CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: MADISON FINANCIAL CORPORATION (MFC) (MADISON BANK, RICHMOND, KY)
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RSSD (for Bank Holding Companies): 9050 / 2552099
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions): 34306

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR		Comments
1. Loan Balances				
a. Average Consumer Loans	$71,184	$70,508	MTD ave Consumer loans including residential mtgs, home equity, cash reserve & overdrafts	Bank is experiencing an increased demand in seconday refinancing. Other consumer loans are flat or declining as consumers consolidate their debts in refinancing to secondary mortgages. Foreclosure on residnetial real estate have driven these numbers down as well.
b. Average Commercial Loans	$44,711	$44,347	MTD ave Commercial loans	Commercial loans continue to grow. The Richmond community is experiencing the emergence of development in higher end retail as a result of several newly developed regions. This has prompted small business to embrace this new economy.
c. Total Loans (sum of lines a and b)	$115,895	$114,855	Total Loans - MTD average - Gross	Portfolio has fluctuated overall, over the past several years. Experienced deteriorating credits in speculative housing and smaller consumer loans. Overall have sustained losses and appears to have flattened and improved somewhat.

2. General Market Commentary (optional)

MFC does not originate loans - only the subsidiary Madison Bank.