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Contact: Amy Nelson, Executive Director  
Fair Housing Center of Central Indiana  
Phone: 317-644-0673 x1001  
Email: [anelson@fhcci.org](mailto:anelson@fhcci.org)

## FAIR HOUSING CENTER FILES REDLINING LAWSUIT AGAINST INDIANA LENDER

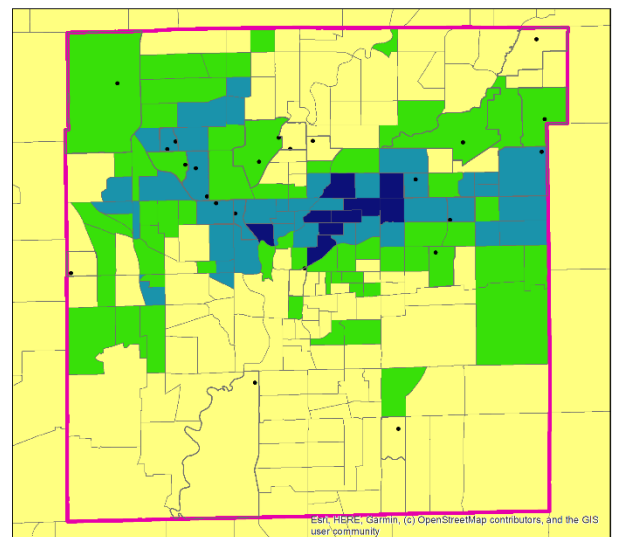
INDIANAPOLIS, IN – Today, the Fair Housing Center of Central Indiana (FHCCI) announces the filing of a federal court complaint against Old National Bank alleging that the bank unlawfully discriminated in residential mortgage lending based on race. The complaint alleges Old National Bank structured its business to avoid providing access to mortgage credit to Black residents and neighborhoods in the Indianapolis area and that the bank made many fewer loans to Black applicants than its peers did. The FHCCI also alleges that Old National deliberately seeks to limit its residential lending business to predominantly White areas and customers and has removed branches in Black neighborhoods and sited branches in White neighborhoods – conduct which constitutes redlining and violates the federal Fair Housing Act.

Old National Bank is a full-service bank with 166 branches in Indiana, Kentucky, Illinois, Michigan, Wisconsin, and Minnesota. It is one of the largest banks in Indiana and is headquartered in Evansville, Indiana.

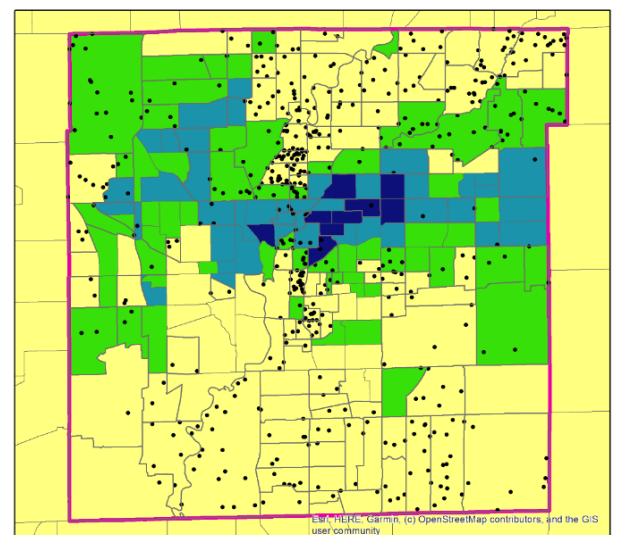
The Indianapolis-Carmel-Anderson, Indiana Metropolitan Statistical Area (Indianapolis MSA) is home to 2 million people, of whom more than 305,000 are Black. Marion County, Indiana alone has over 260,000 Black residents. In the two-year period from 2019 to 2020, **Old National made over 2,250 mortgage loans in the Indianapolis MSA.** The borrower's race was identified in Old National's own data for over 91% of these loans, yet only **23** loans were to Black borrowers in Marion County and only **37** were to Black borrowers across the entire Indianapolis MSA. **In 2019, Old National made just 8 loans to African-American borrowers throughout all of Marion County.**

“Over the time period reviewed, Old National Bank has been one of the worst performers in making mortgage loans to Black home seekers in Central Indiana,” stated Amy Nelson, Executive Director of the FHCCI. “Old National's peer lenders did a substantially better job at serving the credit needs of Black residents. In Marion County, the four peers

2019-2020 Old National Originations to Black Borrowers in Marion County



2019-2020 Old National Originations to White Borrowers in Marion County



reviewed made 14.73% of their loans to Blacks, a proportion that is 3.82 times greater than that of Old National with their paltry 23 loans.”

Over the last decade, Old National Bank has also disproportionately closed branches located in African American neighborhoods in the Indianapolis MSA, while maintaining their presence in neighborhoods serving non-Black residents. Old National currently employs 7 Mortgage Loan Originators (MLOs) in its Central Indiana region, which includes the Indianapolis MSA. Six of those MLOs are within the Indianapolis MSA. All are located in predominantly White areas. Old National publishes photographs of its MLOs on its website. It appears that all but one of the MLOs in the Central Indiana region are White, and none are Black.

“Even when Black home seekers reach out to Old National Bank about what is the biggest purchase for most Americans, they face even further barriers,” continued Nelson. “Old National’s practice of redlining was further confirmed by fair housing testing conducted by the FHCCI. In two separate matched-pair tests conducted, loan officers from Old National treated Black testers less favorably than similarly situated White testers.”

The FHCCI also alleges Old National should have been especially attuned to the country’s fair lending laws and the need to make loans available in communities of color due to its 2018 purchase of KleinBank. Only the month before its purchase by Old National, KleinBank entered a [settlement agreement](#) with the United States Department of Justice to resolve the government’s lawsuit alleging that the bank was engaged in illegal mortgage redlining in majority-minority census tracts.

Old National Bancorp, the parent organization of Old National Bank, recently announced a deal to acquire Michigan bank, First Midwest Bancorp., in late 2021 or early 2022. Despite fair lending concerns raised by the FHCCI and other lending advocates, the Federal Reserve Bank of St. Louis, which is reviewing the merger, has not rejected it as of today’s release. The Office of the Comptroller of the Currency (OCC) has moved forward and approved the transaction despite the concerns of fair lending advocates. A decision by the Federal Reserve remains pending. The FHCCI asks that the Federal Reserve conduct its due diligence to ensure fair lending concerns are addressed before any merger is approved.

The FHCCI needs your help.

- If you live in Indianapolis and feel you may have been discriminated against in a lending transaction, please contact our office at [info@fhcci.org](mailto:info@fhcci.org) or 317-644-0673 x1004.
- To learn more about how systemic racism is still impacting our neighborhoods, view and share the FHCCI videos on [History of Redlining](#), [History of Real Estate Sales Discrimination in Indianapolis](#), or [Reverse Redlining 101](#).

The FHCCI is represented in this litigation by John Relman, Glenn Schlactus, Sara Pratt, and Alexa Milton of Relman Colfax PLLC and Russell Cate and Matthew Keyes of RileyCate, LLC. To learn more about this filing or to download a copy of the filed complaint, visit our [News Page](#).

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The Fair Housing Center of Central Indiana (FHCCI) is a private, non-profit fair housing organization founded in 2011 and based in Indianapolis, Indiana. Its mission is to ensure equal housing opportunities by eliminating housing discrimination through advocacy, enforcement, education and outreach. For more information, visit: [www.fhcci.org](http://www.fhcci.org)

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