WORDCOM
INTELLIGENT TARGET MARKETING

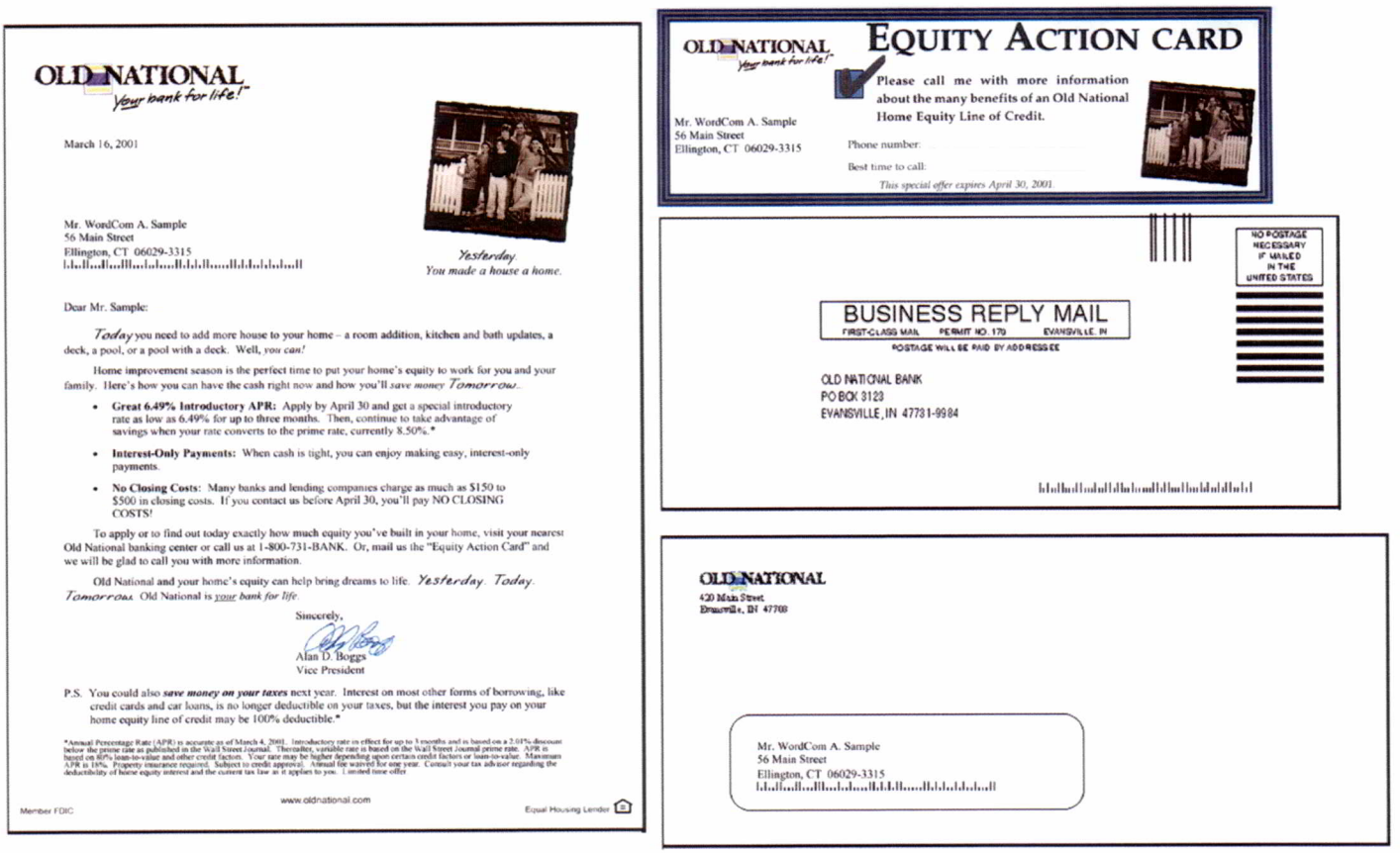
# Equity Loan Case Study

**Goal:** Increase loans outstanding.

**Strategy:** Increase home equity loans by positioning product as a home improvement tool. Offer introductory rate and no closing costs. Solicit current customers without equity loan and prospects.

| EQUITY LOAN – SPRING | |
|---|---|
| **Total Mailed:** 99,035 | **Loans Opened:** 4,590 (4.6% of those mailed) |
| **Total Loan Balance:** $173,609,906 | **Mailing Cost:** $60,315 |
| **ROI:** $4,279,933 (7096%) using spread of 3% and loan loss of .5% | |
| | |
| **Equity Loans Only:** 754 (.8%) | **Equity Balance:** $21,889,722 |
| **ROI Equity Only:** $517,574 (858%) using spread of 3% and loan loss of .36% | |

Similar Package:



OLD NATIONAL
Your bank for life!

March 16, 2001

Mr. WordCom A. Sample
56 Main Street
Ellington, CT 06029-3315

*Yesterday.*
*You made a house a home.*

Dear Mr. Sample:

*Today* you need to add more house to your home – a room addition, kitchen and bath updates, a deck, a pool, or a pool with a deck. Well, *you can!*

Home improvement season is the perfect time to put your home's equity to work for you and your family. Here's how you can have the cash right now and how you'll *save money Tomorrow*.

- **Great 6.49% Introductory APR:** Apply by April 30 and get a special introductory rate as low as 6.49% for up to three months. Then, continue to take advantage of savings when your rate converts to the prime rate, currently 8.50%.*
- **Interest-Only Payments:** When cash is tight, you can enjoy making easy, interest-only payments.
- **No Closing Costs:** Many banks and lending companies charge as much as $150 to $500 in closing costs. If you contact us before April 30, you'll pay NO CLOSING COSTS!

To apply or to find out today exactly how much equity you've built in your home, visit your nearest Old National banking center or call us at 1-800-731-BANK. Or, mail us the "Equity Action Card" and we will be glad to call you with more information.

Old National and your home's equity can help bring dreams to life. *Yesterday. Today. Tomorrow.* Old National is *your bank for life.*

Sincerely,

Alan D. Boggs
Vice President

P.S. You could also ***save money on your taxes*** next year. Interest on most other forms of borrowing, like credit cards and car loans, is no longer deductible on your taxes, but the interest you pay on your home equity line of credit may be 100% deductible.*

*Annual Percentage Rate (APR) is accurate as of March 4, 2001. Introductory rate in effect for up to 3 months and is based on a 2.01% discount below the prime rate as published in the Wall Street Journal. Thereafter, variable rate is based on the Wall Street Journal prime rate. APR is based on 80% loan-to-value and other credit factors. Your rate may be higher depending upon certain credit factors or loan-to-value. Maximum APR is 18%. Property insurance required. Subject to credit approval. Annual fee waived for one year. Consult your tax advisor regarding the deductibility of home equity interest and the current tax law as it applies to you. Limited time offer.

www.oldnational.com

Member FDIC

Equal Housing Lender

OLD NATIONAL
Your bank for life!

EQUITY ACTION CARD

Please call me with more information about the many benefits of an Old National Home Equity Line of Credit.

Mr. WordCom A. Sample
56 Main Street
Ellington, CT 06029-3315

Phone number:

Best time to call:

*This special offer expires April 30, 2001.*

NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO. 170 EVANSVILLE, IN
POSTAGE WILL BE PAID BY ADDRESSEE

OLD NATIONAL BANK
PO BOX 3123
EVANSVILLE, IN 47731-9984

OLD NATIONAL
420 Main Street
Evansville, IN 47708

Mr. WordCom A. Sample
56 Main Street
Ellington, CT 06029-3315