

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2000

or

TRANSITION REPORT PURSUANT TO SECTION 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM

_____ TO _____

FIRST MERCHANTS CORPORATION
RETIREMENT SAVINGS PLAN

Full title of the plan and the address of the plan,
if different from that of the issuer named below:

FIRST MERCHANTS CORPORATION
200 EAST JACKSON
MUNCIE, IN 47305

Name of issuer of the securities held pursuant to the
plan and the address of its principal executive office

First Merchants Corporation
Retirement Savings Plan
Table of Contents

Page

Independent Accountants' Report	1
Financial Statements	
Statement of net assets available for benefits	2
Statement of changes in net assets available for benefits	3
Notes to financial statements	4
Supplemental Schedules	
Schedule H, line 4i-Schedule of assets held for investment purposes at end of year	8
Schedule H, line 4j-Schedule of reportable transactions	9
Exhibit	
Exhibit 23, Consent of Independent Accountants	10

Independent Accountants' Report

Administrative Committee
First Merchants Corporation
Retirement Savings Plan
Indianapolis, Indiana

We have audited the accompanying statement of net assets available for benefits of First Merchants Corporation Retirement Savings Plan as of December 31, 2000 and 1999, and the related statement of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of First Merchants Corporation Retirement Savings Plan at December 31, 2000 and 1999, and the changes in its net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes at end of year and reportable transactions referred to as "supplemental information," are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

BKD, LLP

Indianapolis, Indiana
June 7, 2001

First Merchants Corporation
 Retirement Savings Plan
 Statement of Net Assets Available for Benefits

December 31	2000	1999
<hr style="border-top: 1px dashed black;"/>		
Assets		
Investments, at fair value		
Temporary deposit funds	\$ 415,194	\$ 482,379
Collective investment funds	10,232,468	9,606,458
Mutual funds	681,184	662,901
	<hr style="border-top: 1px dashed black;"/>	
Total investments	11,328,846	10,751,738
Employee contributions receivable	24,673	
Employer contributions receivable	27,739	28,143
Accrued income receivable	2,372	19,550
Cash		2,762
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Total assets	11,383,630	10,802,193
Liabilities		
Cash overdraft	68,203	
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Net Assets Available for Benefits	\$11,315,427	\$10,802,193
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See notes to financial statements.

First Merchants Corporation
 Retirement Savings Plan
 Statement of Changes in Net Assets Available for Benefits

Year Ended December 31	2000	1999
Additions		
Investment income		
Net appreciation in fair value of investments	\$ 98,238	\$ 1,219,064
Interest and dividends	68,532	63,825
	166,770	1,282,889
Employee contributions	798,722	1,032,407
Employer contributions	124,756	109,837
Transfers from other plans		1,374,720
	1,090,248	3,799,853
Deductions--benefits paid to participants	577,014	310,279
	513,234	3,489,574
Net Increase	10,802,193	7,312,619
Net Assets Available for Benefits, Beginning of Year	10,802,193	7,312,619
Net Assets Available for Benefits, End of Year	\$11,315,427	\$10,802,193

See notes to financial statements.

First Merchants Corporation
Retirement Savings Plan
Notes to Financial Statements

Note 1 - Description of Plan

The following description of First Merchants Corporation Retirement Savings Plan (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined-contribution plan sponsored by First Merchants Corporation (Corporation) for the benefit of all employees who have completed one year of service, worked at least 1000 hours, and are age twenty-one or older. As of January 1, 2001, the eligibility age was lowered to age 18. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). First Merchants Bank, N.A. (Bank) is the trustee of the Plan.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Corporation make annual contributions of up to 15% of eligible compensation. Employee rollover contributions are also permitted. The Corporation makes matching contributions of its employees' salary deferral amounts of 25% of the first 5% of employees' eligible compensation. Forfeitures are used to reduce the Corporation's contributions.

Participant Investment Account Options

Investment account options available include a managed, fixed value, bond, stock, international equity and small cap fund, and as of January 1, 2001, a Corporation stock fund. Each participant has the option of directing his contributions into any of the separate investment accounts and may change the allocation quarterly.

Participant Accounts

Each participant's account is credited with the participant's contribution, allocation of the Corporation contribution and Plan earnings. Allocations of Plan earnings are based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting

Participants are immediately vested in their salary deferral and rollover contribution accounts plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service.

Payment of Benefits

Upon termination of service, participants may elect to receive a lump-sum amount or installments equal to the value of their accounts. Withdrawals other than for termination are permitted under circumstances provided by the Plan.

Plan Termination

Although it has not expressed any intent to do so, the Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Note 2 - Summary of Significant Accounting Policies

Method of Accounting

The accompanying financial statements are prepared on the accrual method of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets available for benefits. Actual results could differ from those estimates.

Investments

Investments are valued at estimated fair value. Temporary deposit funds are valued at cost, which approximates market. Purchases and sales of securities are recorded on a trade-date basis.

Payment of Benefits Benefits are recorded when paid.

Administrative Expenses

Administrative expenses may be paid by the Corporation or the Plan, at the Corporation's discretion.

Note 3 - Investments

The Plan's investments are held by a bank-administered trust fund. The Plan's investments (including investments bought, sold, and held during the year) appreciated in fair value as follows:

	2000	
Year Ended December 31	Net Appreciation (Depreciated) in Fair Value During Year	Fair Value at End of Year
Investments at estimated fair value as determined by quoted prices in an active market		
Mutual funds	\$(101,887)	\$ 681,184
Investments at estimated fair value and cost which approximates market		
Temporary deposit funds		415,194
Collective investment funds	200,125	10,232,468
	\$ 98,238	\$11,328,846

First Merchants Corporation
 Retirement Savings Plan
 Notes to Financial Statements

Year Ended December 31	1999	
	Net Appreciation in Fair Value During Year	Fair Value at End of Year
Investments at estimated fair value as determined by quoted prices in an active market		
Mutual funds	\$ 136,012	\$ 662,901
Investments at estimated fair value and cost which approximates market		
Temporary deposit funds		482,379
Collective investment funds	1,083,052	9,606,458
	\$1,219,064	\$10,751,738

The fair values of individual investments that represented 5% or more of the Plan's assets were as follows:

December 31	2000	1999
First Merchants Bank, N.A. Intermediate Growth Fund for Tax Exempt Accounts	\$8,206,877	\$7,816,447
First Merchants Bank, N.A. Intermediate Term Income Fund for Tax Exempt Accounts	2,025,591	1,790,011

Note 4 - Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

The Plan invests in First Merchants Bank, N.A. Temporary Fund II, Intermediate Growth Fund for Tax Exempt Accounts and Intermediate Term Income Fund for Tax Exempt Accounts.

First Merchants Corporation
 Retirement Savings Plan
 Notes to Financial Statements

Activity at fair value was as follows:

	First Merchants Bank, N.A. Temporary Deposit Fund	First Merchants Bank, N.A. Intermediate Growth Fund for Tax Exempt Accounts	First Merchants Bank, N.A. Intermediate Term Income Fund for Tax Exempt Accounts
Balance, January 1, 1998	\$258,195	\$5,337,817	\$1,328,591
Changes	219,774	2,478,630	461,420
Balance, December 31, 1999	477,969	7,816,447	1,790,011
Changes	(62,775)	390,430	235,580
Balance, December 31, 2000	\$415,194	\$8,206,877	\$2,025,591

The Corporation provides certain administrative services at no cost to the Plan.

Note 5 - Tax Status

The Internal Revenue Service has advised that the Plan constitutes a qualified plan under Section 401 of the Internal Revenue Code and that the trust established under the Plan is therefore exempt from federal income taxes. The Plan has been restated since receiving the determination letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and that the Plan was qualified and the related trust was tax exempt as of the financial statement date.

Note 6 - Plan Changes and Restatement

During 1999, the Plan added employees of The First National Bank of Portland (The First National Bank 401(k) Plan) and Madison Community Bank (Anderson Community Bank Salary Savings Plan) to the Plan. Assets of previous plans for these employees totaled \$1,374,720 that were transferred into the Plan in 1999. Effective January 1, 2001, employees of Decatur Bank and Trust Company (Decatur Bank and Trust Company 401(k) Profit Sharing Plan) were added to the Plan, and assets of approximately \$2,337,000 were transferred into the Plan.

The Plan was restated effective January 1, 1998. As of January 1, 2001, a Corporation stock fund was added as an investment account option, and the Plan eligibility age was lowered to age 18.

Supplemental Schedules

First Merchants Corporation
 Retirement Savings Plan
 Schedule H, line 4i--Schedule of Assets Held for Investment Purposes
 at End of Year
 December 31, 2000
 Employer Identification Number: 35-1544218 Plan Number: 002

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Par or Maturity Value	(e) Current Value

	Temporary Deposit Funds		
	*First Merchants Bank, N.A. Temporary Fund II	\$415,194	\$ 415,194

	Collective Investment Funds		
	*First Merchants Bank, N.A. Intermediate Growth Fund for Tax Exempt Accounts	345,639 shares	8,206,877
	*First Merchants Bank, N.A. Intermediate Term Income Fund for Tax Exempt Accounts	254,752 shares	2,025,591

			10,232,468

	Mutual Funds		
	T. Rowe Price International Fund	4,944 shares	71,791
	Scudder International Fund	1,453 shares	73,076
	Franklin Templeton Foreign Fund	7,909 shares	81,783
	Vanguard International Fund	3,862 shares	72,868
	Franklin Small Cap Growth Fund	3,737 shares	147,821
	Managers Special Equity Fund	1,583 shares	121,611
	T. Rowe Price Small Cap Value Fund	5,814 shares	111,288
	Franklin Templeton Developing Markets	89 shares	946

			681,184

			\$11,328,846
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*Party-in-interest

First Merchants Corporation
 Retirement Savings Plan
 Schedule H, line 4j--Schedule of Reportable Transactions
 (Transactions in Excess of 5% of Plan Assets at Beginning of Year)
 Year Ended December 31, 2000
 Employer Identification Number: 35-1544218 Plan Number: 002

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Assets	Purchase Price	Selling Price	Lease Rental	Expenses Incurred With Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Issuer	First Merchants Bank, N.A. Temporary Fund 11 Purchases Sales	\$961,935	\$1,017,614			\$ 961,935 1,017,614	\$ 961,935 1,017,614	

Exhibit 23

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in a Registration Statement on Form S-8 (File Number 333-50484) of our report dated June 7, 2001, with respect to the financial statements of the First Merchants Corporation Retirement Savings Plan included in its Annual Report on Form 11-K for the year ended December 31, 2000.

BKD, LLP
Indianapolis, Indiana
June 25, 2001

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: 06/07/01

By: /s/ Kimberly J. Ellington

Kimberly J. Ellington
First Merchants Corporation
Retirement Savings Plan