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Old National Bank and FHCCI Announce Major Effort to Expand Lending Opportunities for Majority-Black Neighborhoods in Marion County

INDIANAPOLIS, IN – The Fair Housing Center of Central Indiana (FHCCI) and Old National Bank (ONB) announce a major initiative to increase mortgage lending to Black borrowers and majority-Black neighborhoods in Indianapolis. The initiative will include opening two branch offices in majority-Black census tracts, a \$1.1 million loan subsidy fund, and substantial support for community development corporations (CDCs) and community organizations based and working in Indianapolis' Black neighborhoods.

“The agreement announced today will counteract lending disparities for Black home seekers in Marion County by providing needed mortgage lending opportunities, bank branches, neighborhood stabilization grants, and fair lending education,” stated Amy Nelson, Executive Director of the FHCCI. “The FHCCI and ONB have created a guide for other financial institutions to address their own disparities and ensure fair lending opportunities for all.”

The initiative, which settles a lawsuit filed by the FHCCI in October, will provide significant support for Black neighborhoods and communities in Indianapolis over a three-year term, including:

- **Branches:** Two new full-service branches to open in majority-Black census tracts in Indianapolis. The locations will initially open as loan production offices and will be converted to full-service branches upon regulatory approval in two years.
- **Staffing:** ONB will provide two mortgage loan officers and one community outreach specialist to serve majority-Black areas in Indianapolis.
- **Lending:**
 - ONB will originate at least \$20 million in single family purchase loans in majority-Black areas in Indianapolis over three years through the development of a Special Purpose Credit Program that is intended to help Black applicants and residents of majority-Black census tracts qualify for loans.
 - ONB will provide \$1.1 million in loan subsidies, up to \$10,000 per transaction, to support down payment assistance, mortgage insurance premiums, premiums, and closing cost assistance in majority-Black census tracts.
 - ONB will expand use of its Home Manager Mortgage product, which permits loans with up to 97% LTV with no PMI requirement, and has revised the program guidelines to increase eligibility.
- **Affordable Multifamily Housing:** ONB will provide at least \$7.5 million in loans to support affordable multifamily housing developments in Indianapolis.
- **Grants:** ONB will pay \$1.3 million for grants to local CDCs and community organizations based in or serving majority-Black neighborhoods in Indianapolis.
- **Fair Lending Education:** ONB will make a \$350,000 donation to the FHCCI to support fair lending education opportunities and programs in Indianapolis.

- **Redlining Assessment:** ONB will hire an independent third-party consultant to conduct a comprehensive redlining assessment of Old National's operations in key markets to include Ft. Wayne and Evansville, IN; Louisville, KY; and Minneapolis, MN.
- **Training:** ONB will conduct fair lending training for all relevant employees bank-wide.
- **Marketing:** ONB will spend at least \$300,000 over the term of the agreement in marketing to majority-Black neighborhoods in Indianapolis.
- **Collaboration:** The FHCCI and ONB will meet regularly to review the initiative's progress and discuss strategies and partnerships to increase mortgage lending to Black borrowers in Indianapolis.

"The FHCCI thanks Old National Bank for reaching this agreement and we encourage other area lenders to ensure they are meeting the mortgage needs of the underserved and those still living with the historic disparities that have kept far too many Hoosiers of color from the opportunity of homeownership," continued Nelson.

The FHCCI was 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 initiative, visit our [News Page](#).

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

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