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Comptroller of the Currency  
Administrator of National Banks

**LARGE BANK**

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Washington, DC 20219

## **PUBLIC DISCLOSURE**

**May 10, 1999**

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

**One Valley Bank East, N.A.  
Charter Number 4811**

**P.O. Box 847  
Martinsburg, West Virginia 25401**

**Comptroller of the Currency  
Southeastern District Office  
Marquis One Tower, Suite 600  
245 Peachtree Center Avenue, N.E.  
Atlanta, Georgia 30303-1223**

**NOTE:** 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.

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# GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **One Valley Bank East, N.A.** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **May 10, 1999**. The agency evaluates performance in assessment areas, as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 C.F.R. Part 25.

## INSTITUTION

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**. The main factors supporting the bank's overall rating include:

### Lending Test

- C good responsiveness to assessment area credit needs. The bank originated a large volume of HMDA and small business loans within its assessment areas;
- C a good record of serving the credit needs of low and moderate income individuals as well as small businesses;
- C geographic distribution of the bank's residential mortgage loans and small business loans reflects good penetration throughout its assessment areas;

### Investment Test

- C an adequate level of qualified investments in its communities given available opportunities;

### Service Test

- C service delivery systems that are accessible to geographies and individuals of different income levels in the assessment areas; and
- C a relatively high level of community development services provided.

In arriving at the overall rating, consideration was given to the bank's market presence in each of the three assessment areas. In evaluating market presence, we considered the number of branches, amount of loans and deposits, and length of time the bank had operated in each market. Performance in MSA 8840 was given the greatest weight since it is the area in which the bank conducts a substantial majority of its business. Conversely, minimal weight was given to performance in the Winchester, Virginia assessment area since the bank had minimal deposits and had only operated in that market the last few months of 1998. Full scope reviews were performed on all three assessment areas.

The following table indicates the performance level of OVB with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	<u>One Valley Bank East, N.A.</u> Martinsburg, WV		
	PERFORMANCE TESTS		
	Lending Test <sup>1</sup>	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

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<sup>1</sup> The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

## DESCRIPTION OF INSTITUTION

One Valley Bank East, N.A. (OVBEast) is headquartered in Martinsburg, West Virginia. OVB-East is owned by One Valley Bancorp, a \$5.9 billion multi-bank holding company operating in West Virginia and Virginia. OVB-East is a \$412 million dollar institution operating 13 full-service offices. The West Virginia offices are dispersed in the following manner: five in Berkeley County, three in Jefferson County, and two in Morgan County. The Virginia offices consist of one in Loudoun County (opened 11/2/98) and two in Frederick County (opened 10/19/98 and 9/28/98). OVB-East also maintains 11 onsite ATMs and 21 offsite ATMs. OVB-East is an interstate bank.

A substantial majority of the bank's business is conducted in Berkeley and Jefferson Counties which are part of the assessment area MSA 8840. OVB-East's lending activities include commercial, residential mortgage, small business, and consumer loans. OVB-East is a significant market participant in all mentioned lending activities within the Berkeley/Jefferson County area of MSA 8840 and in Morgan County, West Virginia. OVB-East is new to the Winchester market and not a significant market participant in this assessment area.

As of December 31, 1998, OVB-East had total assets of approximately \$412 million. Loans totaled \$311 million, deposits were \$342 million, and capital totaled \$27 million. The loan portfolio, in dollars, consisted of: 52% residential real estate and home equity loans; 3% multifamily real estate loans; 9% consumer loans; 32% commercial, and 4% other loans.

OVB-East is a consumer oriented, full service lender. OVB-East's lending activities include commercial, residential mortgage, small business, and consumer loans. OVB-East's lending emphasis has been on HMDA lending. The bank is not a small farm lender.

During the first quarter of 1999 we tested OVB-East's lending data to verify its accuracy. We found OVB-East's data to be reliable and accurate. OVB-East's last CRA rating was "**Outstanding Record of Meeting Community Credit Needs**" dated March 27, 1997. There are no financial or legal impediments that would impair the bank's performance under CRA.

## Assessment Areas

OVB-East defined three assessment areas (AAs) which consist of three counties within West Virginia, the city of Winchester Virginia and portions of two counties in Virginia. The bank's total AAs serve a population of 161,069 people representing 44,815 families. These AAs consist of 48 census tracts and block numbering areas, 18 of which are designated as moderate-income areas. There are no low-income areas in any of OVB-East's AAs. In all of its AAs, OVB-East faces strong competition from other financial institutions. The eastern panhandle region of Berkeley, Jefferson and Morgan Counties is the fastest growing region of West Virginia due to spillover from the suburban Washington, D.C. area. The bank's AAs are detailed in each appropriate section of this document. The three bank AAs are as follows:

### 1) **Washington, DC Metropolitan Statistical Area (MSA) 8840**

This AA includes Jefferson and Berkeley Counties in WV and portions of Loudoun County, VA. The following census tracts are included in this AA: tracts 9711 through 9721 in Berkeley County; tracts 9722 through 9728 in Jefferson County; and tracts 6102, 6103, 6107, 6108 in Loudoun County.

### 2) **Non-MSA West Virginia - Morgan County, WV**

This AA is made up entirely of Morgan County, WV which includes census tracts 9707 through 9710.

### 3) **Non-MSA Virginia - Winchester, Virginia and portions of Frederick County**

This AA includes all of Winchester, Virginia and portions of Loudoun County. The following census tracts are included in this AA: 501, 502, 505 through 509, 510.98, 511.98, 512.98, 513.95 through 513.98, 514.97, 514.98, 1.98, 2.98, 3.98, 4.98, 5.97, and 5.98.

## **COMPLIANCE WITH ANTIDISCRIMINATION LAWS AND REGULATIONS**

No violations of the substantive provisions of the antidiscrimination laws and regulations were identified.

To determine compliance, we performed a comparative analysis using a sample of home improvement loan applications underwritten during 1998. The sample consisted of denied applications from black applicants and approved applications from white applicants. We reviewed the sample for differences in underwriting results and interest rates based on the race, gender, and marital status of the applicants. The bank has established an adequate fair lending training program

## Multistate MSA Rating

### CRA Rating for the Washington, DC AA

#### MSA 8840, including West Virginia and Virginia<sup>2</sup> : Satisfactory

The lending test is rated: **High Satisfactory**

The investment test is rated: **Low Satisfactory**

The service test is rated: **High Satisfactory**

The main factors supporting ratings for this AA include:

#### Lending Test

- C good responsiveness to assessment area credit needs. The bank originated a large volume of HMDA and small business loans within its assessment area;
- C a good record of serving the credit needs of low and moderate income individuals as well as small businesses;
- C geographic distribution of the bank's residential mortgage loans and small business loans reflects good penetration throughout this assessment area;

#### Investment Test

- C an adequate level of qualified investments in its communities given available opportunities;

#### Service Test

- C service delivery systems that are accessible to geographies and individuals with different income levels in the assessment area; and
- C a relatively high level of community development services provided.

#### Scope of Examination

We used examination procedures from the Comptroller's Handbook dated October 1997 to perform the evaluation. All lending test information was evaluated for the calendar years 1997 and 1998. Information considered under the Investment and Service Tests covered the time period from January 1, 1997 through May 10, 1999. The examination focused on HMDA and CRA performance data including lending, investment, and service activities in the assessment area. We evaluated the bank's performance relative to market data and demographic information. Additionally, we contacted a representative of one of the local Economic Development Authorities to learn more about the community and credit needs.

#### Description of Institution's Operations in MSA 8840

This is OVB-East's largest AA as well as the area where a substantial majority of the bank's business is conducted. Located in the eastern panhandle of West Virginia, Berkeley and Jefferson Counties make up the eastern most part of West Virginia's eastern panhandle. Loudoun County is in northern Virginia. It borders Jefferson County to the northwest and Maryland to the east. Approximately 111,000 people live in this area. Many residents of the area commute to the Baltimore or Washington, D.C. areas to work.

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<sup>2</sup> This rating reflects performance within the multistate metropolitan area. The statewide evaluations are adjusted and do not reflect performance in the parts of those states contained within the multistate metropolitan area.

There are 22 census tracts in this AA. Eighteen are designated as moderate income areas and four are designated as middle income tracts. The four middle income tracts are all located in Loudoun County, Virginia. The updated MSA median family income for 1997 was \$70,300. This area's unemployment rate is 2.59%. The area has a diverse employment base which includes manufacturing, health care, education, agriculture, retail trade, and tourism.

OVB-East's competition within these counties are Blue Ridge Bank of Martinsburg, Jefferson Security Bank, F&M Bank of Martinsburg, First United Bank and Trust, Huntington Banks - Martinsburg, Middleburg Bank, First Virginia Bank, First Union National Bank, F&B Bank - Winchester and branches of Citizen's National Bank of Berkeley Springs.

OVB-East is a major market participant in HMDA and small business lending in Berkeley and Jefferson Counties of West Virginia. OVB-East's presence is not significant in the four census tracts located in Loudoun County, Virginia which were recently added to this assessment area. The branch in Loudoun County was opened on November 2, 1998. OVB-East's primary lending focus has been on HMDA loans. OVB-East is ranked 5th in deposit market share in Jefferson County and 1st in Berkeley County as of June 30, 1998. The bank did not have branches in Loudoun County as of June 30, 1998 which is the most recent available deposit information available from the FDIC.

The credit related needs in the bank's assessment areas include the following.

- C Affordable housing (e.g. single family rental, multifamily rental, home ownership, and rehabilitation) for low and moderate income individuals.
- C Small business loans.
- C Education pertaining to financial services such as home buying seminars and credit counseling.
- C Community development including infrastructure improvements, public service needs, developing adequate sites and building for industrial growth, and redeveloping deteriorated downtown areas and neighborhoods to make them viable parts of the community.

We determined credit needs through discussions with bank personnel, reviewing municipal plans, HUD consolidated plans, reviewing other information on communities in the AA, and a community contact with a representative of a local Economic Development Authority. Our review of the AA and other relevant information indicates that opportunities for qualified investments in this AA are limited. Community development opportunities center in loans for affordable housing to low and moderate income individuals.

## **Conclusions about Performance Tests**

### **Lending Test**

OVB-East's lending activity for this assessment area during 1997 and 1998 was good. OVB-East is the leading HMDA lender and the second leading Small Business lender in this AA. Table 1 details the number and dollar amount of CRA loan originations in this AA. This data reflects the bank's emphasis on home loans. Eighty-nine percent of the CRA related loans were HMDA loans. A substantial majority of these loans are within the bank's AA. OVB-East is not a farm lender. Demographic information indicates there are 151 small farms in this AA.

OVB-East has the largest market share of HMDA loans both by number and dollar amount in this AA based on 1997 data. Market information for HMDA loans was not available for 1998. Tables 2 through 4 reflect that OVB-East was the leader in terms of market share in this AA for home purchase (11%), home improvement (30%), and home mortgage refinance (13%). OVB-East was second in small business lending market share with a 13% market share. These figures reflect that OVB-East is a significant market participant in their assessment area and a leader in HMDA loan originations.

## ***Geographic Distribution***

Geographic distribution regarding HMDA and small business loans reflects a good penetration in low and moderate income geographic areas. OVB-East did not have any HMDA loans in the four middle income tracts located in Loudoun County, Virginia. This is due to the fact the bank entered this market November 2, 1998 while our review period ended December 31, 1998. There were no unexplained gaps in the geographic distribution of the bank's lending within the AA.

### ***HMDA Lending***

The geographic distribution of HMDA loans is good. See Tables 2 through 4. As mentioned previously, this AA is made up of eighteen moderate and four middle income census tracts. There are no low or upper income tracts in this assessment area. Based on tables 2 through 4, lending distributions exceed the demographics for moderate income tracts. OVB-East's distribution exceeds the demographics for home purchase, home improvement, and home mortgage refinance loans in moderate income areas. In addition to exceeding the demographics, OVB-East's market share in moderate income geographies exceeded its overall market share for home improvement and home mortgage refinance loans. The bank's market share in moderate income geographies for home purchase loans equaled its overall market share of 11%. We placed emphasis on home purchase and home improvement loans due to the identified credit need and the bank's emphasis on these loan products.

### ***Small Business Lending***

Table 5 reflects a good distribution of small business loans originated within the MSA 8840 AA. The table compares the percentage of loans located in various census tract categories to the overall geography income levels. OVB-East's distribution of 91% exceeds the distribution of small businesses (85%) within moderate income tracts. Additionally, the bank's market share of 13% in moderate income tracts matched its overall market share of 13%.

## ***Distribution by Borrower Characteristics***

OVB-East demonstrated good distributions in this AA in both HMDA and small business loans. Tables 7 through 10 detail distributions of HMDA and small business loans by borrower characteristics and compare them to the percent of families within each income characteristic. In most cases for various loan types, OVB-East's HMDA loan distribution exceeds the demographic comparison for low and moderate income individuals.

### ***HMDA Lending***

As shown in tables 7 through 9, the distribution of HMDA loans by borrower income level is good. The distribution of loans to low and moderate income borrowers almost always exceeds the demographic comparison. For home purchase and home improvement loans (tables 7 and 8), OVB-East's distribution exceeds the demographic comparison in low and moderate income individuals. Table 9 reflects that OVB-East's distribution exceeds the demographic for moderate income borrowers, but falls below the demographic comparison for low income borrowers. The fact that OVB-East has exceeded the demographic comparisons for low and moderate borrowers in almost every comparison reflects a good lending distribution. This is of particular note when considering 11% of the total population (or 1/3 of the low income population) is below poverty level. This ratio is an indication of households that lack sufficient income to purchase and maintain a home.

Tables 7 through 9 also reflect positively on OVB-East when reviewing market share. Market share to low and moderate income borrowers exceeds the bank's overall market share in each of the three HMDA products.

### ***Small Business Lending***

Distribution of loans by the revenue of the businesses is good. See Table 10. During the evaluation period, the bank originated 85% of its business loans to small businesses with revenues less than \$1 million. Demographic data indicates 92% of the businesses in the AA have annual revenues less than \$1 million. While OVB-East's distribution fell short of the demographic comparison, it exceeded the aggregate market distribution of 64% for its AA.

Distribution by loan size is also good. Table 10 reflects that 70% of the small business loans were less than \$100M. OVB-East's market share of 16% in lending to businesses with revenues of one million or less exceeded its overall market share of 12%.

### ***Community Development Lending***

OVB-East has originated an adequate amount of community development loans. In this AA, five community development loans were originated for \$2.8 million for the purpose of providing affordable housing for low and moderate income individuals. The most significant of these loans was a \$2.5 million loan for the purpose of constructing a 64-unit apartment building. Thirty-two units are targeted for individuals with income less than 50% of the median income, and thirty-two units are targeted for individuals with income less than 60% of the median income.

### **Investment Test**

OVB-East has made an adequate level of qualified investments. The following investments provided financial support for: affordable housing initiatives, including home buyer education; community services for low and moderate income families and areas; small business education; and economic development and revitalization. See Table 12. Significant qualified investments noted during this review include:

#### **MSA 8840**

**C**     **\$870,000** - Berkeley County Building Commission Bond used to renovate an old bank building to house the Berkeley County Courthouse Annex. This was part of an overall city plan to revitalize the downtown Martinsburg area which is located in a moderate income census tract. Since the Mall came to the area in the early 1990s, downtown Martinsburg has been in need of renovations to its buildings and tenants for these buildings. This bond's interest rate was originally to fluctuate in a range from 5.6% to a maximum rate of 9.6%. In September, 1998 OVB-East agreed to fix the rate at 6% for the entire term of the bond. The bond matures in 2004. This bond was purchased in November 1994.

OVB-East made an adequate level of qualified investments in the form of grants given available opportunities within this assessment area. Twenty-six Grants totaling \$46,312 were made for affordable housing and economic development, community development, business development, and community services.

### **Service Test**

#### ***Retail Banking Services***

Service delivery systems are accessible to geographies and individuals with different income levels in the AA. The bank's delivery systems for the MSA 8840 AA include eight full service offices and one drive-in-only service facilities. The branches have extended lobby hours at least one day a week. Additionally, six branches in this AA have 7:00 am to 7:00 pm drive through hours Monday through Saturday. The reason the branch hours are extended is to meet the needs of the community in which the branch is located.

Refer to Table 13 for details of OVB-East's branch and ATM distribution relative to census tracts of different income levels in the MSA 8840 AA.

### *Changes in Branch Location*

OVB-East's record of closing offices has not affected the accessibility of its services to low or moderate income individuals or geographies. Since the last CRA review, the bank has closed two branches. Both branches were located in moderate income geographies. The Baker Heights branch located on Route 9-East in Martinsburg was closed on August 30, 1997. Management decided to close the branch due to its lack of profitability. The branch was mainly used as a check cashing facility. The 400 Foxcroft Avenue branch in Martinsburg was closed January 30, 1998. This branch was opened as a convenience to trust department customers. It was located in the same building as the Trust Branch. When the bank closed the off-premise branch of the trust department, they closed this branch as well. This office was primarily used as a check cashing facility by trust customers and the closing did not adversely effect the accessibility to bank services for low or moderate income individuals.

OVB-East opened one new branch during the evaluation period in the MSA 8840 AA. The branch was opened in Purcellville, Virginia on November 2, 1998. It is located in a middle income tract. The opening of this branch was OVB-East's expansion into the Loudoun County, Virginia market.

### *Community Development Services*

OVB-East provides a relatively high level of community development services. Primary services include partnerships with a variety of community service, religious, and economic development organizations to provide financial services expertise through board membership, credit counseling, and technical financial assistance for consumers and small businesses. Community development services must have a primary purpose of community development and relate to the provision of financial services. The bank regularly provides services which meet this definition. OVB-East staff and members of the bank's Board of Directors routinely provide technical assistance on financial matters to nonprofit and other community organizations serving low and moderate income housing needs, small businesses and social services targeted to low and moderate income individuals.

Following are examples of the community development services which OVB-East provided in the MSA 8840 AA.

- C **Main Street Martinsburg, Inc.** - A bank officer has worked with other area lenders to develop this loan program which will provide building improvement loans to businesses in downtown Martinsburg. Loans will be priced at prime minus 2 percent and loan amounts will range from \$2,500 to \$15,000. The bank officer also provides technical assistance in helping Main Street make these loans. The town of Martinsburg is located in a moderate income tract and a city plan identifies the need for the improvement of downtown in terms of better storefronts and increased occupancy of commercial space.
- < **Habitat for Humanity** - Two bank officers work with this organization in its Low Income Assisted Mortgage Program (LAMP). This program places low income borrowers in homes with very low income requirements. Payments are based on the borrower's income.
- C **West Virginia Ad Hoc Committee** - A member of OVB-East's staff serves on this committee which addresses affordable housing issues. Members of the committee include realtors, builders, appraisers, and a WV Housing representative. The bank representative provides technical assistance regarding home loans.
- C **Realtor/Lender Affiliate Committee** - This committee addresses affordable housing needs. A representative of OVB-East acts as a link between lenders and realtors to keep realtors apprised of current affordable loan programs for low and moderate income borrowers and changes in those programs.
- C **Berkeley County Economic Development Authority** - This organization's mission promotes economic development in Berkeley County. A senior officer of the bank serves on

the board and offers technical assistance to help the authority meet its objectives.

- C **Credit Counseling** - OVB East mortgage lenders provide credit counseling regarding the West Virginia Housing Development Fund's first time home buyer program. This program is targeted to low and moderate income borrowers.
- C **School Savings Programs** - Bank representatives met with children at Ranson Elementary School and explained how savings accounts work and encouraged the children to open savings accounts. This school is located in a moderate income area.
- C **Direct Deposit** - OVB-East set up direct deposit for two small businesses located in MSA 8840. Additionally, the bank also developed and maintains a 401K plan for one of these small businesses. Both businesses are located in moderate income tracts and the majority of the employees are low or moderate income individuals.
- C **Free Government Check Cashing** - The bank will cash government checks without charging a service fee. This is available to non account holders as well. This service is targeted to low and moderate income individuals as most of the individuals using this service are low or moderate income.

## State Rating

### CRA Rating for West Virginia<sup>3</sup> :

The lending test is rated: **High Satisfactory**  
The investment test is rated: **Low Satisfactory**  
The service test is rated: **High Satisfactory**

The main factors supporting the ratings for this AA include:

#### Lending Test

- C good responsiveness to assessment area credit needs. The bank originated a large volume of HMDA and small business loans within its assessment area;
- C a good record of serving the credit needs of low and moderate income individuals as well as small businesses;
- C geographic distribution of the bank's residential mortgage loans and small business loans reflects good penetration throughout its assessment area;

#### Investment Test

- C an adequate level of qualified investments in its communities given available opportunities;

#### Service Test

- C service delivery systems that are accessible to geographies and individuals with different income levels in the assessment area; and
- C a relatively high level of community development services provided.

#### Description of Institution's Operations in West Virginia

Morgan County, West Virginia is bordered by Berkeley County in the east and Maryland to the north. Based on 1997 updated census data, 12,128 people make their homes here. Morgan County contains four block numbering areas (BNAs). Two are designated middle income areas and two are designated upper income areas. The updated statewide nonmetropolitan median family income for 1997 was \$27,600.

Route 9, a two-lane highway, is Morgan County's main travel route. Interstate 68 is also accessible. Unemployment is low at 3.63%. Employment is provided by education, agriculture, retail trade, and tourism. The bank's competition in this area comes from Citizen's National Bank of Berkeley Springs and a branch of Blue Ridge Bank of Martinsburg. The Morgan County AA is the second largest AA for the bank and comprises approximately 6% of OVB-East's deposits and 7% of its CRA related loans. However, OVB-East is a major market participant in this AA in HMDA and small business lending. OVB-East is 2nd in Morgan County in terms of deposit market share as of June 30, 1998. OVB-East had \$21 million in deposits while the market share leader had \$106 million.

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<sup>3</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## **Conclusions about Performance Tests**

### **Lending Test**

OVB-East's lending activity for this assessment area during 1997 and 1998 was good. Table 1 shows the number and dollar amount of originations of small business, small farm, Home Mortgage Disclosure Act (HMDA), and Community Development loans made in Morgan County. This data reflects the bank's emphasis on HMDA loans. Approximately 94% of the bank's CRA related loans in this AA were HMDA loans during the evaluation period. OVB-East is a significant market participant in this AA and is the leading HMDA and small business lender. OVB-East is not a farm lender. Demographic data indicates there are only six small farms in this AA.

OVB-East has the largest market share of HMDA loans both by number and dollar amount in this AA based on 1997 data. Tables 2 through 4 reflect that OVB-East was the leader in terms of market share in this AA for home purchase (37%), home improvement (57%), and home mortgage refinance (25%). OVB-East was also first in small business lending market share with a 22% market share. These figures reflect that OVB-East is a significant market participant in their assessment area and a leader in HMDA and small business loan originations.

### ***Geographic Distribution***

The geographic distribution of HMDA loans and small business loans is good. There were no unexplained gaps in the geographic distribution. Since Morgan County has no low or moderate income geographies, geographic distribution analysis is less meaningful in this AA. The majority of OVB-East's HMDA and small business loans were in upper income tracts, with the remaining loans in middle income tracts. See Tables 2 through 5 for details on the Geographic distribution.

### ***Distribution by Borrower Characteristics***

OVB-East demonstrated good lending distributions in terms of borrower characteristics for both HMDA and small business loans. Tables 7 through 10 detail HMDA and Small Business lending to borrowers with different characteristics. In most cases for various loan types, OVB-East's HMDA loan distribution exceeds the demographic comparison for low and moderate income individuals.

### ***HMDA Lending***

As shown in tables 7 through 9, the distribution of HMDA loans by borrower income level is good. The bank did not have any loans for home purchase to low income borrowers. However, 85% of the low income households in this AA are below the poverty level. The home purchase loan distribution for moderate income borrowers is 10%, which is lower than the demographic comparison of 16%. See Table 7 for home purchase loan distribution information.

The distribution of home improvement and home mortgage refinance loans (Tables 8 and 9) is good. OVB-East's low income distribution of 12% exceeds the demographic of 11% for home improvement loans. The moderate income distribution of 14% is slightly lower than the demographic comparison of 16%. The distribution of home mortgage refinance loans is less impressive. The bank had zero home mortgage refinance loans to low income individuals. Again, this is explained by the fact that 85% of the low income households in this AA are below the poverty level. The home mortgage refinance distribution of 6% for moderate income borrowers is below the demographic comparison of 16%.

The bank has a 0% market share in loans to low income borrowers for the purpose of home purchase. This is less than the bank's overall market share of 33%. Market share to moderate income borrowers for home purchase equaled 44% and is higher than the bank's overall market share. The bank has 50% market share of home improvement loans to both low and moderate income borrowers. This is less than the bank's overall home improvement market share of 57%. The bank has a 0% market

share for home mortgage refinance loans to low income borrowers which is less than the bank's overall market share of 25%. OVB-East's market share for home mortgage refinance loans to moderate income individuals equals 66% and is much higher than its overall market share.

### *Small Business Lending*

Distribution of loans by the revenue of the businesses is good. See Table 10. During the evaluation period, the bank originated 100% of its business loans to small businesses with revenues less than \$1 million. Demographic data indicates 93% of the businesses in the AA have annual revenues of less than \$1 million.

Distribution by loan size is adequate. Table 10 reflects that 63% of the small business loans were less than \$100M.

### *Community Development Lending*

The Morgan County AA had no community development loans during this evaluation period.

## **Investment Test**

The bank made an adequate level of qualified investments given the limited opportunities available. The only qualified investments in this AA were donations which qualified as grants. Three grants were made totaling \$10,080. The bank does have the following state-wide qualified investment which was also discussed in the multistate MSA section.

### **State of West Virginia**

- C**     **\$130,085** - Investment in Community Development Corporation. OVB-East invested in a CDC with 55 other financial institutions in West Virginia. The purpose of the CDC is to stimulate small business development and expansion, and economic advancement throughout West Virginia by creating jobs and expanding the tax base. The organization is active and provides financing to small businesses that may fail to qualify for conventional loans under normal banking criteria. Each loan from the CDC requires a matching loan from one or more of the shareholder banks. The bank invested \$43,650 in 1994, \$42,485 in 1998, and \$43,950 in 1999

## **Service Test**

### *Retail Banking Services:*

Performance under the service test is good. OVB-East's two Morgan County branches are accessible to geographies and individuals with different income levels in the AA. The branches are both located in middle income geographies which is consistent with the demographics of Morgan County. There are no low or moderate income geographies in Morgan County. The bank offers full services at both offices. Extended lobby hours are offered on Friday at both branches. Additionally, both branches in this AA have 7:00 am to 7:00 pm drive through hours Monday through Saturday. A detailed list of branch locations and hours is available in the bank's public file.

Refer to Table 13 for details of OVB-East's branch and ATM distribution relative to census tracts of different income levels in this AA.

### *Changes in Branch Locations:*

Since the previous CRA examination, the bank has not closed, opened or relocated any branches in this portion of OVB-East's AA.

### *Community Development Services:*

The level of community development services is satisfactory. Senior officers and employees from OVB-East serve on the boards of directors or otherwise volunteer time for a number of community development organizations. These efforts are responsive to community needs and are related to the provision of financial services. The organizations for which the bank's staff serve include:

- C **West Virginia Ad Hoc Committee** - A member of OVB-East's staff serves on this committee which addresses affordable housing issues. Members of the committee include realtors, builders, appraisers, and a WV Housing representative. The bank representative provides technical assistance regarding home loans.
- C **BGP Initiative - Berkeley Springs, Great Cacapon, & Paw Paw Low Interest Business Loan Program** - A bank representative has worked with two other local financial institutions to develop a program to originate building improvement loans at prime minus two percent. Loan amounts will range from \$2,500 to \$15,000. The bank representative also offers technical assistance to the loan program.
- C **Credit Counseling** - OVB-East mortgage lenders provide credit counseling regarding the West Virginia Housing Development Fund's first time home buyer program. This program is targeted to low and moderate income borrowers.
- C **School Savings Programs** - Bank representatives met with children at North Berkeley Elementary School and explained how savings accounts work and encouraged the children to open savings accounts.
- C **Free Government Check Cashing** - The bank will cash government checks without charging a service fee. This is available to non account holders as well. This service is targeted to low and moderate income individuals as most of the individuals using this service are low or moderate income.

## State Rating

CRA Rating for Virginia<sup>4</sup> :

The lending test is rated: **Low Satisfactory**  
The investment test is rated: **Low Satisfactory**  
The service test is rated: **Low Satisfactory**

The main factors supporting the ratings for this AA include:

### Lending Test

C an adequate level of responsiveness to assessment area credit needs given the length of time the bank has operated in this AA .

### Investment Test

C an adequate level of qualified investments and grants in its communities given available opportunities and length of time in this AA; and

### Service Test

C service delivery systems that are accessible to geographies and individuals with different income levels in the assessment areas.

### Description of Institution's Operations in Virginia

This part of the bank's delineated community includes the City of Winchester and portions of Frederick County in Virginia. Frederick County is the northern most county in Virginia and is bordered by Berkeley County, WV in the northeast. Winchester is located in the center of this county. Almost 38,000 people live in these areas. This AA contains sixteen BNAs, but only nine are populated. Of these nine, two are designated as middle-income areas and seven are upper-income areas. The updated statewide nonmetropolitan median family income for 1997 was \$34,800. Unemployment is low at 2.31%. Employment is provided by manufacturing, retail trade, and the medical profession.

OVB-East's competition in this AA includes multinational banks like Wachovia, Crestar Bank, and First Union as well as community banks, such as Bank of Clarke County and F&M Bank. OVB-East is a new entrant to this market having opened its two branches in this AA on September 9, 1998 and October 19, 1998. No deposit market share data is available due to the limited time the bank has had branches in this assessment area.

### Lending Test

#### *Lending Activity*

OVB-East's lending activity for this AA during 1998 was limited due to the fact they entered the market the latter portion of the year. Table 1 shows the number and dollar amount of originations of small business, small farm, Home Mortgage Disclosure Act (HMDA), and Community Development

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<sup>4</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

loans made in the Virginia AA. Although limited, this data reflects the bank's emphasis on HMDA loans. Approximately 94% of the bank's CRA related loans in this AA were HMDA loans during the evaluation period. OVB-East is not a significant market participant in this AA as they have only recently entered the market. This AA also is not significant relative to OVB-East's overall loan and deposit activity. OVB-East is not a farm lender.

### ***Geographic Distribution***

This AA has no low or moderate income tracts, so a distribution analysis by census tracts would not be meaningful.

### ***Distribution by Borrower Characteristics***

OVB-East demonstrated an adequate lending distribution in terms of borrower characteristics considering the limited presence in the market. Tables 7 through 10 detail HMDA and Small Business lending to borrowers with different characteristics. OVB-East's HMDA loans center in middle and upper income borrowers. For home mortgage refinance loans, OVB-East did have a 5% distribution to moderate income borrowers which is below the demographic comparison of 12%. The bank's limited activity in this market makes it difficult to place much emphasis on the distribution patterns in the AA.

OVB-East originated six small business loans in this market during the evaluation period. All six loans were less than \$100,000.

### **Investment Test**

Three grants totaling \$3,100 were made during the evaluation period.

### **Service Test**

#### ***Retail Banking Services***

OVB-East's two branches are accessible to geographies and individuals with different income levels in the AA. The branches are both located in middle income geographies which is consistent with the demographics of this AA. Extended lobby hours are offered on Friday at both branches. Additionally, both branches in this AA have 7:00 am to 7:00 pm drive through hours Monday through Saturday. A detailed list of branch locations and hours is available in the bank's public file.

#### ***Changes in Branch Locations:***

OVB-East opened two offices in the City of Winchester which represent their entrance to this market. The branches were opened on September 28, 1998 and October 19, 1998. No offices have been closed.

#### ***Community Development Services:***

OVB-East provides an adequate level of community development services in its AA based on its size and available opportunities.

- C Free Government Check Cashing** - The bank will cash government checks without charging a service fee. This is available to non account holders as well. This service is targeted to low and moderate income individuals as most of the individuals using this service are low and moderate income.

## APPENDIX - A

### Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate** - Any company that controls, is controlled by, or is under common control by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Block Numbering Area (BNA)** - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

**Census Tract (CT)** - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

**Community Development (CD)** - Affordable housing for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA)** - The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Full-Scope Review** - Performance under the Lending, Investment and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

**Geography** - A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA)** - The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

**Home Mortgage Loans** - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

**Limited-Scope Review** - Performance under the Lending, Investment and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution).

**Low-Income** - Income levels that are less than 50% of the median family income.

**Median Family Income (MFI)** - The median income determined by the United States Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Statistical Area (MSA)** - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

**Middle-Income** - Income levels that are at least 80% and less than 120% of the MFI.

**Moderate-Income** - Income levels that are at least 50% and less than 80% of the MFI.

**Small Business Loans** - Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

**Small Farm Loans** - Loans with original amounts of \$500 thousand or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

**Tier 1 Capital** - The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income** - Income levels that are 120% or more of the MFI.

## Appendix B: Tables of Performance Data

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### Content of Standardized Tables

The tables cover the entire CRA evaluation period. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: purchased loans are treated as originations; market rank is based on the number of loans made by the bank as compared to all other lenders in the MSA/assessment area; and market share is the number of loans originated by the bank as a percentage of the aggregate number of reportable loans originated by all lenders in the MSA/assessment area. The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated by the bank over the evaluation period by MSA/assessment area.
- Table 2. Geographic Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated by the bank in low-, moderate-, middle- and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of HMDA Home Improvement Loan Originations** - See Table 2.
- Table 4. Geographic Distribution of HMDA Refinance Loan Originations** - See Table 2.
- Table 5. Geographic Distribution of Small Business Loan Originations** - The percentage distribution of the number of small loans (<\$1 million) to businesses originated by the bank in low-, moderate-, middle- and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Farm Loan Originations** - The percentage distribution of the number of small loans (<\$500,000) to farms originated by the bank in low-, moderate-, middle- and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 7. Borrower Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage distribution of families by income level in each MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of HMDA Home Improvement Loan Originations** - See Table 7.

- Table 9. Borrower Distribution of HMDA Refinance Loan Originations** - See Table 7.
- Table 10. Borrower Distribution of Small Business Loan Originations** - Compares the percentage distribution of the number of small loans (<\$1 million) originated by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. The table also presents the percentage distribution of the number of loans originated by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 11. Borrower Distribution of Small Farm Loan Originations** - Compares the percentage distribution of the number of small loans (<\$500 thousand) originated by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. The table also presents the percentage distribution of the number of loans originated by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/assessment area.
- Table 13. Distribution of Branch and ATM Delivery System** - Compares the percentage distribution of the number of the bank's retail branches and ATMs in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each geography.
- Table 14. Geographic and Borrower Distribution of Consumer Loan Originations** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies to the percentage distribution of the population within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage of households by income level in each MSA/assessment area.

**APPENDIX - C**

**Assessment Area Activity Tables**

**Washington, DC - MSA # 8840**

**Table 1. Lending Volume**

LENDING VOLUME		Multi-State: West Virginia & Virginia				Evaluation Period: January 1, 1997 to December 31, 1998						
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full-Scope:												
Washington, DC Multistate MSA # 8840	100%	1,639	\$112,538	193	\$24,901	0	\$0	5	\$2,850	1,837	\$140,289	100%
Limited-Scope:												
none												

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Geographic Distribution: HOME PURCHASE		Multi-State: West Virginia & Virginia				Evaluation Period: January 1, 1997 to December 31, 1998					Total Home Purchase Loans					
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					#	% of Total
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp		
Full-Scope:																
Washington, DC Multistate MSA # 8840	0%	0%	85%	100%	15%	0%	0%	0%	1	11%	0	11%	0	0	528	100%
Limited-Scope:																
none																

( ) Based on 1997 Aggregate HMDA Data only.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Geographic Distribution: HOME IMPROVEMENT																
Multi-State: West Virginia & Virginia										Evaluation Period: January 1, 1997 to December 31, 1998						
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Washington, DC Multistate MSA # 8840	0%	0%	85%	100%	15%	0%	0%	0%	1	30%	0	37%	0	0	287	100%
Limited-Scope:																
none																

( ) Based on 1997 Aggregate HMDA Data only.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Geographic Distribution: HOME MORTGAGE REFINANCE				Multi-State: West Virginia & Virginia				Evaluation Period: January 1, 1997 to December 31, 1998								
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Washington, DC Multistate MSA # 8840	0%	0%	85%	99%	15%	1%	0%	0%	1	13%	0%	16%	< 1%	0%	822	100%
Limited-Scope:																
none																

( ) Based on 1997 Aggregate HMDA Data only.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Geographic Distribution: SMALL BUSINESS Multi- State: West Virginia & Virginia Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Washington, DC Multistate MSA # 8840	0%	0%	85%	91%	15%	9%	0%	0%	2nd	13%	0%	13%	0%	0%	193	100%
Limited-Scope:																
none																

( ) Based on 1997 Aggregate Small Business Data Only.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Geographic Distribution: SMALL FARM      Multi- State: West Virginia & Virginia      Evaluation Period: January 1, 1997 to December 31, 1998																	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total	
Full-Scope:																	
Washington, DC Multistate MSA # 8840	0%	0%	75%	0%	25%	0%	0%	0%	not ranked	0%	0%	0%	0%	0%	0	0%	
Limited-Scope:																	
none																	

( ) Based on 1997 Aggregate Small Farm Data Only.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Borrower Distribution: HMDA HOME PURCHASE																
Multi- State: West Virginia & Virginia																
Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Purchase Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Washington, DC MSA #8840	34%	35%	29%	32%	21%	19%	16%	14%	1st	11%	13%	12%	10%	8%	528	100%
Limited-Scope:																
none																

(\*) As a percentage of loans with borrower income information available. No information was available for 2% of loans originated by BANK.  
 (\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Borrower Distribution: HOME IMPROVEMENT		Multi- State: West Virginia & Virginia				Evaluation Period: January 1, 1997 to December 31, 1998										
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Improvement Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Washington, DC Multistate MSA # 8840	34%	45%	29%	33%	21%	16%	16%	6%	1st	30%	34%	35%	24%	15%	287	100%
Limited-Scope:																
none																

(\*) As a percentage of loans with borrower income information available. No information was available for 3% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Borrower Distribution: HOME MORTGAGE REFINANCE		Multi- State: West Virginia & Virginia						Evaluation Period: January 1, 1997 to December 31, 1998								
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Washington, DC Multistate MSA # 8840	34%	27%	29%	33%	21%	25%	16%	15%	1st	13%	17%	14%	13%	8%	822	100%
Limited-Scope:																
none																

(\*) As a percentage of loans with borrower income information available. No information was available for 2% of loans originated by BANK.  
 (\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Borrower Distribution: SMALL BUSINESS			Multi- State: West Virginia & Virginia				Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Washington, DC Multistate MSA # 8840	92%	85%	64%	70%	15%	15%	12%	16%	193	100%	\$135
Limited Scope:											
none											

(\*) As a percentage of businesses with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.

(\*\*\*) The market consists of all other Small Business reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data only.

(\*\*\*\*) Based on 1997 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Borrower Distribution: SMALL FARM Multi-State: West Virginia & Virginia Evaluation Period: January 1, 1997 to December 31, 1998											
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of Farms*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Washington, DC Multistate MSA # 8840	98%	0%	88%	0%	0%	0%	0.00	0.00	0	0%	\$0
Limited-Scope:											
none											

( ) AS a percentage of Farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.

(\*\*\*) The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1997 Aggregate Small Farm Data only.

(\*\*\*\*) Based on 1997 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

QUALIFIED INVESTMENTS		Multi- State: West Virginia & Virginia			Evaluation Period: January 1, 1997 to December 31, 1998					
MSA/Assessment Areas:	Prior Period Investments*			Current Period Investments			Total Investments			
	#	\$ (000's)	%**	#	\$ (000's)	%**	#	\$ (000's)	% of Total \$'s	
Full-Scope:										
Washington, DC Multistate MSA # 8840	1	870	95%	26	46	5%	27	\$916	100%	
Limited-Scope:										
none										

(\*) Prior Period Investments means investments made in a previous evaluation period that remain outstanding.  
 (\*\*) Percentage of the dollars invested in that MSA/Assessment Area that are prior period investments or current period investments.

**Table 13. Distribution of Branch and ATM Delivery System**

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				Multi- State: West Virginia & Virginia				Evaluation Period: January 1, 1997 to December 31, 1998									
MSA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATMs	% of Total BANK ATMs	Location of ATMs by Income of Geographies				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
								*									
Washington, DC Multistate MSA # 8840	100%	9	100%	0%	89%	11%	0%	22	100%	0%	86%	14%	0%	0%	86%	14%	0%
Limited-Scope:																	
none																	

**APPENDIX - D**

**Assessment Area Activity Tables**

**Morgan County, WV Assessment Area - Non MSA West Virginia**

**Table 1. Lending Volume**

LENDING VOLUME													State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area				
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)					
Full-Scope:																
West Virginia																
Morgan County West Virginia	100%	132	\$6,627	8	\$995	0	\$0	0	\$0	140	\$7,622	100%				
Limited-Scope:																
none																

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Geographic Distribution: HOME PURCHASE																	State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans					
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
West Virginia																				
Morgan County West Virginia	0%	0%	0%	0%	41%	26%	59%	74%	1st	37%	0%	0%	15%	56%	42	100%				
Limited-Scope:																				
none																				

(\*) Based on 1997 Aggregate HMDA Data only.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Geographic Distribution: HOME IMPROVEMENT																State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans				
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
West Virginia																			
Morgan County West Virginia	0%	0%	0%	0%	41%	47%	59%	53%	1	57%	0%	0%	15%	46%	36	100%			
Limited-Scope:																			
none																			

(\*) Based on 1997 Aggregate HMDA Data only.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: West Virginia																
Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
West Virginia																
Morgan County West Virginia	0%	0%	0%	0%	41%	23%	59%	77%	1	25%	0%	0%	5%	50%	53	100%
Limited-Scope:																
none																

(\*) Based on 1997 Aggregate HMDA Data only.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Geographic Distribution: SMALL BUSINESS																	State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans					
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
West Virginia																				
Morgan County West Virginia	0%	0%	0%	0%	88%	38%	12%	62%	1st	22%	0%	0%	16%	38%	8	100%				
Limited-Scope:																				
none																				

( ) Based on 1997 Aggregate Small Business Data only.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Geographic Distribution: SMALL FARM																	State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans					
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
West Virginia																				
Morgan County West Virginia	0%	0%	0%	0%	67%	0%	33%	0%	not ranked	0%	0%	0%	0%	0%	0	0%				
Limited-Scope:																				
none																				

(\*) Based on 1997 Aggregate Small Farm Data Only.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Borrower Distribution: HMDA HOME PURCHASE																
State: West Virginia																
Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Purchase Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
West Virginia																
Morgan County West Virginia	11%	0%	16%	10%	20%	20%	53%	70%	1st	33	0%	44%	28%	33%	42	100%
Limited-Scope:																
none																

(\*) As a percentage of loans with borrower income information available. No information was available for 5% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Borrower Distribution: HOME IMPROVEMENT																	State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Improvement Loans					
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
West Virginia																				
Morgan County West Virginia	11%	12%	16%	14%	20%	23%	53%	51%	1st	57%	50%	50%	67%	57%	36	100%				
Limited-Scope:																				
none																				

(\*) As a percentage of loans with borrower income information available. No information was available for 3% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Borrower Distribution: HOME MORTGAGE REFINANCE		State: West Virginia		Evaluation Period: January 1, 1997 to December 31, 1998												
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
West Virginia																
Morgan County West Virginia	11%	0%	16%	6%	20%	23%	53%	71%	1st	25%	0%	66%	24%	27%	53 100%	
Limited-Scope:																
none																

(\*) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Borrower Distribution: SMALL BUSINESS State: West Virginia Evaluation Period: January 1, 1997 to December 31, 1998											
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
West Virginia											
Morgan County West Virginia	93%	100%	24%	63%	12%	25%	22%	55%	8	100%	\$110
Limited Scope:											
none											

(\*) As a percentage of businesses with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.

(\*\*\*) The market consists of all other Small Business reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data only.

(\*\*\*\*) Based on 1997 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Borrower Distribution: SMALL FARM State: West Virginia Evaluation Period: January 1, 1997 to December 31, 1998											
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of Farms*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
West Virginia											
Morgan County West Virginia	100%	0%	100%	0%	0%	0%	0%	0%	0	0%	\$0
Limited-Scope:											
none											

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.

(\*\*\*) The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1997 Aggregate Small Farm Data only.

(\*\*\*\*) Based on 1997 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

QUALIFIED INVESTMENTS									
			State: West Virginia			Evaluation Period: January 1, 1997 to December 31, 1998			
MSA/Assessment Areas:	Prior Period Investments*			Current Period Investments			Total Investments		
	#	\$ (000's)	%**	#	\$ (000's)	%**	#	\$ (000's)	% of Total \$'s
Full-Scope:									
West Virginia									
Morgan County West Virginia	0	0		3	10	100%	3	\$10	7%
State of West Virginia	1	44	34%	2	86	66%	3	\$130	93%
Limited-Scope:									
none									

(\*) Prior Period investments - means investments made in a previous evaluation period that remain outstanding.  
 (\*\*) Percentage of the dollars invested in that MSA/Assessment Area that are prior period investments or current period investments.

**Table 13. Distribution of Branch and ATM Delivery System**

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM																	
State: West Virginia																	
Evaluation Period: January 1, 1997 to December 31, 1998																	
MSA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATMs	% of Total BANK ATMs	Location of ATMs by Income of Geographies				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
West Virginia								*									
Morgan County West Virginia	100%	2	100%	0%	0%	100%	0%	2	100%	0%	0%	100%	0%	0%	0%	43%	57%
Limited-Scope:																	
none																	

**APPENDIX - E**

**Assessment Area Activity Tables**

**Winchester City and portions of Frederick County, Va Assessment Area - Non MSA Va**

**Table 1. Lending Volume**

LENDING VOLUME												State: Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)				
Full-Scope:															
Virginia															
Winchester City Assessment Area (includes portions of Frederick Co.)	100%	42	\$3,678	6	\$486	0	\$0	0	\$0	40	\$4,164	100%			
Limited-Scope:															
none															

**Table 2. Geographic Distribution of Home Purchase Loan Originations**

Geographic Distribution: HOME PURCHASE																State: Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans				
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
Virginia																			
Winchester City Assessment Area (includes portions of Frederick Co.)	0%	0%	0%	0%	18%	30%	82%	70%	not ranked	0%	0%	0%	0%	0%	20	100%			
Limited-Scope:																			
none																			

( ) Based on 1997 Aggregate HMDA Data Only.

**Table 3. Geographic Distribution of Home Improvement Loan Originations**

Geographic Distribution: HOME IMPROVEMENT																	State: Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans					
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
Virginia																				
Winchester City Assessment Area (includes portions of Frederick Co.)	0%	0%	0%	0%	18%	0%	82%	100%	not ranked	0%	0%	0%	0%	0%	2	100%				
Limited-Scope:																				
none																				

( ) Based on 1997 Aggregate HMDA Data Only.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations**

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: Virginia																
Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Virginia																
Winchester City Assessment Area (includes portions of Frederick Co.)	0%	0%	0%	0%	18%	25%	82%	75%	not ranked	0%	0%	0%	0%	0%	20	100%
Limited-Scope:																
none																

( ) Based on 1997 Aggregate HMDA Data Only.

**Table 5. Geographic Distribution of Small Business Loan Originations**

Geographic Distribution: SMALL BUSINESS																	State: Virginia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans								
	% of Busin esses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Virginia																							
Winchester City Assessment Area (includes portions of Frederick Co.)	0%	0%	0%	0%	46%	50%	54%	50%	not ranked	0%	0%	0%	0%	0%	2	100%							
Limited-Scope:																							
none																							

( ) Based on 1997 Aggregate Small Business Data Only.

**Table 6. Geographic Distribution of Small Farm Loan Originations**

Geographic Distribution: SMALL FARM																	State: Virginia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans					
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
Virginia																				
Winchester City Assessment Area (includes portions of Frederick.)	0%	0%	0%	0%	33%	0%	67%	0%	not ranked	0%	0%	0%	0%	0%	0	0%				
Limited-Scope:																				
none																				

(\*) Based on 1997 Aggregate Small Farm Data Only.

**Table 7. Borrower Distribution of Home Purchase Loan Originations**

Borrower Distribution: HMDA HOME PURCHASE																
State: Virginia																
Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Purchase Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Virginia																
Winchester City Assessment Area (includes portions of Frederick Co.)	10%	0%	12%	0%	22%	11%	55%	89%	not ranked	0%	0%	0%	0%	0%	20	100%
Limited-Scope:																
none																

(\*) AS a percentage of loans with borrower income information available. NO information was available for 3% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 8. Borrower Distribution of Home Improvement Loan Originations**

Borrower Distribution: HOME IMPROVEMENT		State: Virginia		Evaluation Period: January 1, 1997 to December 31, 1998												
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Improvement Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Virginia																
Winchester City Assessment Area (includes portions of Frederick Co.)	10%	0%	12%	0%	22%	0%	55%	100%	not ranked	0%	0%	0%	0%	0%	2	100%
Limited-Scope:																
none																

( ) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations**

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: Virginia																
Evaluation Period: January 1, 1997 to December 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Virginia																
Winchester City Assessment Area (includes portions of Frederick Co.)	10%	0%	12%	5%	22%	30%	55%	65%	not ranked	0%	0%	0%	0%	0%	20	100%
Limited-Scope:																
none																

( ) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated by BANK.

(\*\*) Based on 1997 Aggregate HMDA Data only.

**Table 10. Borrower Distribution of Small Business Loan Originations**

Borrower Distribution: SMALL BUSINESS			State: Virginia			Evaluation Period: January 1, 1997 to December 31, 1998					
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Virginia											
Winchester City Assessment Area (includes portions of Frederick Co.)	87%	83%	46%	100%	0%	0%	0%	0%	6	100%	\$81
Limited Scope:											
none											

(\*) As a percentage of businesses with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.

(\*\*\*) The market consists of all other Small Business reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data only.

(\*\*\*\*) Based on 1997 Aggregate Small Business Data only.

**Table 11. Borrower Distribution of Small Farm Loan Originations**

Borrower Distribution: SMALL FARM State: Virginia Evaluation Period: January 1, 1997 to December 31, 1998											
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of Farms*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Virginia											
Winchester City Assessment Area (includes portions of Frederick Co.)	97%	0%	31%	0%	0%	0%	0%	0%	0	0%	\$0
Limited-Scope:											
none											

(\*) As a percentage of farms with known revenues.

(\*\*) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.

(\*\*\*) The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1997 Aggregate Small Farm Data only.

(\*\*\*\*) Based on 1997 Aggregate Small Farm Data only.

**Table 12. Qualified Investments**

QUALIFIED INVESTMENTS State: Virginia Evaluation Period: January 1, 1997 to December 31, 1998									
MSA/Assessment Areas:	Prior Period Investments*			Current Period Investments			Total Investments		
	#	\$ (000's)	%**	#	\$ (000's)	%**	#	\$ (000's)	% of Total \$'s
Full-Scope:									
Virginia									
Winchester City Assessment Area (includes portions of Frederick Co.)	0	0	0%	3	3	100%	3	\$3	100%
Limited-Scope:									
none									

(\*) Prior Period Investments means investments made in a previous evaluation period that remain outstanding.  
 (\*\*) Percentage of the dollars invested in that MSA/Assessment Area that are prior period investments or current period investments.

**Table 13. Distribution of Branch and ATM Delivery System**

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				State: Virginia				Evaluation Period: January 1, 1997 to December 31, 1998									
MSA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATMs	% of Total BANK ATMs	Location of ATMs by Income of Geographies				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
Virginia																	
Winchester City Assessment Area (includes portions of Frederick Co.)	100%	2	100%	0%	0%	100%	0%	2	100%	0%	0%	100%	0%	0%	0%	17%	83%
Limited-Scope:																	
none																	