



***"We're not going to get a recovery in housing until the average borrower can get a mortgage," Ken Rosen-U of C Berkley housing economist***

Good news and bad news in the May numbers.

**Commercial lending is slowly showing improvement.** There were twelve commercial mortgages securing loans in excess of one million dollars recorded in May. More broadly, there were thirty mortgages over \$500,000 recorded in April and May of this year. Last year in April and May there were only fourteen such mortgages. This increase confirms anecdotal evidence that I've heard. Some banks—but not all banks—are making commercial loans in well qualified situations. A welcome sign of improvement.

**The residential side of the market is still very soft.** Our mainstay barometer of market activity is recorded mortgages securing between \$50,000 and \$500,000, as these most often represent residential first mortgage transactions. Only 497 such mortgages were recorded in the last two months. **This is the lowest April/May total in the fifteen years that we've been providing our report.** We seem to be in yet another "interest rates will never be this low again" market. Yet, consumers are not paying attention. Or more likely, they may be unable to qualify under today's standards.

The oppressive effect of regulatory and underwriting excesses is clearly taking its toll. According to a [recent article in the Wall Street Journal](#), loan application rejections increased to 26.8% of all applications at the nation's ten largest mortgage lenders in 2010. It would be hard to argue that increased rejection rates are not reflected in our own market. The numbers don't lie. Hopefully, at some point, government officials and regulators will come to their senses. **Without a strong housing sector, there's little hope of the country enjoying a robust economic recovery.**

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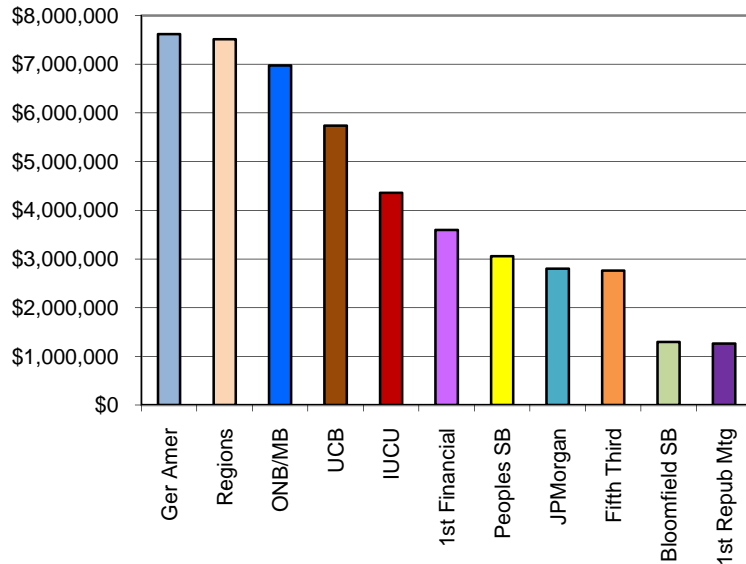
On a more positive note, our acquisition of Meridian Title's Bloomington office is transitioning well. I've attached a recent update for those who may have missed it. At this point, I can't imagine how things could be going better. Thank you to all who offered their congratulations and well wishes. All of us here at John Bethell Title truly appreciate that.

~John Bethell



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**Dollars - May 2011**



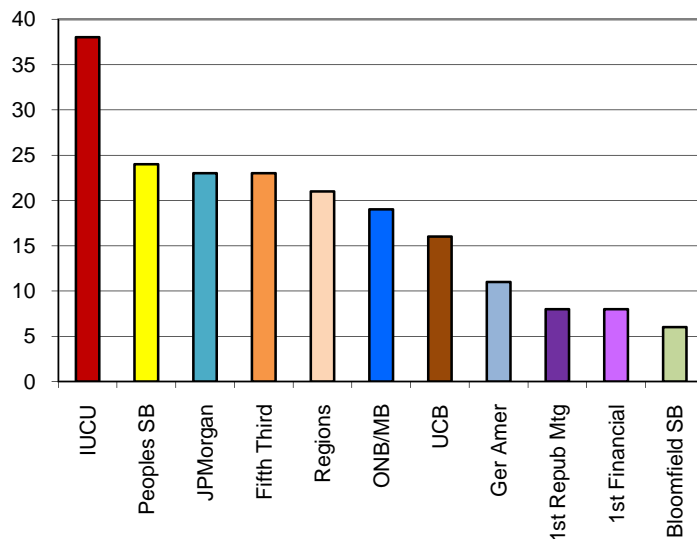
Residential and commercial property mortgages filed in Monroe County during May 2011.

Ger Amer	7,617,120
Regions	7,507,677
ONB/MB	6,970,509
UCB	5,734,911
IUCU	4,358,694
1st Financial	3,594,777
Peoples SB	3,054,532
JPMorgan	2,800,529
Fifth Third	2,764,254
Bloomfield SB	1,294,606
1st Repub Mtg	1,262,733

Note- Charts & report do not include re-recordings, modifications, or those recorded without a property description. Fifth Third includes Fifth Third Bank & Fifth Third Mtg, Regions includes Regions Bank & Regions Mtg.

**Transactions - May 2011**

IUCU	38
Peoples SB	24
JPMorgan	23
Fifth Third	23
Regions	21
ONB/MB	19
UCB	16
Ger Amer	11
1st Repub Mtg	8
1st Financial	8
Bloomfield SB	6





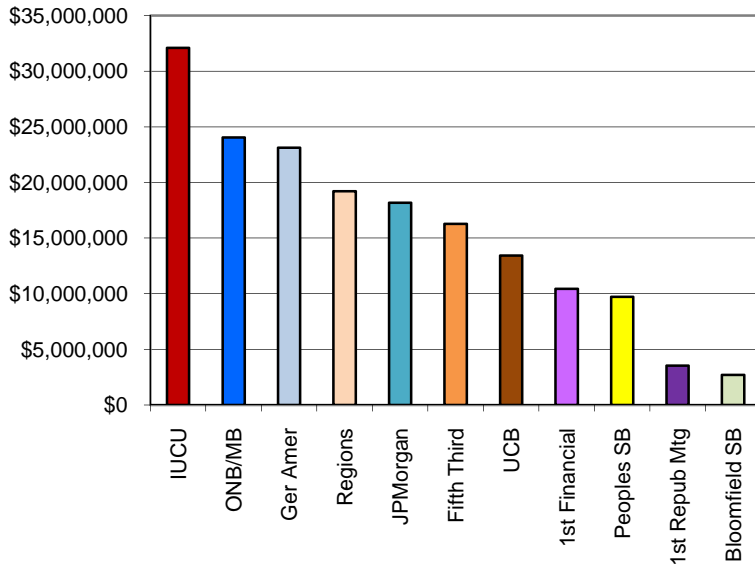
Mortgage Report covering all mortgages on Monre County property, both residential and commercial, filed with the Monroe County Recorder during the month of May 2011.

Lender	0 to \$49,999		\$50,000 to \$199,999		\$200,000-\$499,999		\$500,000 & up		Total Docs	%	Total		
	Docs	Amount	Docs	Amount	Docs	Amount	Docs	Amount			Docs	Amount	%
ALLY BANK	0	0	1	93,000	0	0	0	0	0	1	0.3	93,000	0.1
ALLIED HOME MORTGAGE	0	0	1	57,000	3	723,750	0	0	0	4	1.3	780,750	1
BAXTER CREDIT UNION	1	17,600	0	0	0	0	0	0	0	1	0.3	17,600	0
BANK OF AMERICA	0	0	2	206,200	1	251,600	0	0	0	3	0.9	457,800	0.6
BLOOMFIELD STATE BANK	1	17,000	3	408,500	1	250,000	1	619,106	6	1.9	1,294,606	1.7	
CRANE FEDERAL C U	1	45,000	2	193,000	0	0	0	0	0	3	0.9	238,000	0.3
CITIMORTGAGE	0	0	2	274,063	0	0	0	0	0	2	0.6	274,063	0.4
FARM CREDIT SERVICES	1	33,749	2	197,794	0	0	1	919,200	4	1.3	1,150,743	1.5	
FIRST FINANCIAL BANK	1	12,000	3	470,000	2	532,000	2	2,580,777	8	2.5	3,594,777	4.7	
FARMERS AND MECHANICS	0	0	0	0	0	0	0	0	0	0	0	0	0
FIRST REPUBLIC MORTGAGE	0	0	6	709,901	2	552,832	0	0	0	8	2.5	1,262,733	1.7
FIFTH THIRD BANK	3	59,400	1	77,478	0	0	0	0	0	4	1.3	136,878	0.2
FIFTH THIRD MORTGAGE	2	69,586	13	1,629,682	4	928,108	0	0	0	19	6	2,627,376	3.5
GERMAN AMERICAN BANCORP	0	0	3	360,005	5	1,370,300	3	5,886,815	11	3.5	7,617,120	10	
GATEWAY MORTGAGE GROUP	0	0	3	273,387	0	0	0	0	0	3	0.9	273,387	0.4
HOOSIER HILLS C U	1	10,000	1	77,940	0	0	0	0	0	2	0.6	87,940	0.1
INDIANA UNIVERSITY C U	9	282,900	22	2,208,900	7	1,866,894	0	0	0	38	12	4,358,694	5.7
JPMORGAN CHASE BANK	0	0	21	2,250,294	2	550,235	0	0	0	23	7.3	2,800,529	3.7
MONROE BANK	1	0	5	443,400	4	1,280,250	0	0	0	10	3.2	1,723,650	2.3
METLIFE HOME LOANS	1	39,000	2	246,098	1	204,929	0	0	0	4	1.3	490,027	0.6
MORTGAGE MASTERS	0	0	1	166,504	1	280,000	0	0	0	2	0.6	446,504	0.6
OWEN COMMUNITY BANK	0	0	1	167,500	0	0	0	0	0	1	0.3	167,500	0.2
OWEN COUNTY STATE BANK	1	39,000	3	306,200	1	430,000	0	0	0	5	1.6	775,200	1
OLD NATIONAL BANK	1	29,000	6	590,462	1	224,299	1	4,403,098	9	2.8	5,246,859	6.9	
PROVIDENT FUNDING	0	0	1	124,350	0	0	0	0	0	1	0.3	124,350	0.2
PEOPLES STATE BANK	3	74,000	15	1,511,814	6	1,468,718	0	0	0	24	7.6	3,054,532	4
REGIONS BANK	1	40,000	4	281,513	1	250,000	2	4,093,106	8	2.5	4,664,619	6.1	
REGIONS MORTGAGE	0	0	7	918,708	6	1,924,350	0	0	0	13	4.1	2,843,058	3.7
UNITED COMMERCE BANK	1	2,000	7	874,410	5	1,131,501	3	3,727,000	16	5	5,734,911	7.5	
UNITED STATES OF AMERICA	0	0	1	110,550	0	0	0	0	0	1	0.3	110,550	0.1
UNION SAVINGS BANK	1	20,000	6	559,550	3	843,500	0	0	0	10	3.2	1,423,050	1.9
WELLS FARGO BANK	0	0	9	1,018,785	1	218,250	0	0	0	10	3.2	1,237,035	1.6
All Others	8	118,801	37	4,455,369	14	3,591,055	4	12,732,532	63	19.9	20,897,757	27.5	
TOTALS	38	909,036	191	21,262,357	71	18,872,571	17	34,961,634	317	100	76,005,598	100	



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**Dollars - Year-to-Date through May 2011**



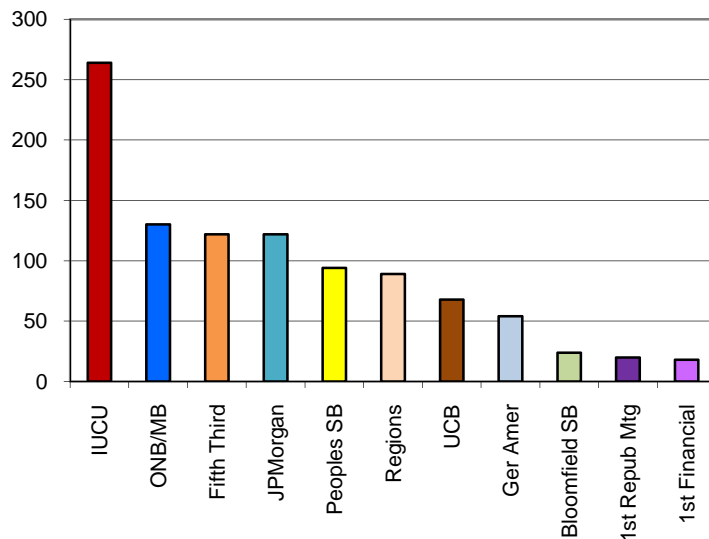
Residential and commercial property mortgages filed in Monroe County during 2011.

IUCU	32,090,345
ONB/MB	24,035,465
Ger Amer	23,105,425
Regions	19,208,778
JPMorgan	18,175,746
Fifth Third	16,288,641
UCB	13,442,264
1st Financial	10,434,689
Peoples SB	9,720,361
1st Repub Mtg	3,537,665
Bloomfield SB	2,703,260

Note- Charts & report do not include re-recordings, modifications, or those recorded without a property description. Fifth Third includes Fifth Third Bank & Fifth Third Mtg, Regions includes Regions Bank & Regions Mtg.

**Transactions - Year-to-Date through May 2011**

IUCU	264
ONB/MB	130
Fifth Third	122
JPMorgan	122
Peoples SB	94
Regions	89
UCB	68
Ger Amer	54
Bloomfield SB	24
1st Repub Mtg	20
1st Financial	18



Mortgage Report covering all mortgages on Monroe County property, both residential and commercial, filed with the Monroe County Recorder during 2011.

Lender	0 to \$49,999		\$50,000 to \$199,999		\$200,000-\$499,999		\$500,000 & up		Total Docs	%	Total Amount	%
	Docs	Amount	Docs	Amount	Docs	Amount	Docs	Amount				
ALLY BANK	1	49,000	7	732,637	1	254,700	0	0	9	0.6	1,036,337	0.3
ALLIED HOME MORTGAGE	0	0	8	747,315	3	723,750	1	507,620	12	0.8	1,978,685	0.6
BAXTER CREDIT UNION	1	17,600	5	621,180	2	576,100	0	0	8	0.5	1,214,880	0.4
BANK OF AMERICA	0	0	19	2,456,396	6	1,672,640	0	0	25	1.6	4,129,036	1.3
BLOOMFIELD STATE BANK	7	161,400	15	1,672,754	1	250,000	1	619,106	24	1.5	2,703,260	0.9
CRANE FEDERAL C U	5	148,000	10	1,060,530	0	0	0	0	15	0.9	1,208,530	0.4
CITIMORTGAGE	0	0	7	918,733	2	428,141	0	0	9	0.6	1,346,874	0.4
FARM CREDIT SERVICES	1	33,749	4	378,788	2	536,219	1	919,200	8	0.5	1,867,956	0.6
FIRST FINANCIAL BANK	3	80,200	6	819,623	5	1,293,438	4	8,241,428	18	1.1	10,434,689	3.3
FARMERS AND MECHANICS	2	50,000	5	555,000	0	0	0	0	7	0.4	605,000	0.2
FIRST REPUBLIC MORTGAGE	0	0	14	1,687,083	6	1,850,582	0	0	20	1.3	3,537,665	1.1
FIFTH THIRD BANK	9	204,500	8	603,817	0	0	0	0	17	1.1	808,317	0.3
FIFTH THIRD MORTGAGE	4	155,886	85	10,548,201	15	4,016,237	1	760,000	105	6.6	15,480,324	4.9
GERMAN AMERICAN BANCORP	2	58,000	22	2,760,262	20	6,507,848	10	13,779,315	54	3.4	23,105,425	7.4
GATEWAY MORTGAGE GROUP	0	0	8	831,649	1	295,450	0	0	9	0.6	1,127,099	0.4
HOOSIER HILLS C U	2	40,000	4	379,940	1	255,000	0	0	7	0.4	674,940	0.2
INDIANA UNIVERSITY C U	61	1,545,460	156	16,129,197	43	11,190,688	4	3,225,000	264	16.7	32,090,345	10.2
JPMORGAN CHASE BANK	1	42,000	99	10,196,999	20	6,037,747	2	1,899,000	122	7.7	18,175,746	5.8
MONROE BANK	7	120,900	50	5,478,235	12	3,619,417	1	1,921,486	70	4.4	11,140,038	3.5
METLIFE HOME LOANS	1	39,000	12	1,435,598	5	1,201,090	0	0	18	1.1	2,675,688	0.9
MORTGAGE MASTERS	0	0	6	966,238	2	502,220	0	0	8	0.5	1,468,458	0.5
OWEN COMMUNITY BANK	0	0	2	287,500	0	0	0	0	2	0.1	287,500	0.1
OWEN COUNTY STATE BANK	2	59,000	10	980,753	4	1,253,152	0	0	16	1	2,292,905	0.7
OLD NATIONAL BANK	7	210,084	39	4,026,473	11	3,215,604	3	5,443,266	60	3.8	12,895,427	4.1
PROVIDENT FUNDING	0	0	7	974,550	3	790,000	0	0	10	0.6	1,764,550	0.6
PEOPLES STATE BANK	20	474,976	63	6,523,451	11	2,721,934	0	0	94	5.9	9,720,361	3.1
REGIONS BANK	5	119,300	10	1,104,838	4	1,087,005	3	4,593,106	22	1.4	6,904,249	2.2
REGIONS MORTGAGE	3	93,400	43	5,228,704	19	5,387,425	2	1,595,000	67	4.2	12,304,529	3.9
UNITED COMMERCE BANK	6	102,250	43	4,956,413	15	4,069,601	4	4,314,000	68	4.3	13,442,264	4.3
UNITED STATES OF AMERICA	0	0	2	201,000	0	0	0	0	2	0.1	201,000	0.1
UNION SAVINGS BANK	3	88,000	43	4,853,062	6	1,546,400	0	0	52	3.3	6,487,462	2.1
WELLS FARGO BANK	3	62,383	40	4,850,537	8	1,896,998	0	0	51	3.2	6,809,918	2.2
All Others	25	252,700	193	24,200,179	75	21,516,995	15	58,416,241	308	19.5	104,386,115	33.2
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TOTALS	181	4,207,788	1045	119,167,635	303	84,696,381	52	106,233,768	1581	100	314,305,572	100



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Mortgage Report covering all mortgages on Monre County property, both residential and commercial, filed with the Monroe County Recorder during the month of May 2011.

Lender	0 to \$75,000		\$75,001 to \$199,999		\$200,000-\$417,000		\$417,001 & up		Total Docs	%	Total Amount	%	
	Docs	Amount	Docs	Amount	Docs	Amount	Docs	Amount					
ALLY BANK	0	0	1	93,000	0	0	0	0	0	1	0.3	93,000	0.1
ALLIED HOME MORTGAGE	1	57,000	0	0	3	723,750	0	0	4	1.3	780,750	1	
BAXTER CREDIT UNION	1	17,600	0	0	0	0	0	0	1	0.3	17,600	0	
BANK OF AMERICA	0	0	2	206,200	1	251,600	0	0	3	0.9	457,800	0.6	
BLOOMFIELD STATE BANK	1	17,000	3	408,500	1	250,000	1	619,106	6	1.9	1,294,606	1.7	
CRANE FEDERAL C U	2	120,000	1	118,000	0	0	0	0	3	0.9	238,000	0.3	
CITIMORTGAGE	0	0	2	274,063	0	0	0	0	2	0.6	274,063	0.4	
FARM CREDIT SERVICES	2	89,999	1	141,544	0	0	1	919,200	4	1.3	1,150,743	1.5	
FIRST FINANCIAL BANK	1	12,000	3	470,000	2	532,000	2	2,580,777	8	2.5	3,594,777	4.7	
FARMERS AND MECHANICS	0	0	0	0	0	0	0	0	0	0	0	0	
FIRST REPUBLIC MORTGAGE	1	59,200	5	650,701	2	552,832	0	0	8	2.5	1,262,733	1.7	
FIFTH THIRD BANK	3	59,400	1	77,478	0	0	0	0	4	1.3	136,878	0.2	
FIFTH THIRD MORTGAGE	3	138,586	12	1,560,682	4	928,108	0	0	19	6	2,627,376	3.5	
GERMAN AMERICAN BANCORP	1	70,000	2	290,005	5	1,370,300	3	5,886,815	11	3.5	7,617,120	10	
GATEWAY MORTGAGE GROUP	0	0	3	273,387	0	0	0	0	3	0.9	273,387	0.4	
HOOSIER HILLS C U	1	10,000	1	77,940	0	0	0	0	2	0.6	87,940	0.1	
INDIANA UNIVERSITY C U	15	653,800	16	1,838,000	7	1,866,894	0	0	38	12	4,358,694	5.7	
JPMORGAN CHASE BANK	4	216,429	17	2,033,865	2	550,235	0	0	23	7.3	2,800,529	3.7	
MONROE BANK	4	195,800	2	247,600	4	1,280,250	0	0	10	3.2	1,723,650	2.3	
METLIFE HOME LOANS	1	39,000	2	246,098	1	204,929	0	0	4	1.3	490,027	0.6	
MORTGAGE MASTERS	0	0	1	166,504	1	280,000	0	0	2	0.6	446,504	0.6	
OWEN COMMUNITY BANK	0	0	1	167,500	0	0	0	0	1	0.3	167,500	0.2	
OWEN COUNTY STATE BANK	2	108,000	2	237,200	0	0	1	430,000	5	1.6	775,200	1	
OLD NATIONAL BANK	4	218,374	3	401,088	1	224,299	1	4,403,098	9	2.8	5,246,859	6.9	
PROVIDENT FUNDING	0	0	1	124,350	0	0	0	0	1	0.3	124,350	0.2	
PEOPLES STATE BANK	8	369,700	10	1,216,114	6	1,468,718	0	0	24	7.6	3,054,532	4	
REGIONS BANK	4	222,513	1	99,000	1	250,000	2	4,093,106	8	2.5	4,664,619	6.1	
REGIONS MORTGAGE	0	0	7	918,708	6	1,924,350	0	0	13	4.1	2,843,058	3.7	
UNITED COMMERCE BANK	2	55,083	6	821,327	5	1,131,501	3	3,727,000	16	5	5,734,911	7.5	
UNITED STATES OF AMERICA	0	0	1	110,550	0	0	0	0	1	0.3	110,550	0.1	
UNION SAVINGS BANK	3	133,250	4	446,300	3	843,500	0	0	10	3.2	1,423,050	1.9	
WELLS FARGO BANK	2	121,710	7	897,075	1	218,250	0	0	10	3.2	1,237,035	1.6	
All Others	12	361,301	33	4,212,869	14	3,591,055	4	12,732,532	63	19.9	20,897,757	27.5	
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TOTALS	78	3,345,745	151	18,825,648	70	18,442,571	18	35,391,634	317	100	76,005,598	100	



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Mortgage Report covering all mortgages on Monre County property, both residential and commercial, filed with the Monroe County Recorder during 2011.

Lender	0 to \$75,000		\$75,001 to \$199,999		\$200,000-\$417,000		\$417,001 & up		Total	%	Total	%
	Docs	Amount	Docs	Amount	Docs	Amount	Docs	Amount	Docs		Amount	
ALLY BANK	2	101,250	6	680,387	1	254,700	0	0	9	0.6	1,036,337	0.3
ALLIED HOME MORTGAGE	3	163,650	5	583,665	3	723,750	1	507,620	12	0.8	1,978,685	0.6
BAXTER CREDIT UNION	1	17,600	5	621,180	2	576,100	0	0	8	0.5	1,214,880	0.4
BANK OF AMERICA	0	0	19	2,456,396	6	1,672,640	0	0	25	1.6	4,129,036	1.3
BLOOMFIELD STATE BANK	8	228,900	14	1,605,254	1	250,000	1	619,106	24	1.5	2,703,260	0.9
CRANE FEDERAL C U	8	347,030	7	861,500	0	0	0	0	15	0.9	1,208,530	0.4
CITIMORTGAGE	0	0	7	918,733	2	428,141	0	0	9	0.6	1,346,874	0.4
FARM CREDIT SERVICES	2	89,999	3	322,538	2	536,219	1	919,200	8	0.5	1,867,956	0.6
FIRST FINANCIAL BANK	3	80,200	6	819,623	5	1,293,438	4	8,241,428	18	1.1	10,434,689	3.3
FARMERS AND MECHANICS	2	50,000	5	555,000	0	0	0	0	7	0.4	605,000	0.2
FIRST REPUBLIC MORTGAGE	1	59,200	13	1,627,883	6	1,850,582	0	0	20	1.3	3,537,665	1.1
FIFTH THIRD BANK	13	455,647	4	352,670	0	0	0	0	17	1.1	808,317	0.3
FIFTH THIRD MORTGAGE	9	469,999	80	10,234,088	15	4,016,237	1	760,000	105	6.6	15,480,324	4.9
GERMAN AMERICAN BANCORP	4	203,000	20	2,615,262	19	6,057,848	11	14,229,315	54	3.4	23,105,425	7.4
GATEWAY MORTGAGE GROUP	1	55,100	7	776,549	1	295,450	0	0	9	0.6	1,127,099	0.4
HOOSIER HILLS C U	3	109,000	3	310,940	1	255,000	0	0	7	0.4	674,940	0.2
INDIANA UNIVERSITY C U	105	4,137,415	112	13,537,242	43	11,190,688	4	3,225,000	264	16.7	32,090,345	10.2
JPMORGAN CHASE BANK	26	1,588,317	74	8,650,682	18	5,107,747	4	2,829,000	122	7.7	18,175,746	5.8
MONROE BANK	18	839,100	39	4,760,035	12	3,619,417	1	1,921,486	70	4.4	11,140,038	3.5
METLIFE HOME LOANS	2	91,440	11	1,383,158	5	1,201,090	0	0	18	1.1	2,675,688	0.9
MORTGAGE MASTERS	0	0	6	966,238	2	502,220	0	0	8	0.5	1,468,458	0.5
OWEN COMMUNITY BANK	0	0	2	287,500	0	0	0	0	2	0.1	287,500	0.1
OWEN COUNTY STATE BANK	5	238,000	7	801,753	3	823,152	1	430,000	16	1	2,292,905	0.7
OLD NATIONAL BANK	16	752,682	30	3,483,875	11	3,215,604	3	5,443,266	60	3.8	12,895,427	4.1
PROVIDENT FUNDING	0	0	7	974,550	3	790,000	0	0	10	0.6	1,764,550	0.6
PEOPLES STATE BANK	43	1,914,859	40	5,083,568	11	2,721,934	0	0	94	5.9	9,720,361	3.1
REGIONS BANK	9	352,602	6	871,536	4	1,087,005	3	4,593,106	22	1.4	6,904,249	2.2
REGIONS MORTGAGE	8	455,126	38	4,866,978	19	5,387,425	2	1,595,000	67	4.2	12,304,529	3.9
UNITED COMMERCE BANK	14	590,195	35	4,468,468	15	4,069,601	4	4,314,000	68	4.3	13,442,264	4.3
UNITED STATES OF AMERICA	0	0	2	201,000	0	0	0	0	2	0.1	201,000	0.1
UNION SAVINGS BANK	8	397,750	38	4,543,312	6	1,546,400	0	0	52	3.3	6,487,462	2.1
WELLS FARGO BANK	8	372,943	35	4,539,977	8	1,896,998	0	0	51	3.2	6,809,918	2.2
All Others	41	1,252,514	177	23,200,365	71	19,658,669	19	60,274,567	308	19.5	104,386,115	33.2
TOTALS	363	15,413,518	863	107,961,905	295	81,028,055	60	109,902,094	1581	100	314,305,572	100



June 20, 2011

Friends,

Last Friday evening we completed our purchase of the Bloomington Indiana office of Meridian Title Corporation. **All of Meridian's pending title insurance and closing transactions are being converted and will be closed at John Bethell Title.**

Mike Duncan and Rose Henry are now located in our Walnut Street office. They will work to ensure that Meridian's existing client base, especially those with pending transactions, are well taken care of during this transition. **Mike's direct line is 812-245-1061. Rose's direct line is 812-245-1068.** Meridian's phone, fax and emails are being forwarded to John Bethell Title.

Any required conversions of title insurance commitments and/or closing protection letters will be completed during the coming week. Affected clients will be individually contacted. Closings may be scheduled by contacting Mike, Rose or any other member of the John Bethell Title closing team.

**Requests for post closings services on Meridian transactions should be directed to Mike Duncan.** Mike will coordinate these requests with Meridian for you.

Sandi Weddle, Meridian's third employee, has been granted a leave of absence and will not be joining us at this time.

Thank you to everyone who expressed their congratulations and good wishes last week. Especially all of Meridian's clients who continued to place new orders with us after the purchase was announced. That speaks volumes for how well you regard Mike, Rose and our company. All of us here are looking forward to providing an even greater level of service to you in the coming months.

~John Bethell

*329 South Walnut Street  
Bloomington, Indiana 47401  
Phone: 812-339-8434 Fax: 812-333-5063*