



**SMALL BANK**

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Comptroller of the Currency  
Administrator of National Banks  
Washington, DC 20219

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## **PUBLIC DISCLOSURE**

**September 11, 2006**

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Florida Capital Bank, N.A.  
Charter Number 20214  
10151 Deerwood Park Blvd.  
Building 100, Suite 410  
Jacksonville, FL 32256**

**Comptroller of the Currency  
Ken Page, North Florida Field Office  
8375 Dix Ellis Trail, Suite 403  
Jacksonville, FL 32256**

**NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

## **INSTITUTION'S CRA RATING: This institution is rated Satisfactory.**

- Florida Capital Bank, N.A.'s (FCB) average loan-to-deposit ratio is reasonable and favorable in comparison to peer averages.
- The bank makes a majority of its loans within its assessment area.
- FCB's lending to businesses of different sizes, particularly to small businesses, is satisfactory.
- The geographic distribution of business lending is reasonable.

## **DESCRIPTION OF INSTITUTION**

Florida Capital Bank, N.A. is an intrastate bank headquartered in Jacksonville, Florida and wholly-owned by Florida Capital Group, Inc., a one-bank holding company. The bank was chartered in 1985 under the name of First National Bank located in Tarpon Springs, Florida. The bank was purchased by Florida Capital Group, Inc. (formally known as Gulf Atlantic Financial Group, Inc.) in October 2004, and in April 2005, the bank was renamed to FCB. Due to the recent change in control and significant change in business strategy, the bank's CRA performance is analyzed by, and will be reflective of, current lending practices. As such, the evaluation period for this review is October 2004 to August 2006. The last CRA evaluation was October 1999 and the bank received a "Satisfactory" rating.

The bank's primary strategy is focused on servicing small and mid-sized businesses. Products and services offered are generally geared for the business customer and include a wide array of credit products, including small business lending guaranteed by the U.S. Small Business Administration (SBA), and related financial services. During the evaluation period, FCB originated 15 SBA loans totaling over \$6 million. Business lending represents 85%, or \$297 million, of the loan portfolio, with the remaining 15% in consumer loans that are generally made to business customers.

As of June 30, 2006, the bank had total assets of \$369 million, with the loan portfolio accounting for 84% of total assets. Net tier 1 capital of \$40 million represents 12.46% of adjusted average assets. There are currently no financial, legal or other impediments that would inhibit the bank's ability to meet the community credit needs within its assessment areas.

## **DESCRIPTION OF ITS FIVE ASSESSMENT AREAS**

### *Description of the Tampa-St. Petersburg-Clearwater Assessment Area - Metropolitan Statistical Area (MSA) 45300*

This assessment area (AA), which is located on the west coast of Florida, includes all of Hillsborough, Pasco and Pinellas Counties. FCB has two branches in Tampa that were opened in 2005 and 2006, and a Tarpon Springs office which was acquired in 2004. A loan production office (LPO) is located in Pinellas County. Specific 2005 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Tampa-St. Petersburg-Clearwater AA (Hillsborough, Pinellas and Pasco Counties)</b>	
<i>Population:</i>	
Number of Families	601,155
Number of Households	954,336
<i>Median Family Income (MFI):</i>	\$52,150
<i>Geographies:</i>	
Number of Census Tracts:	522
% Low-Income Census Tracts	3%
% Moderate-Income Census Tracts	25%
% Middle-Income Census Tracts	45%
% Upper-Income Census Tracts	27%
<i>Businesses:</i>	
Number of Businesses located in the AA:	205,434
% of Low-Income Census Tracts	2%
% of Moderate-Income Census Tracts	24%
% of Middle-Income Census Tracts	44%
% of Upper-Income Census Tracts	30%

*Source: 2000 Census, 2005 HUD updated income data and Dunn and Bradstreet data*

Based upon 2000 Census Bureau economic data, the assessment area has a total population of 2,265,195. Approximately 81% of the population is under 65 years of age and 88% of all housing units are occupied. There are a total of 205,434 non-farm businesses in the assessment area (which includes 66,601 businesses that did not report business revenues), of which 129,858, or 63%, are categorized as small businesses (total revenues of \$1 million or less). Like much of Florida, the AA's economy is heavily based on services and tourism. Many corporations, such as large bank and telecommunications companies, maintain regional offices in the AA, and the city is an extremely popular location for call centers. In addition, Tampa's port is now the seventh largest in the nation. Largest employers include Verizon, the University of South Florida and Publix Super Markets. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank's assessment area is intense. Approximately 62 financial institutions are operating in 700 offices within the AA. Contact by the OCC with a locally-based community organization identified affordable housing programs for low- and moderate-income families as a continued credit need in the assessment area.

*Description of the Gainesville Assessment Area (MSA 23540)*

This assessment area, which is located in north central Florida, includes the entire county of Alachua. The bank operates a branch in the city of Gainesville, which opened in 2005. Gainesville is the largest city and the county seat of Alachua County. Specific 2005 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Gainesville AA (Alachua County)</b>	
<i>Population:</i>	
Number of Families	48,100
Number of Households	87,536
<i>Median Family Income (MFI):</i>	\$52,300
<i>Geographies:</i>	
Number of Census Tracts located in:	43
% Low-Income Census Tracts	16%
% Moderate-Income Census Tracts	23%
% Middle-Income Census Tracts	37%
% Upper-Income Census Tracts	24%
<i>Businesses:</i>	
Number of Businesses located in AA:	16,577
% Low-Income Census Tracts	9%
% Moderate-Income Census Tracts	28%
% Middle-Income Census Tracts	36%
% Upper-Income Census Tracts	27%

*Source: 2000 Census, 2005 HUD updated income data and Dunn and Bradstreet data.*

Based upon 2000 Census Bureau economic data, the assessment area has a total population of 217,955. Approximately 90% of the population is under 65 years of age and 92% of all housing units are occupied. There are a total of 16,577 non-farm businesses located in the assessment area (which includes 5,628 businesses that did not report business revenues), of which 10,243, or 62%, are categorized as small businesses. The area's economy is heavily impacted by the education and health care industries. The University of Florida, the fourth-largest university in the United States, is one of the largest employers in Alachua County. In addition, Shands HealthCare system (a private-public university partnership) is also a major employer. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank's assessment area is strong. Approximately 13 financial institutions are operating in 59 offices within the AA. Contact by the OCC with a locally-based community organization stated the performance of local financial institutions was satisfactory; however, there continues to be a need for business financing for large and small projects.

*Description of the Jacksonville Assessment Area (MSA 27260)*

This assessment area, which is located in northeast Florida, includes all of Duval and St. Johns Counties. Jacksonville is the county seat of Duval County and St. Augustine is the county seat for St. Johns County. The bank's headquarters are located in this assessment area in the city of Jacksonville. The bank operates a branch in Jacksonville and two branches in St. Augustine. The branches were opened in 2005 and 2006. Specific 2005 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Jacksonville (Duval and St. Johns Counties) AA</b>	
<i>Population:</i>	
Number of Families	237,493
Number of Households	353,492
<i>Median Family Income (MFI):</i>	\$51,988
<i>Geographies:</i>	
Number of Census Tracts:	169
% Low-Income Census Tracts	7%
% Moderate-Income Census Tracts	29%
% Middle-Income Census Tracts	46%
% Upper-Income Census Tracts	18%
<i>Businesses:</i>	
Number of Businesses located in the AA:	74,294
% Low-Income Census Tracts	5%
% Moderate-Income Census Tracts	27%
% Middle-Income Census Tracts	43%
% Upper-Income Census Tracts	25%

*Source: 2000 Census, 2005 HUD updated income data and Dunn and Bradstreet data revenues.*

Based upon 2000 Census Bureau economic data, the assessment area has a total population of 902,014. Approximately 89% of the population is under 65 years of age. 91% of all housing units are occupied. There are a total of 74,294 non-farm businesses (which includes 24,070 businesses that did not report business revenues) located in the assessment area, of which 46,537, or 63%, are categorized as small businesses. Jacksonville is the most populous city in the state. Jacksonville has become a popular location for insurance, financial, data processing and other back-office operations, as well as the health care and tourism industries. The local economy is strongly supported by the federal government, as the largest employers in the area continue to be Jacksonville Naval Air Station and Mayport Naval Station. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank's assessment area is intense. Approximately 32 financial institutions are operating in 239 offices within the AA. Contact by the OCC with a locally-based community organization identified affordable housing programs for low- and moderate-income families as a continued credit need in the assessment area.

*Description of the Deltona-Daytona Beach-Ormond Beach Assessment Area (MSA 19660)*

This assessment area, which is located on the east coast of Florida, includes all of Volusia County. The bank operates a branch in Ormond Beach, which opened in 2005. Specific 2005 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Deltona-Daytona Beach-Ormond Beach (Volusia County) AA</b>	
<i>Population:</i>	
Number of Families	120,720
Number of Households	184,721
<i>Median Family Income (MFI):</i>	\$48,200
<i>Geographies:</i>	
Number of Census Tracts:	78
% Low-Income Census Tracts	3%
% Moderate-Income Census Tracts	19%
% Middle-Income Census Tracts	67%
% Upper-Income Census Tracts	11%
<i>Businesses:</i>	
Number of Businesses located in the AA:	38,958
% Low-Income Census Tracts	1%
% Moderate-Income Census Tracts	19%
% Middle-Income Census Tracts	64%
% Upper-Income Census Tracts	16%

*Source: 2000 Census, 2005 HUD updated income data and Dunn and Bradstreet data.*

Based upon 2000 Census Bureau economic data, the assessment area has a total population of 443,343. Approximately 78% of the population is under 65 years of age and 87% of all housing units are occupied. There are a total of 38,958 non-farm businesses (which includes 11,546 businesses that did not report business revenues) located in the assessment area, of which 26,120, or 67%, are categorized as small businesses. The local economy is largely supported by tourism as Daytona Beach is well-known as a year-round resort area. As such, service sector industries, including medical, financial and tourism play a vital part in providing employment. Construction is also an important economic sector for this area as Volusia County continues to experience double-digit growth figures. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank's assessment area is intense. Approximately 24 financial institutions are operating in 152 offices within the AA. Contact by the OCC with a locally-based community organization disclosed that the performance of local financial institutions was satisfactory; however, there continues to be a need for business financing for large and small projects.

*Description of the West Palm Beach-Boca Raton-Boynton Beach Assessment Area (MSA 48424)*

This assessment area, which is located in South Florida, includes all of Palm Beach County. West Palm Beach is the county seat. The bank operates two branches, one each in Boca Raton and Delray Beach. Both branches opened in 2006. There is also an LPO in North Palm Beach. Specific 2005 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the West Palm Beach-Boca Raton-Boynton Beach (Palm Beach County) AA</b>	
<i>Population:</i>	
Number of Families	306,002
Number of Households	474,295
<i>Median Family Income (MFI):</i>	\$61,850
<i>Geographies:</i>	
Number of Census Tracts:	265
% Low-Income Census Tracts	6%
% Moderate-Income Census Tracts	26%
% Middle-Income Census Tracts	34%
% Upper-Income Census Tracts	33%
% of NA tracts	1%
<i>Businesses:</i>	
Number of Businesses located in the AA:	134,418
% Low-Income Census Tracts	4%
% Moderate-Income Census Tracts	22%
% Middle-Income Census Tracts	34%
% Upper-Income Census Tracts	40%

*Source: 2000 Census, 2005 HUD updated income data and Dunn and Bradstreet data*

Based upon 2000 Census Bureau economic data, the assessment area has a total population of 1,131,184. Approximately 77% of the population is under 65 years of age and 85% of all housing units are occupied. There are a total of 134,418 non-farm businesses (which includes 42,004 businesses that did not report business revenues) located in the assessment area, of which 86,883, or 65%, are categorized as small businesses. Palm Beach County is the third most populous county in the state and continues to be a popular, upscale tourist and retiree destination. In fact, the size of the retiree population is nearly 45% greater than the national average. As a result, the demand for services and retail goods is strong and the service and health care industries dominate the employment sector. The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank's assessment area is intense. Approximately 59 financial institutions are operating in 478 offices within the AA. Contact by the OCC with a locally-based community organization identified affordable housing programs for low- and moderate-income families as a continued credit need in the assessment area.

# CONCLUSIONS ABOUT PERFORMANCE CRITERIA

## Lending Test

- **Loan-to-Deposit Ratio - Meets the Standard for Satisfactory Performance**

*FCB's average loan-to-deposit ratio is reasonable at 77% and favorable in comparison to peer averages.* The average loan-to-deposit (LTD) ratio was calculated and averaged for each quarter since the last CRA exam in October 1999. We compared the bank's average LTD ratio to all banks located in the counties where the bank has offices (Hillsborough, Pinellas, Alachua, Duval, St. Johns, Volusia, and Palm Beach) with total assets less than \$500 million and have been in business for more than 18 months. The average LTD ratio for the last 27 quarters for FCB was 77%, which compares favorably to the average of the 71 peer banks' LTD ratio of 81% for the same time period.

- **Lending in Assessment Area - Meets the Standard for Satisfactory Performance**

*The bank makes a majority of its loans within its assessment areas.* This conclusion is based on our analysis of a sample of 123 business loan originations during October 22, 2004 to August 31, 2006. As detailed in the table below, 81% (by number) and 81% (by dollar amount) of total loans made during our evaluation period were within FCB's assessment areas.

<b>Lending in the Combined Assessment Areas</b>										
Type of Loan	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Business Loans	100	81%	23	19%	123	\$48,787	81%	\$11,604	19%	\$60,391

- **Lending to Borrowers of Different Incomes and to Businesses of Different Sizes - Meets the Standard for Satisfactory Performance**

*FCB's lending to businesses of different sizes, particularly to small businesses, is satisfactory.* The distribution of loans, given the demographics of the assessment areas, reflects reasonable penetration among businesses of different income levels for all five AAs. Our analysis is based upon a random sample of 100 business loans totaling \$48,787 million originated during the evaluation period. We sampled 20 business loans for each assessment area. Our analysis did not include a review of consumer loans, as this is not the primary loan product for the bank. The following charts show a breakdown of those loans according to business and loan size for each of the five AAs.

## DISTRIBUTION OF LOANS TO BUSINESSES WITHIN THE FIVE ASSESSMENT AREAS

### Loans to Small Farms and Businesses - Distribution by Gross Revenues

Distribution of Loans to Businesses in:				
<b>Hillsborough, Pinellas and Pasco Counties</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	63%	4%	33%	100%
% of Bank Loans in AA by #	55%	45%	0%	100%
% of Bank Loans in AA by \$	51%	49%	0%	100%
<b>Alachua County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	62%	4%	34%	100%
% of Bank Loans in AA by #	60%	40%	0%	100%
% of Bank Loans in AA by \$	47%	53%	0%	100%
<b>Duval and St. Johns Counties</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	63%	5%	32%	100%
% of Bank Loans in AA by #	55%	45%	0%	100%
% of Bank Loans in AA by \$	48%	52%	0%	100%
<b>Volusia County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	67%	3%	30%	100%
% of Bank Loans in AA by #	55%	45%	0%	100%
% of Bank Loans in AA by \$	50%	50%	0%	100%
<b>Palm Beach County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	65%	4%	31%	100%
% of Bank Loans in AA by #	35%	65%	0%	100%
% of Bank Loans in AA by \$	27%	73%	0%	100%

## Loans to Businesses - Proxy Distribution by Loan Size

<b>Borrower Distribution of Loans to Businesses by Loan Size in</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans (000's)	% of Dollars
<b>Hillsborough, Pinellas and Pasco Counties</b>				
\$0-\$100,000	6	30%	400	4%
\$100,001-\$250,000	2	10%	375	3%
\$250,001-\$500,000	5	25%	1,793	17%
\$500,001-\$1,000,000	5	25%	4,435	42%
\$1,000,001-\$3,000,000	2	10%	3,625	34%
Total	20	100%	10,628	100%
<b>Alachua County</b>				
\$0-\$100,000	6	30%	168	3%
\$100,001-\$250,000	8	40%	1,369	27%
\$250,001-\$500,000	3	15%	1,154	22%
\$500,001-\$1,000,000	3	15%	2,470	48%
\$1,000,001-\$3,000,000	0	0%	0	0%
Total	20	100%	5,161	100%
<b>Duval and St. Johns Counties</b>				
\$0-\$100,000	7	35%	360	3%
\$100,001-\$250,000	5	25%	994	9%
\$250,001-\$500,000	2	10%	713	6%
\$500,001-\$1,000,000	2	10%	1,368	12%
\$1,000,001-\$3,000,000	4	20%	8,016	70%
Total	20	100%	11,451	100%
<b>Volusia County</b>				
\$0-\$100,000	6	30%	204	2.5%
\$100,001-\$250,000	8	40%	1,495	19.0%
\$250,001-\$500,000	3	15%	1,262	16.0%
\$500,001-\$1,000,000	0	0%	0	0.0%
\$1,000,001-\$3,000,000	3	15%	4,939	62.5%
Total	20	100%	7,900	100%
<b>Palm Beach County</b>				
\$0-\$100,000	3	15%	159	1%
\$100,001-\$250,000	3	15%	596	4%
\$250,001-\$500,000	6	30%	2,377	18%
\$500,001-\$1,000,000	4	20%	3,153	23%
\$1,000,001-\$3,000,000	4	20%	7,363	54%
Total	20	100%	13,648	100%

*Tampa-St. Petersburg-Clearwater Assessment Area (Hillsborough, Pinellas and Pasco Counties):*

As depicted in the tables above, the bank's lending activities, by total number and dollar amount, to small businesses, compares favorably to the percentage of small businesses located or operating in the assessment area. Our sample of 20 business loans in the assessment area showed 55% of the total number of loans and 51% of the total dollar volume of loans were to small businesses. In comparison, for businesses in the assessment area that reported annual income, approximately 63% are considered small businesses. The analysis also noted very few

loans originated with original amounts in excess of \$1 million. 90% of the sample has loan amounts of \$1 million or less.

*Gainesville Assessment Area (Alachua County):*

As depicted in the tables above, the bank's lending activities by total number and dollar amount, to small businesses, compares favorably to the percentage of small businesses located or operating in the assessment area. Our sample of 20 business loans in the assessment area showed 60% of the total number of loans and 47% of the total dollar volume of loans were to small businesses. In comparison, for businesses in the assessment area that reported annual income, approximately 62% are considered small businesses. The analysis also noted 100% of business loans sampled were in the amount of \$1 million or less.

*Jacksonville Assessment Area (Duval and St. Johns Counties):*

As shown in the tables above, the bank's lending activities by total number and dollar amount, to small businesses, compares favorably to the percentage of small businesses located or operating in the assessment area. Our sample of 20 business loans in the assessment area showed 55% of the total number of loans and 48% of the total dollar volume of loans were to small businesses. In comparison, for businesses in the assessment area that reported annual income, approximately 63% are considered small businesses. The analysis also noted very few loans originated with original amounts in excess of \$1 million. 80% of the sample has loan amounts of \$1 million or less.

*Deltona-Daytona Beach-Ormond Beach Assessment Area (Volusia County):*

As shown in the tables above, the bank's lending activities by total number and dollar amount, to small businesses, compares favorably to the percentage of small businesses located or operating in the assessment area. Our sample of 20 business loans in the assessment area showed 55% of the total number of loans and 50% of the total dollar volume of loans were to small businesses. In comparison, for businesses in the assessment area that reported annual income, approximately 67% are considered small businesses. The analysis also noted very few loans originated with original amounts in excess of \$1 million. 85% of the sample has loan amounts of \$1 million or less.

*West Palm Beach-Boca Raton-Boynton Beach Assessment Area (Palm Beach County):*

As shown in the tables above, the bank's lending activities by total number and dollar amount, to small businesses, compares favorably to the percentage of small businesses located or operating in the assessment area. Our sample of 20 business loans in the assessment area showed 52% of the total number of loans and 45% of the total dollar volume of loans were to small businesses. In comparison, for businesses in the assessment area that reported annual income, approximately 65% are considered small businesses. The analysis also noted very few loans originated with original amounts in excess of \$1 million. 80% of the sample has loan amounts of \$1 million or less.

## Geographic Distribution of Loans

- *The geographic distribution of business lending is reasonable.* Based upon the same sample of 100 loans, the geographic distribution of loans reflects reasonable dispersion throughout the five AA's. The following table illustrates the geographic distribution of commercial loans within these income tracts in comparison to the percent of businesses in each tract.

### DISTRIBUTION OF CREDIT WITHIN THE ASSESSMENT AREA BY CENSUS TRACT INCOME LEVEL

Geographic Distribution of Commercial Loans in								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans						
Hillsborough, Pinellas and Pasco Counties	2%	0%	24%	20%	44%	60%	30%	20%
Alachua County	9%	15%	28%	30%	36%	10%	27%	45%
Duval and St. Johns Counties	5%	15%	27%	35%	43%	25%	25%	25%
Volusia County	1%	5%	19%	5%	64%	60%	16%	30%
Palm Beach County	4%	5%	22%	10%	34%	35%	40%	50%

#### Tampa-St. Petersburg-Clearwater Assessment Area (Hillsborough, Pinellas and Pasco Counties):

As depicted in the table above, the distribution of loans to businesses in the assessment area is reasonable. Our analysis included the same sample of 20 business loans originated in the assessment area. The analysis shows the bank extended 20% of its business loans to businesses located or operating in moderate-income areas. By comparison, economic data shows these census tracts account for 24% of *all* businesses within the assessment area located in moderate-income census tracts. Likewise, lending to middle and upper-income census tracts also shows a similar pattern of distribution. Although the bank made no business loans in low-income geographies, we considered the small number of businesses (2%) located in those geographies.

#### Gainesville Assessment Area (Alachua County):

As depicted in the table above, the distribution of loans to businesses in the assessment area is *strong*. Our analysis included the same sample of 20 business loans originated in the assessment area. The analysis shows the bank extended 15% of its business loans to businesses located or operating in low-income areas. By comparison, economic data shows these census tracts

account for 9% of *all* businesses within the assessment area located in low-income census tracts. The bank also made 30% of its business loans to businesses located in moderate-income areas. Economic data shows these census tracts account for 28% of *all* businesses within the assessment area. Likewise, lending to middle- and upper-income census tracts also shows a similar pattern of distribution.

*Jacksonville Assessment Area (Duval and St. Johns Counties):*

As depicted in the table above, the distribution of loans to businesses in the assessment area is *strong*. Our analysis included the same sample of 20 business loans originated in the assessment area. The analysis shows the bank extended 15% of its business loans to businesses located or operating in low-income areas. By comparison, economic data shows these census tracts account for 5% of all businesses within the assessment area located in low-income census tracts. The bank also made 35% of its business loans to businesses located in moderate-income areas. Economic data shows these census tracts account for 27% of *all* businesses within the assessment area. Likewise, lending to middle- and upper-income census tracts also shows a similar pattern of distribution.

*Deltona-Daytona Beach-Ormond Beach Assessment Area (Volusia County):*

As shown in the table above, the distribution of loans to businesses in the assessment area is reasonable. Our analysis included the same sample of 20 business loans originated in the assessment area. The analysis shows the bank extended 5% of its business loans to businesses located or operating in low-income areas. By comparison, economic data shows these census tracts account for 1% of *all* businesses within the assessment area located in low-income census tracts. Likewise, lending to middle- and upper-income census tracts also shows a similar pattern of distribution. Although the bank made few business loans in moderate-income geographies, we considered the age and location of the branch as likely impacting the lending performance. FCB opened the branch in 2005 and the location is in a middle-income geography. In addition, we also considered the intense competition for financial services as there are approximately 24 financial institutions operating 152 offices within the assessment area.

*West Palm Beach-Boca Raton-Boynton Beach Assessment Area (Palm Beach County):*

As shown in the table above, the distribution of loans to businesses in the assessment area is reasonable. Our analysis included the same sample of 20 business loans originated in the assessment area. The analysis shows the bank extended 5% of its business loans to businesses located or operating in low-income areas. By comparison, economic data shows these census tracts account for 4% of *all* businesses within the assessment area located in low-income census tracts. Likewise, lending to middle- and upper-income census tracts also shows a similar pattern of distribution. Although 10% of business loans originated in the moderate-income geographies reflect a lower dispersion than the 22% of all businesses located in the moderate-income geography, we considered the age of the branches as likely impacting the lending performance. FCB opened both branches in 2006, the most recent opening in July. As such, the volume of lending was limited. In addition, we also considered the intense competition for financial services as there are approximately 59 financial institutions operating 478 offices within the assessment area.

**Responses to Complaints** - Not Applicable

There were no CRA related complaints received by the bank or our office during the period of evaluation.

### **Fair Lending or Other Illegal Credit Practices Review**

We found no evidence of illegal discrimination or other illegal credit practices.