IBNA's market share to moderate-income borrowers meets its overall market share. This performance is also excellent.

Small Loans to Businesses

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

The borrower distribution of small loans to businesses is good, especially when considering the strong competition for these loans from very large nationwide banks and non-bank financial institutions. According to the 2000 Peer Small Business Data, 134 lenders originated loans to small businesses in the AA. IBNA was ranked 32nd in the market.

Small loans to small businesses (businesses with revenues of \$1 million or less) represents 81% of all small loans to businesses originated by IBNA compared to 84% of the businesses within the AA defined as such. The bank's lending to small businesses substantially meets the percentage of small businesses in the AA. The market share of 0.44% for small loans made to small businesses substantially exceeds IBNA's overall market share of 0.19%. The distribution by size of loan shows that over 43% of the bank's loan originations are for \$100,000 or less and the bank's percentage of loans substantially meets the percentage of small businesses in the AA. This is another indication that business lending is primarily to small businesses.

Community Development Lending

Community development lending had a positive impact on the Lending Test and the originated loans were responsive to the needs of the AA. A total of 45 qualified community development loans totaling \$17.5 million were originated during the evaluation period.

Refer to Table 1 Lending Volume in 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.

We determined through our community contacts and our internal research that significant opportunities for community development lending exist within the AA. However, competition for these loans is very strong from both large national financial institutions and other banks operating in the area.

We noted a sample of the CD loans below for the evaluation period:

- One loan for \$2.7 million for the construction of low- and moderate-income condominiums. This was done as a participation with another financial institution and through a local housing finance agency.
- Four loans totaling \$6.9 million to faith-based organizations that provide food and homeless shelters, drug and alcohol counseling, employment and financial counseling and health and childcare service for low- and moderate income individuals. These activities are the primary focus and mission of these organizations.
- Two loans to two organizations that run health care facilities in low- and moderate-income geographies. These loans totaled \$2.9 million. Both of these facilities have the primary purpose of providing primary health care, disease prevention, health promotion and HIV and case management services to the homeless and indigent.
- One loan for \$1.9 million to a non-profit organization that runs homeless shelters and subsidizes apartment rentals for low-income individuals and families.

In addition, IBNA originated numerous loans for community development purposes that were included in the home mortgage and small loans to business totals. These loans had a positive impact throughout the AA.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test conclusion. The bank offers standard loan products including first-time homebuyer's programs with reduced fees, and down payment and/or closing cost assistance for low- and moderate-income individuals.

The bank participates in a single-family bond mortgage program for first-time homebuyers in Washington, D.C. and in Prince George's County, Maryland. This program has also increased homeownership in low- and moderate-income geographies since in these "targeted" areas, non-first-time homebuyers may also participate in the program.

In a unique partnership with Allstate Insurance, through the Department of Housing and Community Development in Washington, D.C., the bank also offers home improvement loans with no points or closing costs. These loans are targeted to low- and moderate-income borrowers and funded from a \$3.5 million certificate of deposit from Allstate.

INVESTMENT TEST

The bank's performance under the investment test is rated "High Satisfactory." Based on a full-scope review, the bank's performance in its AA is good. None of the investments are considered to be innovative or complex but all were done in the bank's AA.

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.

During the evaluation period, IBNA made a new investment totaling \$500 thousand in a Community Development Financial Institution (CDFI). This investment was in the form of a certificate of deposit. This CDFI is the District of Columbia's first chartered CDFI and is located in a low-income geography. The CDFI focuses on providing affordable housing loans, small business loans and community development loans.

During this period, the bank also purchased a \$25 thousand certificate of deposit from a credit union, which is another community development financial institution and also a minority-owned institution, in the bank's AA. An additional investment of \$100 thousand in a local economic development corporation is still outstanding. This corporation provides financial resources to small businesses in low- and moderate-income geographies in Washington, D.C.

IBNA made 231 qualified grants and donations totaling over \$172 thousand in the bank's AA. These grants and donations made during the evaluation period were to local non-profit organizations for various CD initiatives throughout the AA.

SERVICE TEST

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

Retail Banking Services

Refer to Table 15 in the "Multistate Metropolitan Area(s)" 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.

IBNA's delivery systems are readily accessible to geographies and individuals of different income levels within its AA based upon population demographics and locations of the bank's branches and ATMs. The bank's office distribution in low-income geographies is near to the distribution of the population living in those geographies. In moderate-income geographies, the bank's office distribution significantly exceeds the distribution of the population in those areas.

During the evaluation period, the bank closed one branch in an upper-income geography. The closing of this office, on a university campus had no adverse affect on the bank's customer base as other bank offices are nearby. IBNA opened two new branches during this period, both in middle-income geographies and both located in Wal-Mart stores.

Banking hours and services provided Monday through Friday are supplemented by Saturday hours at the majority of banking facilities located in the AA, including those facilities in low- and moderate-income geographies. The two offices located in the Wal-Mart store also offer Sunday hours. The bank's traditional line of products and services are offered at all branches.

IBNA offers a variety of checking account products. One of the products is a no minimum balance, no monthly service charge checking account tailored for senior citizens on fixed incomes. The bank also provides these depositors with free checks. The bank's basic personal checking account offers no monthly services charges, normally \$8.00 per month, with a minimum monthly balance of \$500 or more. Additionally, the bank offers a no minimum balance, \$5.00 monthly service charge "lifeline" checking account product for individuals who wish to bank exclusively by phone, ATM or debit card.

The bank's ATM network offers an alternative delivery system for delivering retail banking services. While the bank has nine full-service ATMs located at eight of the branch offices, IBNA maintains an additional six full-service ATMs at offsite locations. While a branch in a low-income geography does not maintain an ATM, two of the offsite machines are located in the same low-income geography in the AA. Four of the offsite ATMs are located in moderate-income geographies. In the AA, IBNA's overall ATM distribution in low-income geographies exceeds the distribution of the population living in those geographies. In moderate-income geographies, the bank's total ATM distribution significantly exceeds the population distribution.

The bank maintains an Internet website for informational purposes only. Through the bank's "Telebanking" service, customers can receive information about their accounts over the telephone.

Community Development Services

IBNA provides an excellent level of community development services to a wide variety of organizations in its AA. Twelve bank officers and employees provide their financial and technical expertise to 20 different community organizations. Those services that are provided are very responsive to the community development need in the AA, including the need for small business loans. Examples of the bank participation in community development services include:

- A bank officer provides their financial expertise as a member of the Board of Directors of a neighborhood economic development corporation.
- A bank officer provides their technical assistance, while serving on the budget and finance committee, to a local task force that supports and promotes economic development in a low-income geography.
- A bank officer provides their financial expertise as a board member of a council that oversees the revitalization and development of low- and moderate-income geographies in Washington, D.C.
- An officer serves as a member of a local municipality's small business revolving loan fund. They provide financial expertise while serving on the loan review committee that approves loans that fund small business growth.
- An officer serves as a board member of a faith-based organization's community development corporation. They provide technical assistance to this group that focuses on improving the housing, social and economic conditions of low- and moderate-income individuals in the AA.
- A bank officer offers their financial expertise to a community development corporation that offers business and housing loans in low- and moderate-income geographies. This person counsels and advises clients on financial matters and also serves on the loan committee for the revolving loan fund.

In addition to these examples, bank personnel routinely conduct numerous financial service and home buying seminars to staff, members and clients of local organizations that provide health, social, educational and housing services to low- and moderate-income individuals. During the evaluation period, more than 20 of these seminars were held.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD loans): (01/01/98 to 06/30/02) Investment and Service Tests and CD Loans: (06/30/97 to 10/07/02)	
Financial Institution	Products Reviewed	
Industrial Bank, N.A. (IBNA) Oxon Hill, MD	Home Mortgages, Small Loans to Businesses and CD loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Not applicable	Not applicable	Not applicable
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Washington, D.C.-MD-VA-WV (#8840)	Full-Scope	Not applicable

Appendix B: Summary of Multistate Metropolitan Area Ratings

RATINGS		BANK NAME		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Industrial Bank, National Association	Outstanding	High Satisfactory	Outstanding	Outstanding
Multistate Metropolitan Area or State:				
Washington, D.C.-MD-VA-WV (#8840)	Outstanding	High Satisfactory	Outstanding	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

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Market Profiles for Areas Receiving Full-Scope Reviews

<i>Washington, D.C.-MD-VA-WV Multistate Metropolitan Area</i>	C-2
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Washington, D.C.-MD-VA-WV Multistate Metropolitan Area (#8840)

Demographic Information for Full-Scope Area: Washington, D.C.-MD-VA-WV Multistate Metropolitan Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	373	15.01	34.05	36.19	13.41	1.34
Population by Geography	1,386,924	12.18	36.32	38.32	13.02	0.16
Owner-Occupied Housing by Geography	260,919	4.15	27.06	49.99	18.80	0.00
Businesses by Geography	66,844	8.79	26.65	38.10	22.08	4.38
Farms by Geography	627	3.03	18.82	57.89	20.10	0.16
Family Distribution by Income Level	321,194	25.27	21.38	24.22	29.13	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	149,856	20.26	46.17	28.89	4.68	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below the Poverty Level	= \$52,807 ** = \$91,500 ** = 9.83% **	Median Housing Value Unemployment Rate			= \$156,176 ** = 3.6% ***	

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

(**) Source: 1990 U.S. Census, and 2002 HUD updated MFI.

(***) Source: U.S. Department of Labor Bureau of Labor Statistics, August 2002

IBNA's AA includes portions of the Washington, D.C.-MD-VA-WV Multistate Metropolitan Area (MMA). This AA is composed of the District of Columbia, Prince George's County, MD and portions of Charles County, MD. IBNA operates in this MMA in 373 of the 1,043 census tracts. Within this MSA, IBNA is ranked 36th for its market share of deposits and has 0.27% of the deposits based on the June 30, 2001 FDIC/OTS Summary of Deposits Market Share Report. IBNA operates ten full service branches and six remote ATMs in this MSA. Eight of the branches also have ATMs.

Banking competition is very strong for both loans and deposits in the MMA. Competition exists from national institutions, large regional institutions, community banks, credit unions and non-financial institutions. Major banking competitors in the MMA include:

- Sun Trust Bank, ranked first in deposit share (13.00%) with 170 offices;
- Bank of America, N.A., ranked second in market share of deposits (12.27%) with 168 offices;
- First Union National Bank, ranked third in deposit share (10.48%) with 106 offices;
- E*TRADE Bank, ranked fourth in market share of deposits (9.72%) with 1 office; and
- Chevy Chase Bank, F.S.B., ranked fifth in market share of deposits (8.73%) with 160 offices in the MMA.

IBNA offers a traditional line of banking products for loans and deposits. The economy in the area is stable and growing. Major employers in the MMA include the U.S. Government (both civilian and military), and numerous local universities and hospitals.

Two community contacts were conducted and information was reviewed from two other community groups. The contacts identified the need for small loans for small businesses and affordable housing financing as the primary needs in the area. Also needed is job creation for under-privileged youths.

Appendix D: Tables of Performance Data

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CONTENT OF STANDARDIZED TABLES	D-5
TABLES OF PERFORMANCE DATA	D-8

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: 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. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

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. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- 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** - This table is not applicable and not included.
- 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** - This table is not applicable and not included.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - This table is not applicable and not included.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order

to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

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

Institution ID: 1000022850 INDUSTRIAL BANK NA

Table 1. Lending Volume

LENDING VOLUME		Geography: INDUSTRIAL BANK						Evaluation Period: JANUARY 1, 1998 TO JUNE 30, 2002				
MA/Assessment Area (2002):	% 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)	
Full Review:												
Washington, D.C.-MD-VA-W MMA (#8840)	100.00	629	76,617	111	23,447	0	0	45	17,468	785	117,532	100.00

* Loan Data as of June 30, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is From January 01, 1998 to June 30, 2002.

*** Deposit Data as of June 30, 2001. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

BANK NA

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2002		Geography: INDUSTRIAL BANK								Evaluation Period: JANUARY 1, 1998 TO JUNE 30,					
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Washington, D.C.-MD-VA-WV MMA (#8840)	326	100.00	4.15	20.55	27.06	29.14	49.99	43.25	18.80	7.06	0.15	0.56	0.20	0.13	0.05

* Based on 2000 Peer Mortgage Data: Northeast 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 1990 Census information.

BANK NA

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2002		Geography: INDUSTRIAL BANK								Evaluation Period: JANUARY 1, 1998 TO JUNE 30,					
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
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	46	100.0 0	4.15	13.04	27.06	39.13	49.99	36.96	18.80	10.87	0.60	0.87	1.12	0.28	0.70

* Based on 2000 Peer Mortgage Data: Northeast 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 1990 Census information.

BANK NA

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE JUNE 30, 2002			Geography: INDUSTRIAL BANK								Evaluation Period: JANUARY 1, 1998 TO				
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
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	229	100.0 0	4.15	12.66	27.06	37.12	49.99	34.06	18.80	16.16	0.11	0.58	0.07	0.08	0.07

* Based on 2000 Peer Mortgage Data: Northeast 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 1990 Census information.

BANK NA

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: INDUSTRIAL BANK						Evaluation Period: JANUARY 1, 1998 TO JUNE 30, 2002						
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
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	28	100.0 0	18.43	50.00	46.64	39.29	24.04	10.71	10.88	0.00	6.35	7.69	9.09	0.00	0.00

* Based on 2000 Peer Mortgage Data: Northeast 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 1990 Census information.

BANK NA

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES JUNE 30, 2002			Geography: INDUSTRIAL BANK								Evaluation Period: JANUARY 1, 1998 TO				
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	111	100.00	8.79	20.72	26.65	44.14	38.10	25.23	22.08	9.91	0.19	0.68	0.34	0.10	0.12

* Based on 2000 Peer Small Business Data: US&PR.

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

*** Source Data - Dun and Bradstreet (2001).

BANK NA

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2002		Geography: INDUSTRIAL BANK								Evaluation Period: JANUARY 1, 1998 TO JUNE 30,					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	326	100.0 0	25.27	35.71	21.38	38.82	24.22	18.32	29.12	7.14	0.17	0.41	0.15	0.12	0.05

* Based on 2000 Peer Mortgage Data: Northeast Region.

** As a percentage of loans with borrower income information available. No information was available for 1.23% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** 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.

BANK NA

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 2002			Geography: INDUSTRIAL BANK						Evaluation Period: JANUARY 1, 1998 TO JUNE 30,						
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 Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	46	100.00	25.27	23.91	21.38	36.96	24.22	28.26	29.12	10.87	0.76	1.15	1.17	0.35	0.28

* Based on 2000 Peer Mortgage Data: Northeast Region.

** As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** 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.

BANK NA

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 30, 2002		Geography: INDUSTRIAL BANK								Evaluation Period: JANUARY 1, 1998 TO JUNE					
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 Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Washington, D.C.- MD-VA-WV MMA (#8840)	229	100.00	25.27	29.11	21.38	28.64	24.22	22.07	29.12	20.19	0.14	0.24	0.15	0.04	0.12

* Based on 2000 Peer Mortgage Data: Northeast Region.

** As a percentage of loans with borrower income information available. No information was available for 6.99% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** 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.

BANK NA

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 30, 2002		Geography: INDUSTRIAL BANK			Evaluation Period: JANUARY 1, 1998 TO JUNE				
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
Full Review:									
Washington, D.C.- MD-VA-WV MMA (#8840)	111	100.00	84.11	81.08	43.24	28.83	27.93	0.19	0.44

* Based on 2000 Peer Small Business Data: US&PR.

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2001).

**** 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 0.90% of small loans to businesses originated and purchased by the bank.

BANK NA

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: INDUSTRIAL BANK				Evaluation Period: JANUARY 1, 1998 TO JUNE 30, 2002			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Washington, D.C.- MD-VA-WV MMA (#8840)	1	100	233	697	234	797	100	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.

BANK NA

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS JANUARY 1, 1998 TO JUNE 30, 2002								Geography: INDUSTRIAL BANK				Evaluation Period:					
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
Full Review:																	
Washington, D.C.- MD-VA-WV MMA (#8840)	100.00	10	100	10.00	40.00	50.00	0.00	2	1	0	0	+2	-1	12.18	36.32	38.32	13.02