



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **PUBLIC DISCLOSURE**

January 11, 2010

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

First Tennessee Bank, National Association  
Charter Number: 336

165 Madison Avenue  
Memphis, Tennessee 38103

Office of the Comptroller of the Currency

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**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, and should not 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.

# Table of Contents

**OVERALL CRA RATING ..... 2**

**DEFINITIONS AND COMMON ABBREVIATIONS ..... 3**

**DESCRIPTION OF INSTITUTION..... 7**

**SCOPE OF THE EVALUATION..... 10**

**FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW ..... 14**

**MULTISTATE METROPOLITAN AREA RATING ..... 15**

    MEMPHIS, TN-MS-AR MULTISTATE METROPOLITAN AREA..... 15

**CHATTANOOGA, TN-GA MULTISTATE METROPOLITAN AREA..... 25**

**PROVIDENCE-BEDFORD-FALL RIVER, RI-MA METROPOLITAN AREA..... 32**

**STATE RATING ..... 38**

    STATE OF TENNESSEE ..... 38

    STATE OF COLORADO ..... 50

    STATE OF FLORIDA ..... 56

    STATE OF GEORGIA ..... 62

    STATE OF HAWAII ..... 69

    STATE OF INDIANA ..... 75

    STATE OF MAINE ..... 82

    STATE OF MARYLAND ..... 89

    STATE OF MASSACHUSETTS ..... 96

    STATE OF MICHIGAN ..... 102

    STATE OF MISSOURI ..... 108

    STATE OF NORTH CAROLINA ..... 114

    STATE OF TEXAS ..... 121

    STATE OF VIRGINIA ..... 127

    STATE OF WASHINGTON ..... 133

**APPENDIX A: SCOPE OF EXAMINATION ..... 1**

**APPENDIX B: SUMMARY OF MULTISTATE METROPOLITAN AREA AND STATE RATINGS ..... 1**

**APPENDIX C: MARKET PROFILES FOR FULL-SCOPE AREAS ..... 1**

## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated “**Satisfactory.**”

The following table indicates the performance level of **First Tennessee Bank, N.A. (FTB)** with respect to the Lending, Investment, and Service Tests:

<b>Performance Levels</b>	First Tennessee Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

\* The lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- FTB’s lending level reflects good responsiveness to its deposit market share and assessment area credit needs.
- The distribution of home mortgage loans by income level of geography is good.
- The distribution of loans to borrowers of different income levels and to businesses of different sizes is good.
- In the assessment areas where FTB maintains an ongoing presence, the level of community development loans is good and a positive factor, reflecting responsiveness to varying needs in the assessment areas, including affordable housing, community services targeted to low- and moderate-income individuals, economic development, and revitalization and stabilization of low- and moderate-income areas.
- There is an adequate level of qualified investments based on the investment opportunities and dollar volume of investments made in the assessment areas.
- Branch locations are accessible in the assessment areas where FTB maintains an ongoing presence.
- In the assessment areas where FTB maintains an ongoing presence, the bank provides a good level of community development services.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. 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 with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract 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 applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement, and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited 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, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. 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 Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured by either nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Description of Institution

During much of this evaluation period, First Tennessee Bank, National Association (FTB), headquartered in Memphis, Tennessee, functioned as a multistate bank. Since September 2008, FTB services primarily the state of Tennessee, with services now limited to border customers in the contiguous states of Mississippi, Georgia, and North Carolina. FTB is a wholly-owned subsidiary of First Horizon National Corporation (FHNC), a one-bank holding company also headquartered in Memphis. As of December 31, 2009, FTB had assets of \$26 billion. As of June 30, 2009, in terms of deposit market share, FTB was the second largest commercial bank operating in the State of Tennessee and the largest financial institution doing business in the Memphis, TN-MS-AR Metropolitan Statistical Area (MSA).

The bank primarily engages in generating deposits and originating loans. The company's deposit products include NOW accounts, money market deposit accounts, savings deposits, checking deposits, certificates of deposit, and other time deposits. As of December 31, 2009, FTB had net loans of \$18 billion. This represented approximately 68.4 percent of total assets. The bank's loan portfolio consisted primarily of loans secured by commercial and residential real estate (49.3 percent). The portfolio also consisted of commercial loans (15 percent), other domestic loans (6.1 percent), loans to individuals not secured by real estate (1.5 percent), and agricultural loans represented less than 1 percent of the total loan portfolio. The bank's Tier 1 capital was approximately \$3.1 billion. FHNC provides personal and corporate trust services, cash management services, investment banking, international banking services, and investment management services. In addition, FTN Financial, a subsidiary of FTB, offers financial services to depository and non-depository institutions including capital markets, equity research, investment banking, correspondent services, and specializes in mortgage and consumer-loan trading, and risk analysis. The company headquartered in Memphis, Tennessee has offices in the United States and internationally in Hong Kong, China and Tokyo, Japan.

FTB provides various banking services to individual, corporate, and institutional clients in the United States. As of December 31, 2009, the bank operated 195 full-service retail banking branches in 4 states and 487 automated teller machines (ATMs). However, at the height of the evaluation period (2007), FTB operated 256 branches in 19 states throughout the contiguous United States. FTB's current retail footprint includes branches in Georgia, Mississippi, North Carolina, and Tennessee. FTB's most significant presence is in Tennessee.

The rapid deterioration in the residential real estate market resulted in weak financial performance limiting FTB's ability to help meet the credit and community development needs in its assessment areas. Currently, the company's strategic focus is regional relationship banking deemphasizing non-footprint consumer activities. Beginning in 2004, First Horizon identified 15 major markets and 50 metropolitan areas as targets for expansion or that represented opportunities for execution of an expansion strategy. The strategy was to follow the critical mass of First Horizon's mortgage customers into key markets, cross selling them other financial products. When customers originated a first-lien mortgage through First Horizon Home Loans (mortgage affiliate of First Tennessee Bank, N.A.), First Horizon offered them other products including home equity lines of credit, second-lien mortgages, and credit cards.

First Horizon added specialists at some branches to support mortgage relationship managers in offering banking services like checking and savings accounts, CDs, and IRAs, investment and insurance services, as well as small business loans. The goal was to become a “national company” in key markets, over time, across the country.

In 2005, FTB added new financial centers in Nashville, Tennessee and the national expansion strategy resulted in an expanded presence in Georgia, Texas, and Virginia, when First Horizon opened 13 new financial centers. In 2006, in response to the slowing housing market, FHNC reduced the number of jobs at the mortgage company by approximately 600 and restructured the sales management team to flatten the organization and provide more sales management direction at the grassroots level. In 2007, the corporation refocused its business strategy by downsizing the national mortgage business, the mortgage sales force, and started the process to sell the \$7.3 billion mortgage-servicing portfolio, curtailed national construction lending, and limited national home building and commercial real estate lending to Tennessee and the Southeast. Ultimately, in 2008, FHNC divested the majority of the 34 First Horizon Bank branches and FTB exited the national lending business entirely and completed the sale of the remaining First Horizon branches in the national markets. Additionally, on August 31, 2008, FHNC sold to MetLife Bank, N.A. its approximately 250 mortgage production offices (doing business under the First Horizon Home Loans name) and its loan origination and servicing platforms.

The national expansion strategy created rating areas outside of Tennessee that existed for approximately 12 – 24 months. Most of these rated areas were extremely small and reported limited or no investments or qualifying community development services. Although these rating areas did not have satisfactory CRA performance, they ultimately had limited impact on the overall conclusions and ratings for the bank. The final ratings are reflective of performance in those areas where FTB maintains an ongoing presence.

During the evaluation period, significant merger activity occurred which impacts the activities considered in our evaluation. In 2005, FTB acquired branches from United Bank and Trust Company (St. Petersburg, FL), First National Bank West Metro (Dallas, GA), and Town and Country Bank of the Ozarks (Republic, MO). In 2006, FTB acquired The State Bank (Rocky Ford, CO), and in 2007, FTB purchased and merged Centerville State Bank (Centerville, KS) into FTB. Additionally, as part of its strategic plan to expand operations nationally, FTB opened or converted 112 branches and closed or sold 113 branches during the evaluation period.

To determine FTB’s size and capacity for CRA evaluation purposes, we considered operating subsidiaries of the bank and holding company. Two operating subsidiaries contribute to the bank’s CRA performance. First Tennessee Housing Corporation (FHTC), a wholly-owned subsidiary of FTB develops and finances affordable single-family and multifamily housing in Tennessee and bordering states. We considered qualified community development loans and investments of FHTC originated from January 1, 2005 through December 31, 2009 in this evaluation. A subsidiary of the holding company and affiliate of the bank, First Tennessee Foundation (FTF), is a non-profit entity formed to support charitable causes in the communities where FHNC companies do business. We also considered in this evaluation, selected contributions originated by FTB that meet the definition of community development under CRA.

FTB has no subsidiaries that negatively affect the bank's capacity to lend or invest in its communities.

The OCC last evaluated FTB's CRA performance as of April 4, 2005, and considered HMDA-reportable and small business loans originated between January 1, 2001 and December 31, 2003, and investments and qualifying community development services during the period May 1, 2001 through December 31, 2004. The bank received a "satisfactory" rating at that review.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We analyzed home purchase, home improvement, and home refinance mortgage loans the bank reported under the Home Mortgage Disclosure Act (HMDA) and small loans made to businesses the bank reported under the Community Reinvestment Act. Due to FHNC's corporate expansion activity between 2004 and 2008, the evaluation periods covered by this review vary by state and metropolitan area. Unless otherwise noted, conclusions drawn throughout this evaluation are a function of bank performance from January 1, 2004 through December 31, 2009. This timeframe applies to HMDA-related mortgage loans and CRA-reportable small business loans. The evaluation period for community development loans, investments, services, and retail services is January 1, 2005 through December 31, 2009. While FTB originates some agricultural and multifamily property loans, in most assessment areas, these loan types represent a very small percentage of the bank's lending activity and had volumes too small for meaningful analyses. As described in Appendix A, we reviewed a majority of the bank's assessment areas using an evaluation period of approximately 12-24 months. This shorter evaluation period was appropriate because many assessment areas existed for short time frames during the national expansion strategy and were eliminated from the bank's footprint and no longer existed as of year-end 2009. Please refer to Appendix A for a detailed listing of products and entities included in our review, and evaluation periods by state or multistate metropolitan area.

### Data Integrity

As part of our ongoing supervision of the bank, we tested the accuracy of the bank's HMDA and CRA lending data. We also reviewed the appropriateness of community development activities provided for consideration in our evaluation. This included testing of community development loans, investments, and services for accuracy and to determine if they qualify as community development as defined in the CRA regulation. We determined that the data reported publicly and the additional data provided for this evaluation are accurate.

### Selection of Areas for Full-Scope Review

We selected at least one assessment area (AA) in each state where the bank has an office for a full-scope review. In addition, we reviewed the bank's performance within three Multistate Metropolitan Areas where the bank operated branches in at least two states within the multistate metropolitan area using full-scope procedures. Full-scope reviews consider performance context, quantitative and qualitative factors. In general, the AAs selected for the full-scope review have the largest percentage of FTB's deposits in that state. The other AAs in each state were analyzed using limited-scope procedures. Limited-scope procedures consider quantitative factors only. In Tennessee, we aggregated non-urban communities in which FTB has an office as one AA for analytical purposes. Refer to the "Description of the Institution's Operations" section under each State Rating for details regarding how we selected the areas for review.

## Ratings

The bank's overall rating is a blend of the multistate metropolitan statistical area (MMSA) ratings and state ratings, based on results in those areas that received full-scope reviews. Three primary rating areas carried the greatest weight in our conclusions due to these areas representing the bank's most significant markets in terms of deposit concentrations, as well as lending, investment, and service activity. In order of significance, these areas are the Memphis, TN-MS-AR Multistate Metropolitan Statistical Area; the Chattanooga, TN-GA Multistate Metropolitan Statistical Area; and the state of Tennessee. At June 30, 2009, 99.9 percent of total deposits and branches are located in these assessment areas. During the evaluation period, by volume, these areas represented 31.2 percent of reported loans and 99.9 percent of qualified investments.

### Factors Considered in our Analysis under Each Performance Test

We based the ratings primarily on those areas that received full-scope reviews, but we considered the bank's performance in areas receiving limited-scope reviews proportionally.

#### Lending Test

For the various loan products considered under the Lending Test, we gave equal weight to all loan types in developing our conclusions. The weightings applied were reflective of the proportion of loans originated or purchased during the evaluation period in light of the impact of the national expansion strategy on banking operations. Small farm lending did not factor into our analysis, as this is not a primary product for the bank.

In evaluating the bank's lending performance, we gave equal weighting to the geographic and borrower distribution components of the Lending Test. With the exception of the Chattanooga and Memphis multistate metropolitan areas where the impact was positive, in all markets, the volume and responsiveness of community development loans had a neutral impact on the Lending Test rating overall.

In our analysis of the distribution of loans to geographies with different income levels, we weighted the bank's performance in moderate-income census tracts heavier if there were a limited number of owner-occupied housing units or businesses in the low-income census tracts.

In our analysis of borrower distribution, we considered the impact that poverty levels have on the demand for mortgages from low- and moderate-income individuals. We considered the high cost and overall affordability of housing in some markets, and the difficulty that low- or moderate-income applicants have in qualifying for home loans in those markets.

### Investment Test

The volume of investments and grants made during the current evaluation period received primary consideration. We also evaluated the responsiveness of the bank's investments to identified community development needs. Investments made in prior evaluation periods that remain outstanding received secondary consideration. We also considered investments made in a broader regional area that include the bank's assessment areas. Notably, in support of the national expansion strategy, First Horizon Home Loan Corporation, through the First Tennessee Foundation, fulfilled a five-year, \$2 million commitment to donate funds to Habitat International in support of affordable housing, primarily in the bank's assessment areas, which were expanding at the time of the original commitment. During the evaluation period, the foundation donated \$1.2 million to Habitat helping to create housing for low- and moderate-income families nationwide.

### Service Test

In the Service Test evaluation, FTB's performance in delivering retail products and services to its assessment areas received primary consideration. We placed the greatest weight on the delivery of financial services and products to geographies and individuals of different income levels through the bank's distribution of branches. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income areas that are nearby low- and moderate-income areas.

We analyzed the distribution of deposit-taking ATMs by income level of census tract and gave positive consideration where the ATMs enhanced the access to banking services for low- and moderate-income individuals or geographies.

We evaluated the impact of branch openings and closings on accessibility for low- and moderate-income individuals and areas. We also considered the range of products and services and the convenience of business hours in low- and moderate-income areas compared to those in middle- and upper-income areas to determine if there were significant differences.

We evaluated the bank's record of providing community development services in assessment areas that received full-scope reviews. Our primary consideration in these reviews was the responsiveness to the needs of the community. Services that reflected ongoing relationships with organizations involved in community development received the most consideration in our analysis.

### **Community Contacts**

We considered information from contacts made during the evaluation period with a variety of groups and organizations to identify financial and credit needs and opportunities within FTB's assessment areas. Of the 47 contacts made, 39 interviews applied to full-scope assessment areas during this evaluation period. We conducted interviews with low-income housing specialists, community and economic development organizations, community action groups, small business development organizations, social service groups, realtors and other business leaders. We included relevant comments as appropriate in our performance context considerations. For the full-scope rating areas, we summarized information from community contacts in the Community Profiles found in Appendix C.

## **Lending Gap Analysis**

In order to identify any unexplained conspicuous gaps in the geographic distribution of loans, we reviewed summary reports, and analyzed FTB's home mortgage and small business lending activity over the evaluation period. We did not identify any unexplained conspicuous gaps. We determined that all the bank's assessment areas consist of whole geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any low- or moderate-income areas.

## **Inside/Outside Ratio**

A majority of originated and purchased loans reported by FTB during the evaluation period are within the bank's AAs. Fifty percent of the number and 52 percent of loan dollars are located within the bank's AAs. A significant majority of small business/farm (87 percent) lending originated within the AAs, while 46 percent of home purchase, 46 percent of home refinances, and 66 percent of home improvement lending occurred within those areas. The percentages of home purchase and home refinance loans are lower due to national lending programs. FTB originated a majority of its CD loans within the AAs. The inside/outside ratio was calculated on a bank-wide basis, and affiliate lending is not included. This record of lending within the AAs had no significant impact on the geographic distribution conclusions.

## **Flexible and Innovative Loan Programs and Services**

### Lending

FTB does not offer any flexible or innovative loan programs specifically targeted to low- and moderate-income individuals; however, the bank demonstrated its commitment to meet the critical need for affordable housing by leveraging FTB's \$43 million investment in allocated Low Income Housing Tax Credit projects to produce more competitive loan structures and rates for developers of community development projects.

### Services

Service delivery systems are accessible bank-wide. In addition to traditional banking branches and ATMs, customers may access bank services through a toll-free telephone banking customer service line and via online/Internet banking. We did not place significant weight on these alternative delivery systems when drawing conclusions for the Service Test as no data was available describing how low- and moderate-income individuals and geographies use these services.

FTB demonstrates its commitment to community development through its participation in various programs sponsored by community development organizations in its communities. FTB and First Tennessee Foundation provide support for housing opportunities, education, financial literacy, and economic development. There is a discussion of examples of flexible and or innovative services throughout the narrative portions of the Service Tests in each rating area, where appropriate, and particularly when they resulted in a positive impact to an overall rating area.

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

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## Multistate Metropolitan Area Rating

### Memphis, TN-MS-AR Multistate Metropolitan Area

CRA rating for the Memphis,  
TN-MS-AR Multistate Metropolitan Area<sup>1</sup>: **Satisfactory**

<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Service Test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending is good, attributed to an adequate distribution of home mortgage loans, and an excellent distribution of loans to small businesses.
- The borrower distribution of FTB's lending is also good.
- Community development lending activity is good and has a positive impact on the Lending Test for the Memphis Multistate Metropolitan Area (MA).
- The bank had an adequate volume of community development investments that addressed the need for affordable housing and community services targeted to LMI.
- The bank's overall distribution of branches and ATMs in the Memphis Multistate MA is good.
- The bank provided a good level of community development services in the Memphis Multistate MA.

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<sup>1</sup> This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

## **Description of Institution's Operations in the Memphis Multistate Metropolitan Area**

The Memphis Multistate Metropolitan Area (MA) consists of eight counties in three states: Arkansas, Mississippi, and Tennessee. FTB's delineated AA consists of Desoto and Tate County in Mississippi and Shelby County in Tennessee. All counties closely surround the city of Memphis, Tennessee. FTB does not operate branches in the Arkansas portion of the MA. At June 30, 2009, bank deposits in the Multistate MA AA totaled \$7.5 billion. This represents 49.7 percent of FTB's total deposits. Ranked by deposits, the Memphis rating area is the largest rating area for the bank. In terms of deposit market share, FTB ranks first with a 34.0 percent market share. Regions Bank is second with a deposit market share of 16.1 percent, and Suntrust Bank ranks third with a market share of 8.5 percent. Within this assessment area, the bank operates 55 branches and 151 deposit-taking ATMs.

These branches represent 28.2 percent of the bank's total branch network. Of the 55 branches located within the metropolitan area, eight are located in Mississippi and 47 are located in Tennessee. As such, performance in this rating area has a material impact on the bank's overall CRA rating.

Refer to the market profile for the Memphis, TN-MS-AR multistate metropolitan area in Appendix C for detailed demographics and other performance context information for this full-scope review area.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in the Memphis Multistate Metropolitan Area is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Memphis Multistate AA is good.

### **Lending Activity**

Refer to Tables 1 Lending Volume in the "Multistate Metropolitan Area(s)" section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity is good in the Multistate MA given the level of competition in the market. FTB ranks first in deposits among 59 depository institutions with a 34.0 percent share of the market according to June 30, 2009, FDIC deposit data. With over 400 lenders operating in the AA, FTB also achieved a favorable market share ranking for loans originated and purchased. Compared to deposit market share, FTB achieved a 4 percent market share for home mortgage loans and a 24 percent market share for small business loans.

At the bank level, approximately 15 percent of total reported loans originated/purchased during the evaluation period are in the Memphis metropolitan area. Our lending analyses focused on home purchase, home refinance, and small business lending as those are FTB's primary product lines in the Multistate MA. Although FTB did actively originate home improvement loans, home purchase, home refinance, and loans to small business represent 96.8 percent of reported loans within the AA. We did not perform an analysis of multifamily and small farm lending due to FTB's insignificant activity levels for these loan types in this AA. According to 2008 aggregate HMDA data, FTB ranked fourth in the origination /purchase of home refinance loans with a 5.0 percent market share. For home improvement loans, FTB ranked 7<sup>th</sup> with a 3.1 percent market share, and 10<sup>th</sup> in home purchase lending with a 3.8 percent market share. According to 2008 aggregate small business data, FTB is ranked 7<sup>th</sup> with a 24.3 percent share of the market.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of FTB's loans is good in the Multistate MA. This is due to an excellent distribution record of home improvement loans and loans to small businesses, an adequate distribution record of home refinance loans, and very poor distribution of home purchase loans.

#### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the Memphis Multistate section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home purchase loans is very poor. The percentages of FTB's loans in low-income and moderate-income geographies are below the percentages of owner-occupied housing units located in those areas. In low-income geographies, FTB's 2008 home purchase market share is lower than its overall home purchase market share, but market share in moderate-income areas is very near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans is excellent. The percentage of FTB's loans in low-income and moderate-income geographies is very near the percentages of owner-occupied housing units located within those areas. Additionally, FTB's 2008 market share of home improvement loans in low-income areas is significantly higher than its overall market share, and the market share in moderate-income areas is very near its overall home improvement market share in the AA.

The geographic distribution of home refinance loans is adequate. The percentages of FTB's loans in low-income and moderate-income geographies are below the percentages of owner-occupied housing units located in those areas. However, FTB's 2008 home refinance market share in low-income and moderate-income areas is very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the Memphis Multistate section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is excellent. The percentage of FTB's loans in low-income geographies exceeds the percentage of businesses located in those segments of the AA. The percentage of loans in the moderate-income geographies meets the percentage of businesses located in those segments of the AA. FTB's 2008 small business market share in the low-income and moderate-income areas significantly exceeded its overall market share of small loans to businesses.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans is good in the Memphis Multistate MA. This is due to a good distribution record of home purchase loans, coupled with excellent home improvement and home refinance distribution records, and an adequate distribution record of small loans to businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in the Memphis Multistate section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on homeownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community.

The distribution of home purchase loans to borrowers of different income levels is good. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. While the percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the area, we considered the impact that the area's poverty level has on lending to the low-income segment of the community. FTB's 2008 market share to low-income borrowers met its overall home purchase market share, while market share to moderate-income borrowers was very near its overall market share in the AA.

The distribution of home improvement loans to borrowers of different income levels is excellent. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. While the percentage of loans to low-income borrowers was lower than the percentage of low-income families in the area, we considered the impact that the area's poverty level has on lending to the low-income segment of the community. FTB's 2008 market share to low-income borrowers significantly exceeded its overall home improvement market share, while market share to moderate-income borrowers was very near its overall market share in the AA.

The distribution of home refinance loans to borrowers of different income levels is excellent. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. While the percentage of loans to low-income borrowers was lower than the percentage of low-income families in the area, we considered the impact that the area's poverty level has on lending to the low-income segment of the community. FTB's 2008 market share to low-income borrowers significantly exceeded its overall home refinance market share, while market share to low-income borrowers exceeded its overall market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the Memphis Multistate section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses is adequate. The percentage of loans to businesses with revenues of \$1 million or less is lower than the percentage of small businesses within the AA. However, FTB's 2008 market share of small loans to businesses exceeded its overall market share of loans.

## Community Development Lending

Refer to Table 1 Lending Volume in the Memphis Multistate section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a positive impact on the Lending Test rating for the Memphis Multistate MA. The bank's record of originating community development loans is good. During the evaluation period, FTB originated 81 CD loans totaling \$42.6 million in the area. The CD loans reflect a variety of community development purposes including affordable housing, community services targeted to low- and moderate-income individuals, economic development and revitalization and stabilization of low- and moderate-income areas of the AA. For example, the bank originated an \$8 million loan to a local community redevelopment corporation to purchase a deteriorating 45-acre shopping mall, located in an economically disadvantaged neighborhood, damaged during a 2008 tornado. The borrower converted the property into a mixed-use retail, community service, and family entertainment center. The redevelopment corporation used the loan proceeds to launch Phase I of the redevelopment of the anchor business that will attract other businesses and tenants that will provide employment opportunities as well as onsite social services in the southeastern portion of Shelby County. Additionally, FTB demonstrated its commitment to promote affordable housing initiatives in the assessment area when the bank originated a \$7 million loan to a local housing corporation to acquire and rehabilitate 342 units of affordable senior rental housing. The housing corporation operates eight senior housing facilities within the Memphis metropolitan area.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the Memphis Multistate Metropolitan Area is rated "Low Satisfactory" given performance context. Based on full-scope reviews the bank's performance in the Memphis Multistate MA is adequate.

Refer to Table 14 in the Memphis Multistate Metropolitan area section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

FTB's total investments for the evaluation period equal \$50 million and consist primarily of Low Income Housing Tax Credit (LIHTC) investments. In 1997, the bank established a separate subsidiary, First Tennessee Housing Corporation (FTHC), to implement its CRA strategy and help meet affordable housing needs in the bank's assessment areas through investments in LIHTCs. These investments are very responsive to affordable housing needs and require considerable management time and expertise to monitor the bank's investment portfolio.

During the evaluation period, 95 current period investments totaling \$11 million benefitted the Memphis multistate metropolitan area. Of these investments, three, representing \$8.3 million or approximately 75 percent of total period investment dollars, are LIHTCs. These tax credit investments helped to provide 189 units of housing affordable to persons and families, who at most, have incomes of 60 percent or less of the area median income. All of the housing complexes are located in low-income geographies and this new construction helps to revitalize and stabilize neighborhoods.

Remaining current period investments consist of 92 grants totaling \$2.8 million to non-profit organizations in the assessment area whose mission meets the definition of community development, primarily community service needs such as educational, health care, and other community programs targeted to low- and moderate-income children, adults, and families. Based on the number of grants, 84 percent were to assist community service needs, 11 percent to assist affordable housing needs, and the remainder to assist economic development needs. Notable among current period activity is the donation of a recently closed branch office located in a low-income geography of downtown Memphis, to a non-profit community service organization. The facility will allow the organization to expand its many varied programs including those in support of foster children and small business entrepreneurial training.

FTHC originated prior period investments, consisting totally of LIHTCs that remain on the books. There are 19 such investments totaling \$39 million. These investments continue to be responsive to the critical need for affordable housing, helping to provide 2,423 units of rental housing affordable to low- and moderate-income individuals and families.

In addition, the bank has investments in the Tri-State Arkansas-Mississippi-Louisiana region, adjacent to, but not included in the Memphis Multistate MA. These investments have no potential to benefit the assessment area. They include two current period LIHTCs in Louisiana totaling \$12 million, eight prior period LIHTCs in Mississippi totaling \$8.5 million, and three prior period LIHTCs in Arkansas totaling \$991,000. All of these projects are highly responsive to a broader regional area, helping to meet the important need for housing affordable to low- and moderate-income individuals and families and in the case of Louisiana, the critical need to revitalize and stabilize areas impacted by Hurricane Katrina, by helping to provide 65 affordable housing units. The projects in Mississippi helped to provide 884 affordable housing units and the housing projects in Arkansas, 284 units. Because FTB adequately met the investment needs in the assessment area, these out of assessment area investments received positive consideration in this evaluation.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the Memphis Multistate Metropolitan Area is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Memphis Multistate MA is good.

#### **Retail Banking Services**

Refer to Table 15 in the Memphis Multistate section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of bank branches in both low- and moderate-income geographies is good, as they are accessible to all portions of the full-scope area. As of June 30, 2009, FTB operated 55 branch offices in the Memphis Multistate MA, defined as 6 offices in Desoto County, MS, 2 offices in Tate County, MS, and 47 offices in Shelby County, TN. The branch distribution in low-income geographies is very near the percentage of the population that resides in these areas but below the percentage of the population that reside in the assessment area's moderate-income geographies. The bank owned and operated 145 ATMs in this metropolitan area, 11.3 percent are located in a low-income geography, and 15.9 percent are in a moderate-income census tract. This compares favorably to the percentage of the population residing in these areas.

To the extent that FTB changed its branch distribution, the bank's record of opening and closing branches during the review period did not adversely affect accessibility to the bank's delivery systems, and has not adversely affected accessibility in low- and moderate-income geographies or by low- and moderate-income individuals. During the evaluation period, the bank opened 16 branch locations and closed 19 other offices. The closures were primarily in middle- and upper-income geographies. There was no net change in the number of branches located in low- or moderate-income geographies.

The services offered at each branch are consistent and do not vary in a way that inconveniences portions of the AA. Branch hours are convenient and include extended weekday and Saturday hours.

## Community Development Services

FTB provides a good level of community development services. Bank employees and officers hold leadership positions in many organizations, including board and committee memberships of community development organizations that address the assessment area needs including affordable housing, services for low- and moderate-income individuals and families, economic development, and revitalization and or stabilization of low- or moderate-income sectors of the community.

One of FTB's notable community development alliances was a partnership with the City of Memphis' Division of Housing Development, the Federal Home Loan Bank of Cincinnati, and two other local financial institutions to create the Memphis Business Opportunity Fund (MBOF), a small business loan pool. The MBOF targeted the renewal community and low- and moderate-income geographies in Memphis. In November 2008, the MBOF expanded its scope to include all of Shelby County following the award of loan capital from the State of Tennessee's Small Minority and Women Owned Business Program. The MBOF loan pool represented the first public-private financing vehicle in Shelby County designated to support small and disadvantaged businesses that were unable to access traditional sources of capital. A FTB officer served on the board and as a member of the Loan Review Committee. As of December 2008, the MBOF had originated 59 loans totaling \$2.5 million and created or retained 351 jobs. The MBOF ceased operation in June 2009.

Bank employees provided technical assistance to the Memphis metropolitan area by submitting Affordable Housing Program applications to the Federal Home Loan Bank of Cincinnati to support the construction and rehabilitation of affordable housing and community facilities targeted to low- and moderate-income veterans, elderly, and developmentally disabled individuals. Specifically, the bank sponsored the application for seven projects to develop owner-occupied and rental housing in the assessment area totaling \$3.8 million. Three of the projects were located in the Memphis metropolitan area.

FTB demonstrated leadership by hosting the Foreclosure Response Initiative organized to bring together City and County leaders as well as public and private entities to identify best practices to address the rising number and the impact of foreclosures in Memphis and Shelby County. In partnership with the Memphis Housing Counseling Network and Memphis Area Legal Services, FTB produced a public service announcement that outlines information about predatory lending, mortgage loss mitigation, and the availability of credit counseling.

## Chattanooga, TN-GA Multistate Metropolitan Area

**CRA rating for the Chattanooga,  
TN-GA Multistate Metropolitan Area: Satisfactory**

<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Service Test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending is good, attributed to an adequate distribution of home mortgage loans and an excellent distribution of loans to small businesses.
- The borrower distribution of FTB's lending is also good.
- Community development lending activity is good and has a positive impact on the Lending Test for the Chattanooga Multistate MA.
- The bank had an adequate volume of community development investments that addressed the need for affordable housing and community services targeted to LMI.
- The bank's overall distribution of branches and ATMs in the Chattanooga Multistate MA is good.
- The bank provided a high level of community development services in the Chattanooga Multistate MA.

### Description of Institution's Operations in Chattanooga Multistate Metropolitan Area

The Chattanooga Multistate Metropolitan Area (MA) is an area consisting of six counties, three in southeast Tennessee, and three in northwest Georgia. The delineated Multistate MA AA consists of Hamilton County in Tennessee and Catoosa County in Georgia. All counties closely surround the city of Chattanooga. At June 30, 2009, bank deposits in the Multistate MA totaled \$1.5 billion. This represents 9.6 percent of FTB's total deposits. Ranked by deposits, the Chattanooga rating area is the fourth largest rating area for the bank. In terms of deposit market share, Suntrust ranks first in the AA with a 19.5 percent market share. FTB ranks second with a market share of 18 percent, and Regions Bank ranks third with a market share of 16.3 percent. Within this assessment area, the bank operates 22 branches and 33 deposit-taking ATMs. These branches represent 11.3 percent of the bank's total branch network. Of the 22 branches within the metropolitan area, two are located in Georgia and twenty are located in Tennessee. As such, performance in this rating area has a material impact on the bank's overall CRA rating.

Refer to the market profile for the Chattanooga, TN-GA multistate metropolitan area in Appendix C for detailed demographics and other performance context information for this full-scope review area.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the Chattanooga Multistate Metropolitan Area is rated "High Satisfactory." Based on full scope reviews, the bank's performance in the Chattanooga Multistate MA is good.

### Lending Activity

Refer to Tables 1 Lending Volume in the "Multistate Metropolitan Area(s)" section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity is good in the Chattanooga Multistate MA, given the strong level of competition in the market. FTB ranks second in deposits among 29 depository institutions with an 18 percent share of the market according to June 30, 2009, FDIC deposit data. With over 300 lenders, operating in the AA, FTB's market share of originated loans, in relation to deposit market share, is competitive. With respect to the origination/purchase of home mortgage loan, FTB ranked sixth with a 6 percent market share. With respect to the origination of small business loans, FTB ranked eighth with a 29 percent market share.

Approximately 7 percent of the bank's total reported loans originated/purchased during the evaluation period are in the Chattanooga metropolitan area. Our lending analyses focused on home purchase, home refinance, and small business lending as those are FTB's primary product lines in the Chattanooga Multistate MA. Although FTB did actively originate home improvement loans, home purchase, home refinance, and loans to small businesses represent 98.9 percent of reported loans within the AA. We did not perform an analysis of multifamily and small farm lending due to FTB's insignificant activity levels for these loan types in this AA. According to 2008 aggregate HMDA data, FTB ranked 6<sup>th</sup> in the origination/purchase of home refinance loans with a 6.4 percent market share. For home purchase loans, FTB ranked 7<sup>th</sup> with a 4.9 percent share, and 24<sup>th</sup> in the origination/purchase of home improvement loans with a 2.5 share of the market. According to 2008 aggregate Small business data, FTB ranked 8<sup>th</sup> with a 29.0 percent share of the market.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of FTB's loans is good in the Chattanooga Multistate MA. This is due to an excellent distribution of small loans to businesses, an adequate distribution record of home improvement and home refinance loans, and a poor distribution record of home purchase loans.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the Chattanooga Multistate section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home purchase loans is poor. The percentages of FTB's loans in low-income and moderate-income geographies are below the percentages of owner-occupied housing units located in those areas. In low-income geographies, FTB's 2008 home purchase market share is significantly lower than its overall home purchase market share, but market share in moderate-income areas is very near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans is adequate. The percentage of FTB's loans in moderate-income geographies is lower than the percentages of owner-occupied housing units located within those areas. FTB did not originate any home improvement loans in low-income geographies; however, only 2 percent of the owner-occupied housing units are located in those areas of the AA. Although, FTB's 2008 market share of home improvement loans is too low for meaningful analyses, the market share in moderate-income areas significantly exceeded its overall home improvement market share in the AA.

The geographic distribution of home refinance loans is adequate. The percentages of FTB's loans in low-income and moderate-income geographies are below the percentages of owner-occupied housing units located in those areas. FTB's 2008 home refinance market share in low-income areas is too low for meaningful analyses. FTB's 2008 home refinance market share in moderate-income areas is lower than its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the Chattanooga Multistate section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is excellent. The percentage of FTB's loans in both low-income and moderate-income geographies significantly exceeds the percentages of businesses located in those segments of the AA. FTB's 2008 small business market share in the low-income and moderate-income areas also significantly exceeded its overall market share of small loans to businesses.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans is good in the Chattanooga Multistate MA. This is due to good distribution records of home purchase, home improvement, and home refinance loans, and a poor distribution of small loans to businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in the Chattanooga Multistate section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on homeownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community.

The distribution of home purchase, home improvement, and home refinance loans to borrowers of different income levels is good. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA for all product types. While the percentages of loans to low-income borrowers were lower than the percentage of low-income families in the area, performance is adequate, considering the impact that the area's poverty level has on lending to the low-income segment of the community. The percentage of home purchase loans to moderate-income borrower exceeds the percentage of moderate-income families in the AA. The percentage of home improvement and home refinance loans to moderate-income borrowers is very near the percentage of moderate-income families in the AA for both product types. FTB's 2008 home purchase and home refinance market share to low-income and moderate-income borrowers is lower than its overall market share. FTB's 2008 home improvement market share was too small in the Chattanooga Multistate AA to conduct meaningful analyses.

### ***Small Loans to Businesses***

Refer to Table 11 in the Chattanooga Multistate section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses is poor. The percentage of loans to businesses with revenues of \$1 million or less is lower than the percentage of small businesses within the AA. FTB's market share of small loans to businesses is also well below its overall market share of loans.

## Community Development Lending

Refer to Table 1 Lending Volume in the Chattanooga Multistate section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a positive impact on the Lending Test rating for the Chattanooga Multistate MA. The bank's record of originating community development loans is good. During the evaluation period, FTB originated 16 CD loans totaling \$10.4 million in the area. The CD loans reflect a variety of community development purposes including affordable housing, community services targeted to low- and moderate-income individuals, economic development and revitalization and stabilization of low- and moderate-income areas of the AA. Notable examples of FTB's commitment to the metropolitan area include a \$3.5 million loan to a borrower who used the loan proceeds to develop a 108-unit multifamily affordable housing complex. FTB also originated a \$1.3 million working capital loan to a non-profit housing organization and a \$1.0 million loan to its operating subsidiary, a community development financial institution, in an effort to promote and preserve affordable housing in Chattanooga. These efforts have helped to address affordable housing related needs as identified by community contacts.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the Chattanooga Multistate Metropolitan Area is rated "Low Satisfactory" given performance context. Based on full-scope reviews the bank's performance in the Chattanooga Multistate MA is adequate.

Refer to Table 14 in the Chattanooga Multistate Metropolitan area section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

FTB's total investments for the evaluation period equal \$7.6 million and consist primarily of Low Income Housing Tax Credit (LIHTC) investments. FTB originated 13 current period investments totaling \$7.3 million in the Chattanooga Multistate MA. Of these investments, one investment representing \$7 million or approximately 93 percent of total current period investment dollars is a LIHTC. LIHTC's are very responsive to affordable housing needs in the assessment area and require considerable management expertise to manage the bank's portfolio. This investment helped to provide 108 units of housing affordable to persons and families meeting the CRA definition of moderate-income.

Remaining current period investments consist of 12 grants totaling \$332,000 to organizations in the assessment area whose mission meets the definition of community development, primarily community service needs such as educational, health care, and other community programs targeted to low- and moderate-income children, adults, and families. Notable among current period activity are donations to an assessment area non-profit that provides housing, educational, and employment training services to low- and moderate-income persons with disabilities. In addition, the assessment area had the potential to benefit from the assessment area wide donation to Habitat International, as previously discussed.

Prior period investments, consisting totally of LIHTCs, are investments originated during previous examination evaluation periods and remain on the books of First Tennessee Housing Corporation. There are two such investments totaling \$262,300. These investments continue to be responsive to the critical need for affordable housing in the assessment area, helping to provide 67 units of rental housing affordable to low- and moderate-income individuals and families.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the Chattanooga Multistate Metropolitan Area is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Chattanooga Multistate MA is good.

### **Retail Banking Services**

Refer to Table 15 in the Chattanooga Multistate section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of bank branches in both low- and moderate-income geographies is good, as they are accessible to all portions of the full-scope area. As of June 30 2009, FTB operated 22 branch offices in the Chattanooga Multistate MA, 2 offices in Catoosa County, GA, and 20 offices in Hamilton County, TN. The branch distribution in low- and moderate-income geographies is very near the percentage of the population that resides in these areas. The accessibility of bank ATMs compared to the percentage of the population residing in low- and moderate-income geographies is also good. The bank operated 33 ATMs in this AA, 6 percent are located in a low-income geography, and 9 percent are in a moderate-income census tract. This compares favorably to the percentage of the population residing in these areas. To the extent that FTB changed its branch distribution, the bank's record of opening and closing branches during the review period did not adversely affect accessibility to the bank's delivery systems, and has not adversely affected accessibility in low- and moderate-income geographies or by low- and moderate-income individuals. During the evaluation period, the bank did not open any branches but closed two branches, one in a middle-income geography and the other in an upper income census tract.

The services at each branch are consistent and do not vary in a way that inconveniences portions of the AA. Branch hours are convenient and include extended weekday and Saturday hours.

### **Community Development Services**

FTB provides a high level of community development services. Bank employee and officer representatives provided CD services to 19 different qualified community development organizations in the Chattanooga Multistate MA. The services the community development organizations provide address community's needs including affordable housing, community services targeted to low- and moderate-income individuals and families, economic development, especially the creation and retention of jobs, and revitalization and stabilization of low- or moderate-income communities.

For example, a bank officer served on the loan committee of a certified Community Development Financial Institution (CDFI) and Community Development Entity that administers the Chattanooga Opportunity Fund and provides loans to small businesses with limited access to traditional lending sources. The CDFI's focus is to provide capital to small businesses located in low- and moderate-income areas, to small businesses that hire low- and moderate-income persons, and to women and minority-owned small businesses. Another bank officer served on the Board of Directors of a neighborhood development corporation, provided technical assistance, and helped the corporation secure a four-year, \$900,000 grant from the Environmental Protection Agency for environmental cleanup and neighborhood redevelopment. The development corporation is located in the Chattanooga Renewal Community Zone. A bank officer served on the Board of a private, non-profit organization created to develop, finance, renovate, and manage affordable housing for low- and moderate individuals and families living in Chattanooga and Hamilton County. The organization is a leading partner in the use of housing to build healthy and socio-economically diverse neighborhoods in Chattanooga.

## Providence-Bedford-Fall River, RI-MA Metropolitan Area

**CRA rating for the Providence-Bedford-Fall River,  
RI-MA, Multistate Metropolitan Area: Satisfactory**

<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was excellent.
- The borrower distribution of FTB's lending was good.
- Community development lending activity had a neutral impact on the Lending Test for the Providence Multistate Metropolitan Area (MA).
- The bank reported no community development investments during the evaluation period.
- The bank's overall distribution of branches and ATMs in the Providence Multistate MA was adequate.
- The bank provided no community development services in the Providence Multistate MA during the evaluation period.

## Description of Institution's Operations in the Providence Multistate Metropolitan Area

The bank's assessment area consisted of two of the five counties in the Multistate MA. It was comprised of Bristol County in Massachusetts and Kent County in Rhode Island. Both counties closely surround the city of Providence. FTB's banking operations in this geographic area were limited to the period July 1, 2005 to December 31, 2007. FTB ceased operating in this market area by year-end 2007, when FHNC terminated its national expansion strategy in this area. At June 30, 2007, the bank had \$12 million of deposits in this geographic area. In terms of deposit market share, FTB ranked 36<sup>th</sup> with a 0.04 percent share. There were 39 depository institutions in the AA, but market share was primarily concentrated with the two largest banks holding 52 percent of the assessment area's deposits.

Within this assessment area, the bank operated two branches and no deposit-taking ATMs. These branches represented 0.08 percent of the bank's 2007 branch network. Of the two branches within the metropolitan area, one was located in Massachusetts and one was situated in Rhode Island. The Providence Multistate MA received a full-scope review because it was FTB's only assessment area within the multistate area. However, performance in this rating area had a minimal impact on the bank's overall CRA rating.

Refer to the market profile for the Providence, RI-MA multistate metropolitan area in Appendix C for detailed demographics and other performance context information for this full-scope review area.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the Providence Multistate MA is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Providence Multistate AA is good.

### Lending Activity

Refer to Tables 1 Lending Volume in the "Multistate Metropolitan Area(s)" section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Providence Multistate MA, given the length of time the bank operated in this competitive market. According to June 30, 2007 FDIC deposit data, FTB ranked 36<sup>th</sup> among 39 depository institutions with a 0.04 percent share deposits in the metropolitan area. With over 400 lenders operating in the AA, the majority of which not being depository institutions, FTB was ranked tenth in the origination/purchase of home mortgage loans, achieving a 2.6 percent lending market share. With respect to the origination/purchase of small business loans, FTB was less competitive, achieving a market share of less than one percent.

Approximately 2 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Providence metropolitan area. Our lending analyses focused primarily on home purchase and home refinance loans as those were FTB's primary product lines in the Providence Multistate MA. Although FTB did actively originate home improvement loans and small loans to businesses, the home purchase and home refinance loan activity represented 96.8 percent of reported loans within the AA. We did not perform an analysis of multifamily and small farm lending due to FTB's insignificant activity levels for these loan types in this AA. According to 2007 aggregate HMDA data, FTB ranked 6th in the origination/purchase of home purchase loans with a 3.4 percent market share. For home refinance lending, FTB ranked 9<sup>th</sup> with a 2.3 percent market share. For home improvement loans, FTB ranked 61<sup>st</sup> with a 0.33 percent market share. According to 2007 aggregate Small business data, FTB ranked 58<sup>th</sup> in the purchase/origination of small business loans with a 0.01 percent market share.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of FTB's loans was excellent in the Providence Multistate MA. This was due to an excellent distribution of home mortgage lending and an excellent distribution record of small loans to businesses.

#### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the Providence Multistate section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

In the Providence Multistate MA, the geographic distribution of home purchase loans was good, and the distribution of home improvement, and home refinance loans was excellent. With the exception of home purchase loans in the low-income geographies, the percentages of FTB's loans in both low-income and moderate-income geographies significantly exceeded the percentages of owner-occupied housing units in those segments of the AA. For home purchase loans, the percentage of loans in low-income areas was below the percentage of owner-occupied housing units located in those areas. Additionally, FTB's 2007 market share of all types of home mortgage loans in moderate-income areas was significantly higher than its overall market share. FTB's market share of home purchase loans in low-income areas was near its overall market share. For home refinance loans, FTB's market share in low-income areas significantly exceeded its overall home refinance market share in the AA. FTB's market share of home improvement loans in the low-income areas was too small in 2007 for meaningful analyses. This product did not represent a significant portion of FTB's lending strategy.

#### ***Small Loans to Businesses***

Refer to Table 6 in the Providence Multistate section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was excellent. The percentage of FTB's loans in low- and moderate-income geographies significantly exceeded the percentage of businesses located in those segments of the AA. FTB's market share for small loans to business was too small in 2007 for meaningful analyses.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Providence Multistate MA. This was due to a good distribution record of home purchase, home improvement, and home refinance loans and an excellent distribution record of small loans to businesses.

#### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in the Providence Multistate section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that lived below the poverty level and barriers that this may have had on homeownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community.

The distribution of home purchase, home improvement, and home refinance loans to borrowers of different income levels was good. The percentage of home purchase and home refinance loans to low-income borrowers was below the percentage of low-income families in the AA. FTB did not originate any home improvement loans to low-income borrowers. This level of performance was adequate considering the impact that the area's poverty level has on lending to the low-income segment of the community. The percentage of home purchase and home refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. The percentage of home improvement loans to moderate-income borrowers was very near the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans and home refinance loans to low-income borrowers was below its overall market share. FTB's market share of home refinance loans to moderate-income borrowers was very near its overall home refinance market share. FTB's 2007 market share of home purchase and home improvement loans to moderate-income borrowers exceeded its overall market share of loans.

#### ***Small Loans to Businesses***

Refer to Table 11 in the Providence Multistate section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent. The percentage of loans to businesses with revenues of \$1 million or less significantly exceeded the percentage of small businesses within the AA. FTB's 2007 market of small loans to businesses also significantly exceeded its overall market share of loans.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the Providence Multistate section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a neutral impact on the Lending Test rating for the Providence Multistate area. FTB did not originate any CD loans in the assessment during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in the Providence Multistate MA is rated "Needs to Improve" given performance context. Based on full-scope reviews the bank's performance in the Providence Multistate MA was poor. There were no current or prior period investments directly in the assessment area.

Refer to Table 14 in the Providence Multistate Metropolitan area section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the Providence Multistate MA is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Providence Multistate MA was adequate.

## **Retail Banking Services**

Refer to Table 15 in the Providence Multistate section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. This evaluation considers services during the modified review period July 1, 2005 to December 31, 2007.

The distribution of bank branches in both low- and moderate-income geographies was adequate, as they were reasonably accessible to all portions of the full-scope area. As of June 30, 2007, FTB operated two branches in the Providence Multistate MA, one office in Kent County, RI and one office in Bristol County, MA. The branch in Massachusetts was located in a moderate-income geography. Approximately 18.3 percent of the population resides in a moderate-income geography. The Rhode Island branch was located in a middle-income geography. Approximately 46.9 percent of the population resides in a middle-income geography. Only 4.2 percent of the population resided in a low-income geography. The bank did not own or operate any ATMs in the metropolitan area; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that FTB changed its branch distribution, the bank's record of opening and closing branches during the review period did not adversely affect accessibility to the bank's delivery systems. Two branches opened and closed during the modified review period July 1, 2005 to December. FTB exited this market by year-end 2007.

The services offered at both branches were consistent and did not vary in a way that inconvenienced portions of the AA. FTB's hours of operation were limited to traditional short banking days in both counties in the AA and included a full range of loan and deposit products available to all branch customers. In Kent County, RI, the branch hours of operation were Monday through Friday, 9:00 a.m. to 3:00 p.m. In Bristol County, the branch hours of operation were Monday through Friday, 10:00 to 3:00 p.m.

### **Community Development Services**

FTB did not provide any community development services to the Providence Multistate Metropolitan Area during the evaluation period.

## State Rating

### State of Tennessee

**CRA Rating for Tennessee<sup>2</sup>: Satisfactory**

**The Lending Test is rated: High Satisfactory**  
**The Investment Test is rated: Needs to Improve**  
**The Service Test is rated: Outstanding**

The major factors that support this rating include:

- Overall, the geographic distribution of FTB's lending is good. The distribution of home mortgage lending is adequate and the distribution of small business lending is excellent.
- The borrower distribution of FTB's lending is also good.
- Community development lending has a neutral impact on the Lending Test for Tennessee. The bank's record of originating community development loans is good.
- The volume of community development investments is poor. Volume in the full-scope assessment areas is poor.
- The bank's distribution of branch facilities is excellent.
- FTB provides an adequate level of community development services in the assessment area.

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<sup>2</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state 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.

## Description of Institution's Operations in Tennessee

FTB operates 116 branches and 303 deposit-taking ATMs in the state of Tennessee. These branches represent 59.5 percent of the bank's total branch network. The bank's assessment areas in the state include six MSAs, the Tennessee portion of one multistate metropolitan area, and five entire counties that comprise the combined non-metropolitan area. We selected Sullivan County for full-scope review because it is located within the Kingsport-Bristol, TN-VA multistate metropolitan area. We selected the Knoxville MSA for full-scope review due to its high concentration of deposits (37.5 percent), reported loans (20.1 percent), and branches (28.5 percent) within the state. The concentration of branches in the Nashville MSA (41.4) rivals the Knoxville MSA; however, in terms of deposit market share (5.2 percent), in the state of Tennessee, the Nashville MSA AA is not a dominant market for FTB. At the bank's request, the Nashville MSA and the remaining assessment areas, including the combined non-metropolitan areas, were analyzed using limited-scope procedures. At June 30, 2009, deposits in Tennessee represented 40.7 percent of the bank's total deposits. As such, performance in this rating area does not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Tennessee in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Tennessee is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Sullivan County AA is adequate and performance in the Knoxville MSA AA is good.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Tennessee section of Appendix D for the facts and data used to evaluate the bank's lending activity.

#### Sullivan County AA

FTB's lending activity is good in the Sullivan County AA, considering the significant level of competition in the market. As of June 30, 2009, FTB ranked second in deposits among 17 depository institutions with a 22 percent share of the market. With over 190 lenders operating in the Sullivan County AA, the majority of which are not depository institutions, FTB's also achieved a favorable market share ranking for loans originated and purchased. Compared to deposit market share, FTB attained a 7 percent market share for home mortgage loans and a 25 percent market share for small business loans.

At the state level, approximately 3 percent of total reported loans originated/purchased during the evaluation period are in the Sullivan County AA. Our lending analyses focused on home purchase, home refinance, and small business lending as those are FTB's primary product lines in the Sullivan County AA. Although FTB actively originated home improvement loans, these three product types represented 98.3 percent of reported loans during the evaluation period. FTB's activity level for multifamily and small farm loans was too small for meaningful analyses. According to 2008, aggregate HMDA data, FTB ranked third in the origination/purchase of home purchase loans with a 6.6 percent market share. For home refinance loans, the bank ranked fourth with a 6.8 percent market share, and in the origination of home improvement loans, the bank ranked 11<sup>th</sup> with a 3.7 percent market share. According to 2008 aggregate Small business data, FTB ranked eighth with a 25.3 percent market share in the AA.

### Knoxville MSA

FTB's lending activity is good in the Knoxville MSA AA, considering the significant level of competition in the market. As of June 30, 2009, FTB ranked first in deposits among 39 depository institutions with a 23 percent share of the market. Compared to deposit market share, FTB's ranking for loan originations is considerably higher. With over 270 lenders operating in the Knoxville MSA AA, the majority of which are not depository institutions, FTB ranked ninth in the origination/purchase of home mortgage loans with a 3 percent market share, and a 13 percent market share of small business loans.

At the state level, approximately 7 percent of total reported loans originated/purchased during the evaluation period are in the Knoxville MSA AA. Our lending analyses focused on home purchase, home refinance, and small business lending as those are FTB's primary product lines in the Knoxville MSA AA. Although FTB actively originated home improvement loans, these three product types represented 97.1 percent of reported loans during the evaluation period. FTB's activity level for multifamily and small farm loans was too small for meaningful analyses. According to 2008, aggregate HMDA data, FTB ranked sixth in the origination/purchase of home refinance loans with a 4.2 percent market share. For home purchase loans, the bank ranked eighth with a 3.2 percent market share, and in the origination of home improvement loans, the bank ranked 23<sup>rd</sup> with a 2.3 percent market share. According to 2008 aggregate Small business data, FTB ranked ninth with a 13.4 percent market share in the AA.

### **Distribution of Loans by Income Level of the Geography**

The geographic distribution of FTB's loans is good in the state of Tennessee. The geographic distribution of FTB's loans is good in the Sullivan County AA. This is due to an excellent distribution of home purchase loans, a good distribution of loans to small businesses, an adequate distribution of home refinance loans, and a poor distribution of home improvement loans.

The geographic distribution of FTB's loans is good in the Knoxville MSA AA. This is due to an excellent distribution of loans to small business and an adequate distribution of home purchase, home improvement, and home refinance loans.

## ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of Tennessee section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### Sullivan County

The geographic distribution of home purchase loans is excellent. The percentage of FTB's loans in moderate-income geographies is very near the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home purchase loans in moderate-income geographies is lower than its overall home purchase market share in the AA.

The geographic distribution of home improvement loans is poor. The percentage of FTB's loans in moderate-income geographies is significantly lower than the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home improvement loans in moderate-income geographies is too small for meaningful analyses.

The geographic distribution of home refinance loans is adequate. The percentage of FTB's loans in moderate-income geographies is lower than the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home refinance loans in moderate-income geographies is near its overall home refinance market share in the AA.

### Knoxville MSA

The geographic distribution of home purchase loans is adequate. The percentage of FTB's loans in low-income geographies is lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's loans in moderate-income geographies is near the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home purchase loans in low-income geographies is lower than its overall home purchase market share in the AA. The bank's 2008 market share of home purchase loans in moderate-income geographies exceeds its overall home purchase market share in the AA.

The geographic distribution of home improvement loans is adequate. The percentage of FTB's loans in low-income geographies is lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's loans in moderate-income geographies is near the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home improvement loans in moderate-income geographies significantly exceeds its overall home improvement market share in the AA. The bank's 2008 market share of home improvement loans in low-income geographies is too small for meaningful analyses.

The geographic distribution of home refinance loans is adequate. The percentage of FTB's loans in low-income geographies is lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's loans in moderate-income geographies is near the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home refinance loans in low-income and moderate-income geographies are near its overall home refinance market share in the AA.

***Small Loans to Businesses***

Refer to Table 6 in the state of Tennessee section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank’s origination/purchase of small loans to businesses.

Sullivan County

The geographic distribution of small loans to businesses is good. The percentage of FTB’s loans in moderate-income geographies is near the percentage of businesses in those areas of the AA. FTB’s 2008 small business market share is near its overall small business market share in the AA.

Knoxville MSA

The geographic distribution of FTB’s loans is excellent. The percentage of FTB’s loans in low-income and moderate-income geographies significantly exceeds the percentage of businesses located in those areas of the AA. Additionally, FTB’s 2008 small business market share significantly exceeds its overall small business market share in the AA.

**Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB’s loans is good in the state of Tennessee. The borrower distribution of FTB’s loans is adequate in the Sullivan County AA. This is due to an excellent distribution record of home improvement loans, a good distribution record of home purchase and home refinance loans, and a poor distribution record of loans to small businesses.

The borrower distribution of FTB’s loans is good in the Knoxville MSA AA. This is due to a good distribution record of home purchase loans, an excellent distribution of home improvement and home refinance loans, and an adequate distribution record of loans to small businesses.

***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Tennessee section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

Sullivan County

The distribution of home purchase loans to borrowers of different income levels is good. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. FTB's 2008 market share of home purchase loans to low-income and moderate-income borrowers are near its overall home purchase market share in the AA.

The distribution of home improvement loans to borrowers of different income levels is excellent. The percentage of loans to low-income borrowers is near the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. FTB's 2008 market share of home improvement loans to low-income borrowers significantly exceeds its overall home improvement market share in the AA. The bank's 2008 market share of home improvement loans to moderate-income borrowers is lower than its overall home improvement market share in the AA.

The distribution of home refinance loans to borrowers of different income levels is good. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. FTB's 2008 market share of home refinance loans to low-income borrowers significantly exceeds its overall home refinance market share in the AA. The bank's 2008 market share of home refinance loans to moderate-income borrowers is lower than its overall home refinance market share in the AA.

Knoxville MSA

The distribution of home purchase loans to borrowers of different income levels is good. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. FTB's 2008 home purchase market share to low-income borrowers exceeds its overall home improvement market share in the AA. The bank's moderate-income market share is very near its overall market share in the AA.

The distribution of home improvement loans to borrowers of different income levels is excellent. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. FTB's 2008 market share of home improvement loans to low-income borrowers is lower than its overall home improvement market share in the AA. The bank's 2008 market share of home improvement loans to moderate-income borrowers significantly exceeds its overall home improvement market share in the AA.

The distribution of home refinance loans is excellent. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. FTB's 2008 market share of home refinance loans to low-income borrowers exceeds its overall home refinance market share in the AA. The bank's market share of home refinance loans to moderate-income borrowers is lower than its overall home refinance market share in the AA.

***Small Loans to Businesses***

Refer to Table 11 in the state of Tennessee section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Sullivan County

The borrower distribution of small loans to businesses is poor. The percentage of loans to businesses with revenues of \$1 million or less is significantly lower than the percentage of small businesses within the AA. FTB's 2008 market share of small loans to businesses is also significantly lower than its overall market share of small loans to businesses.

Knoxville MSA

The borrower distribution of small loans to businesses is adequate. The percentage of loans to businesses with revenues of \$1 million or less is significantly lower than the percentage of small businesses within the AA. FTB's 2008 market share of small loans to businesses exceeds its overall market share of loans in the AA, which helps to support an adequate conclusion.

**Community Development Lending**

Refer to Table 1 Lending Volume in the state of Tennessee section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test for Tennessee.

Sullivan County

The bank's record of originating community development loans is good in the Sullivan County AA. During the evaluation period, FTB originated four CD loans totaling \$354,000 in the area. The CD loans supported community services targeted to low- and moderate-income individuals and families, identified by community contacts as needs in the AA. For example, FTB originated one loan for \$300,000 to a social service agency as a working capital line of credit to support an educational after-school program targeted to students from low- and moderate-income households. This effort helped to address community service related needs as identified by community contacts.

Knoxville MSA

The bank's record of originating community development loans is good in the Knoxville MSA AA. During the evaluation period, FTB originated 35 CD loans totaling \$6.1 million in the area. The CD loans supported activities such as affordable housing and community services targeted to low- and moderate-income individuals and families, as identified by community contacts as needs in the AA. For example, FTB originated four loans totaling \$2.4 million to the local chapter of Habitat for Humanity. Additionally, the bank originated four loans totaling \$610,000 to provide working capital to a non-profit community foundation to fund a loan pool that provides funding and support to affordable housing and economic development initiatives that benefit low- and moderate-income residents in Knox County.

**Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Johnson City, Morristown, Nashville, and Non-MSA AAs is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in Tennessee. In the Cleveland, Jackson, and Johnson City MSA AAs, the bank's performance is weaker than the bank's overall performance in the state. In the Cleveland MSA, performance is weaker due to weaker geographic lending distributions. The Jackson MSA AA performance is weaker due to weaker borrower lending distributions. The Johnson City MSA AA performance is weaker due to borrower and geographic lending distributions. The weaker performance in the Cleveland, Jackson, and Johnson City MSA AAs had no impact on the bank's overall performance under the Lending Test in Tennessee.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Tennessee is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Sullivan County AA is poor. Performance in the Knoxville MSA AA is also poor. FTB's responsiveness to the identified needs of the AA is satisfactory, especially in the areas of affordable housing and activities that promote the provision of community development services to low- and moderate-income families and individuals.

Refer to Table 14 in the state of Tennessee section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

#### Sullivan County

The bank's performance under the Investment Test in the Sullivan County AA is poor given performance context, specifically the number of low-income and moderate-income geographies within the AA, and the lower percentage of families in the AA that are low-income or moderate-income.

During the evaluation period, FTB originated 12 investments and donations in the Sullivan County AA totaling \$1 million and consist primarily (93 percent) of a prior period Low Income Housing Tax Credit (LIHTC) As previously discussed, LIHTC's are very responsive to affordable housing needs in the assessment area. The investment helped to provide 72 units of rental housing affordable to persons and families meeting the CRA definition of moderate-income.

Remaining current period investments consist of 11 grants totaling \$66,000 to organizations in the assessment area whose mission meets the definition of community development, primarily community service needs such as educational, health care, and other community programs targeted to low- and moderate-income persons. In the addition, the assessment area had the potential to benefit from the assessment area wide donation to Habitat International, as previously discussed.

#### Knoxville MSA

The bank's performance under the Investment Test in the Knoxville MSA AA is poor. During the evaluation period, FTB originated 49 investments and donations in the Knoxville MSA AA totaling \$8.3 million, and similar to the Sullivan County, Memphis Multistate MA, and Chattanooga Multistate MAs, consists primarily of Low Income Housing Tax Credit (LIHTC) investments, which are very responsive to affordable housing needs in the AA.

FTB originated 46 current period investments totaling \$388,000 to non-profit organizations in the assessment area whose mission meets the definition of community development, primarily community service needs such as educational, health care, and other community programs targeted to low- income and moderate-income families and individuals. These organizations received 66 percent of grants, while 20 percent of organizations receiving grants helped to meet affordable housing needs, 10 percent economic development needs, and 5 percent helped to revitalize and stabilize low-income and moderate-income geographies within the AA.

Prior period investments, consisting totally of LIHTCs, are investments originated during previous examination evaluation periods and remain on the books of First Tennessee Housing Corporation. There are three such investments totaling \$1.1 million. These investments continue to be responsive to the critical need for affordable housing in the assessment area, helping to provide 210 units of rental housing affordable to low-income and moderate-income individuals and families.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance in the Nashville MSA AAs is stronger than the banks overall "Needs to Improve" performance under the Investment Test in Tennessee. In the Cleveland, Jackson, Johnson City, Morristown, and Non-MSA AAs the bank's performance is weaker than the bank's overall performance in the state. Performance is weaker due to a relative lower level of investments. Refer to the Table 14 in the state of Tennessee section of Appendix D for the facts and data that support these conclusions.

## SERVICE TEST

The bank's performance under the Service Test in Tennessee is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Sullivan County AA and the Knoxville MSA AA are excellent.

### Retail Banking Services

Refer to Table 15 in the state of Tennessee section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

#### Sullivan County

The distribution of bank branches is excellent in the Sullivan County AA, as they are readily accessible to all portions of the full-scope area. There are no low-income geographies in the Sullivan County AA. The percentage of bank branches in moderate-income geographies exceeds the percentage of the population residing in those geographies. During the evaluation period, FTB closed two branches but there was no change to the branch distribution in moderate-income geographies and there was no significant impact on the accessibility of banking services in moderate-income Sullivan County AA geographies. FTB did not open any new branches.

FTB offered a full range of loan and deposit products and the services offered at each branch are generally consistent and do not vary in a way that would inconvenience portions of the AA. Branch hours are convenient and include extended weekday and Saturday hours.

#### Knoxville MSA

The distribution of bank branches is excellent in the Knoxville MSA AA, as they are readily accessible to all portions of the full-scope area. The percentage of bank branches in low-income geographies is near the percentage of the population residing in those geographies. In moderate-income geographies, the percentage of bank branches significantly exceeds the percentage of the population residing in those areas of the AA. During the evaluation period, FTB opened one branch and closed five branch locations. To the extent that change in branch distribution occurred there was no impact on the accessibility of banking services in low-income or moderate-income Knoxville MSA geographies.

FTB offered a full range of loan and deposit products and the services offered at each branch are generally consistent and do not vary in a way that would inconvenience portions of the AA. Branch hours are convenient and include extended weekday and Saturday hours.

## Community Development Services

### Sullivan County

FTB provides a limited level of community development services to the Sullivan County AA. FTB reported one activity in this AA. A bank employee served on the Board of Directors of an economic development organization whose mission is to promote the creation of new jobs in the Sullivan County Economic Development Zone.

### Knoxville MSA

FTB provides an adequate level of community development services to the Knoxville MSA AA. During the evaluation period, bank employees and officers provided CD services to 21 different qualified community development organizations. These services were predominately financial and technical assistance provided in service of the organization's board of directors or a committee of the board. The focus of the 21 organizations served included affordable housing (14 percent), community services targeted to low-income and moderate-income individuals and families (76 percent), and economic development (10 percent).

A particularly innovative and responsive CD service was FTB's involvement with a community investment fund (CIF) created for the purposes of providing a source of low-cost funds for developers of affordable housing in the Knoxville MSA AA. A bank employee served on the loan committee of the CIF and reviewed and evaluated applications to the CIF, and approved loans originated by the CIF.

A bank officer also served on the board of directors of the City of Knoxville's Partnership for Neighborhood Improvement (PNI). PNI is the decision-making body for the expenditure of funds received from the U. S. Department of Housing and Urban Development to the Knoxville Empowerment Zone program.

Bank employees provided technical assistance to the Knoxville MSA AA by submitting Affordable Housing Program applications to the Federal Home Loan Bank of Cincinnati to support the construction and rehabilitation of affordable housing and community facilities targeted to low- and moderate-income veterans, elderly, and developmentally disabled individuals. Specifically, the bank sponsored the application for seven projects to develop owner-occupied and rental housing in the assessment area totaling \$3.8 million. One of the projects sponsored was located in the Knoxville MSA AA.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews the bank's performance in the Johnson City MSA, and Non-MSA AAs is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Tennessee. In the Cleveland, Jackson, Morristown, and Nashville MSA AAs, performance is weaker than the bank's overall performance in the state. Performance is weaker due to a relatively weaker branch distribution. Refer to Table 15 in the state of Tennessee section of Appendix D for the facts and data that support these conclusions.

## State of Colorado

**CRA Rating for Colorado: Needs to Improve**  
**The Lending Test is rated: Low Satisfactory**  
**The Investment Test is rated: Needs to Improve**  
**The Service Test is rated: Low Satisfactory**

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage lending was good.
- The borrower distribution of FTB's lending was adequate.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor even considering the limited length of time FTB maintained a presence in the assessment area.
- FTB had a limited presence in and operated in this assessment area for a short time period. However, the distribution of branches was adequate.
- FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Colorado

FTB operated one branch in the state of Colorado during the modified review period June 1, 2006 to June 30, 2007. This branch represented less than one percent of the branch network during calendar year 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. FTB delineated one assessment area in Colorado, Arapahoe County in the Denver-Aurora-Broomfield, CO MSA. At June 30, 2007, deposits in the assessment area represented less than one percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Colorado in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Colorado is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Denver MSA AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Colorado section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was adequate in the Denver MSA AA, considering the length of time the bank operated in this market and the strong level of competition in the AA. As of June 30, 2007, FTB ranked 40<sup>th</sup> in deposits among 41 depository institutions with a 0.02 percent share of the market. With over 500 lenders operating in the AA, the majority of which are not depository institutions, FTB's lending market share was only slightly higher than its deposit share at 0.94 percent. The competitiveness of the AA made it very difficult for FTB, with its small presence, to penetrate the AA and achieve a very high lending market share ranking.

Less than 1 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Denver MSA AA. FTB's primary lending products in the Denver MSA AA were home purchase and home refinance lending, although the bank originated three home improvement loans and one loan to a small business. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses of these loan types. According to 2007 aggregate HMDA data, FTB ranked 21<sup>st</sup> in the origination/purchase of home purchase loans with a 1.1 percent market share. For home refinance loans, FTB ranked 23<sup>rd</sup> and 73<sup>rd</sup> in home improvement lending with a market share under one percent. FTB did not achieve a market share ranking for CRA loans in 2007.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was good in the Denver MSA AA. This was due to an excellent distribution of home purchase loans and an adequate distribution of home refinance loans. The volume of home improvement loans and small loans to businesses was too few for meaningful analysis.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of FTB's home purchase loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. The percentage of FTB's home purchase loans in moderate-income geographies was very near the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies significantly exceeded its overall home purchase market share in the AA. FTB's market share of home purchase loans in moderate-income geographies exceeded its overall home purchase loan market share in the AA.

During the evaluation period, FTB originated three home improvement loans. FTB did not originate any home improvement loans in low- or moderate-income geographies in the AA.

The geographic distribution of home refinance loans was adequate. The percentage of loans in low-income areas was significantly lower than the demographic, and was below the demographic in moderate-income geographies. FTB's 2007 market share of home refinance loans in low-income geographies significantly exceeded its overall home refinance market share in the AA. For home refinance loans, FTB's 2007 market share was very near its overall home refinance loan market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was excellent in the Denver MSA AA. The percentage of FTB's loans in low-income geographies significantly exceeded the percentage of businesses located in those segments of the AA. FTB originated one loan to a small business during the evaluation period; therefore, FTB's market share of loans to small businesses was too low for meaningful analysis.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was adequate in the Denver MSA AA. This was due to a good distribution record of home purchase loans and a poor distribution of home refinance loans. The volume of small loans to businesses was too low for meaningful analysis.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rates.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA. While the percentage of loans to low-income borrowers was lower than the percentage of low-income families in the area, we considered the impact that the area's poverty level has on lending to the low-income segment of the community. FTB's market share of home purchase loans to low-income borrowers was lower than its overall home purchase market share in the AA. FTB's 2007 market share of home purchase loans to moderate-income borrowers exceeded its overall home purchase market share in the AA.

FTB did not originate any home improvement loans to low- or moderate-income borrowers in the AA.

The distribution of home refinance loans to borrowers of different income levels was poor. The percentage of loans to moderate-income borrowers was below the percentage of moderate-income families in the AA. The percentage of loans to low-income borrowers was substantially lower than the percentage of low-income families in the AA. FTB's market share of home refinance loans to moderate income borrowers was very near its overall home refinance market share in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was well below its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

During the evaluation period, FTB originated one loan to a small business in the Denver MSA AA. This volume of lending was too low for meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Colorado assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Colorado is rated "Needs to Improve" given performance context. Based on full-scope reviews, the bank's performance in the Denver MSA AA was poor. There were no current or prior period investments directly in the assessment area.

Refer to Table 14 in the state of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Colorado is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Denver MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Colorado section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. This evaluation considers services during the modified review period June 1, 2006 to June 30, 2007.

As of June 30, 2007, FTB operated one branch in the Denver MSA AA. The single location located in upper-income geography was unreasonably inaccessible to all portions of the full-scope area. The bank did not own or operate any ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that FTB changed its branch distribution, the bank's record of opening and closing branches during the review period adversely affected accessibility to the bank's delivery systems. FTB opened and closed one branch during the review period.

The services offered at the branch were consistent and did not vary in a way that inconvenienced portions of the AA. FTB's hours of operation were limited to traditional short banking days in the AA, Monday through Friday, 10:00 a.m. to 2:00 p.m.; however, a full range of loan and deposit products were available to branch customers.

## **Community Development Services**

FTB did not provide any community development services to the Denver MSA AA during the evaluation period.

## State of Florida

<b>CRA Rating for Florida:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage loans was adequate. During the evaluation period, FTB originated six loans to a small business; too few for meaningful analysis.
- The borrower distribution of FTB's lending was good.
- Community development lending had a neutral impact on the Lending Test rating.
- Poor Investment Test performance even considering the limited length of time the bank maintained a presence in the assessment area.
- The distribution of branches was adequate.
- FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Florida

FTB operated one branch in the state of Florida during the modified review period July 5, 2006 to June 30, 2007. This branch represented less than one percent of the branch network during calendar year 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. FTB delineated one assessment area in Florida, Seminole County in the Orlando-Kissimmee, FL MSA. At June 30, 2007, deposits in the assessment area represented less than one percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Florida in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Florida is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Orlando MSA AA was good.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Orlando MSA AA, considering the length of time the bank operated in this market and the strong level of competition in the AA. As of June 30, 2007, FTB ranked 34<sup>th</sup> in deposits among 34 depository institutions with a 0.02 percent share of the market. However, with over 400 lenders operating in the AA, the majority of which are not depository institutions, FTB's lending market share was significantly higher than its deposit share at 0.81 percent. The competitiveness of the AA made it very difficult for FTB, with its small presence, to penetrate the AA and achieve a very high lending market share ranking.

Less than 1 percent of total reported loans originated/purchased during the evaluation period were in the Orlando MSA AA. FTB's primary lending products in the Orlando MSA AA were home purchase and home refinance lending, although the bank originated four home improvement loans and six loans to a small business. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses of these loan types. According to 2007 aggregate HMDA data, FTB ranked 23<sup>rd</sup> in the origination/purchase of home purchase loans with a 0.94 percent market share. For home refinance loans, the bank ranked 28<sup>th</sup> with a 0.70 percent market share, and for home improvement loans FTB ranked 59<sup>th</sup>, with a 0.44 percent share of the market. According to 2007 aggregate Small business data, FTB ranked 49<sup>th</sup> in the origination/purchase of small business loans with a 0.02 percent share of the market.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was good in the Orlando MSA AA. This is due to an excellent distribution of home purchase loans and an adequate distribution of home refinance loans. FTB originated six loans to small businesses; too few for meaningful analysis.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of FTB's home purchase loans in low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. However, FTB's 2007 market share of home purchase loans in moderate-income geographies was significantly lower than its overall home purchase market share in the AA. FTB's market share of home purchase loans in low-income geographies was too small for meaningful analyses.

During the evaluation period, FTB originated four home improvement loans. FTB did not originate any home improvement loans in low- or moderate-income geographies in the AA.

The geographic distribution of home refinance loans was adequate. FTB did not originate any home refinance loans in low-income geographies but the percentage of owner-occupied housing units in those geographies is negligible. The percentage of home refinance loans in moderate-income geographies was lower than the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home refinance loans in moderate-income geographies was also lower than its overall home refinance loan market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

FTB originated six small loans to businesses in the Orlando MSA AA, all in upper-income geographies. This level of performance was too low for meaningful analysis.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was adequate in the Orlando MSA AA. This is due to an adequate distribution record of home purchase loans, home refinance loans, and loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was well below the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low- and moderate-income borrowers exceeded its overall home purchase market share in the AA.

During the evaluation period, FTB originated four home improvement loans. FTB did not originate any home improvement loans to low-income or moderate-income borrowers in the AA.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. While the percentage of loans to low-income borrowers was lower than the percentage of low-income families in the area, we considered the impact that the area's poverty level has on lending to the low-income segment of the community. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was lower than its overall home refinance market share in the AA. The bank's market share of home refinance loans to moderate-income borrowers was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

In the Orland MSA AA, FTB originated six loans to businesses with revenues of \$1 million or less; too few for meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Florida assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Florida is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Orlando MSA was poor.

There were no current or prior period investments directly in the assessment area.

Refer to Table 14 in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Florida is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Orlando MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Florida section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

As of June 30, 2007, FTB operated one branch in the Orlando MSA AA. The distribution of branches was adequate. The branch, located in an upper-income geography was unreasonably inaccessible to all portions of the full-scope area. The bank did not own or operate any ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that FTB made changes, the bank's record of opening and closing branches did adversely affect the accessibility of the bank's delivery systems. FTB exited the market by year-end 2007, having an adverse effect on the bank's delivery system in low-income or moderate-income geographies or to low- or moderate-income individuals.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

## **Community Development Services**

FTB did not provide any community development services to the Orlando MSA AA during the evaluation period.

## State of Georgia

<b>CRA Rating for Georgia:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was excellent.
- The borrower distribution of FTB's lending was good.
- Community development lending had a neutral impact on the Lending Test rating.
- Adequate Investment Test performance given the limited length of time the bank maintained a presence in the assessment area.
- The distribution of branches was adequate.
- FTB provided an adequate level of community development services in the assessment area when taking into consideration the limited length of time the bank operated in the assessment area.

## Description of Institution's Operations in Georgia

FTB operated 15 branches and 13 deposit-taking ATMs in Georgia during the modified review period August 1, 2005 through June 30, 2007. These branches represented 5.8 percent of the total branch network during calendar year 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. The bank's assessment area consisted of six counties within the Atlanta-Sandy Springs-Marietta, GA MSA: Cobb, Douglas, Fulton, Gwinnett, Paulding, and Walton. All counties closely surround the city of Atlanta. At June 30, 2007, deposits in the assessment area represented 0.6 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Georgia in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Georgia is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Atlanta MSA AA was good.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Georgia section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Atlanta MSA AA, considering the length of time the bank operated in this market and strong level of competition in the AA. As of June 30, 2007, FTB ranked 105<sup>th</sup> in deposits among 107 depository institutions with a less than one percent market share of the market. With over 800 lenders operating in the AA, the majority of which are not depository institutions, compared to deposit market share, FTB achieved a favorable market share for loan originations/purchases. FTB achieved a 0.73 percent market share for home mortgage loans and 0.55 percent market share for loans to small businesses.

Approximately 5 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Atlanta MSA AA. Our lending analyses focused on home purchase and home refinance lending, as those were FTB's primary product lines in the Atlanta MSA AA, although the bank actively originated home improvement and small business loans. We performed no analyses of multifamily and small farm lending due to FTB's low activity levels for these loan types. According to 2007 aggregate HMDA data, FTB ranked 21<sup>st</sup> in the origination/purchase of home refinance loans with a 0.81 percent market share. For home purchase loans, the bank ranked 24<sup>th</sup>, with a 0.75 percent market share, and 46<sup>th</sup> in the origination/purchase of home improvement loans, achieving a 0.71 percent market share. According to 2007 aggregate Small business data, FTB ranked 30<sup>th</sup> with a 0.75 percent market share.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was excellent in the Atlanta MSA AA. This is due to an excellent distribution of home purchase, home refinance, and small loans to business. The distribution of home improvement loans was good.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Georgia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of home purchase loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. The percentage of home purchase loans in moderate-income geographies was very near the demographic. FTB's 2007 market share of home purchase loans in low-income geographies was lower than its overall home purchase market share in the AA. FTB's market share of home purchase loans in moderate-income geographies was near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was good. The percentage of home improvement loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. The percentage of home improvement loans in moderate-income geographies was lower than the demographic. FTB's 2007 market share of home improvement loans in low-income geographies significantly exceeded its overall home improvement market share in the AA. FTB's market share of home improvement loans in moderate-income geographies exceeded its overall home improvement market share in the AA.

The geographic distribution of home refinance loans was excellent. The percentage of home refinance loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. The percentage of home refinance loans in moderate-income geographies was very near the demographic. FTB's 2007 market share of home refinance loans in low-income and moderate-income geographies was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Georgia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was excellent in the Atlanta MSA AA. The percentage of FTB's loans in low-income and moderate-income geographies was near the percentage of businesses located in those segments of the AA. FTB's 2007 small business market share in the low-income geographies exceeded its overall small business market share in the AA. The bank's small business market share in the moderate-income geographies significantly exceeded its overall small business market share in the AA.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Atlanta MSA AA. This is due to a good distribution record of home purchase loans, home refinance loans, and small loans to businesses. The distribution record of home improvement loans was poor.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Georgia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income and moderate-income borrowers was very near its overall home purchase market share in the AA.

The distribution of home improvement loans to borrowers of different income levels was poor. The percentage of loans to low-income and moderate-income borrowers was significantly lower than the percentage of low-income families in the AA. FTB's 2007 market share of home improvement loans to low-income and moderate-income borrowers was lower than its overall home improvement market share in the AA.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was lower than its overall home refinance market share in the AA. The bank's market share of home refinance loans to moderate-income borrowers was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Georgia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was good in the Atlanta MSA AA. The percentage of loans to businesses with revenues of \$1 million or less was near the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses exceeded its overall market for small loans to businesses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Georgia section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Georgia assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Georgia is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Atlanta MSA AA was adequate.

During the evaluation period, FTB made seven current period investments totaling \$21,000 in the Atlanta MSA assessment area. Investments consisted of donations to organizations in the assessment area whose mission meets the definition of community development. Of total donation dollars, FTB directed 64 percent of its investments toward non-profit organizations meeting assessment area community service needs. FTB directed remaining donation dollars to non-profit organizations helping to address affordable housing needs by providing education, counseling, and resource programs for low- and moderate-income families and individuals in the assessment area.

Another significant investment outside the assessment area, but in the state of Georgia, was a current period investment in a Low Income Housing Tax Credit (LIHTC) totaling \$8.3 million that provided 232 units of housing affordable to low- and moderate-income individuals and families. A prior period LIHTC with a current balance of \$669,000 also existed in the state of Georgia but was outside the defined assessment area. We positively considered these out of assessment area investments that have no potential benefit to the assessment area because FTB adequately met investment needs in the assessment area.

Refer to Table 14 in the state of Georgia section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Georgia is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Atlanta MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Georgia section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of bank branches in both low-income and moderate-income geographies was adequate, as the branches were reasonably accessible to all portions of the full-scope area. As of June 30, 2007, FTB operated 15 branches and 13 deposit-taking ATMs in the Atlanta MSA AA. The branch distribution in moderate-income geographies was lower than the percentage of the population that resided in those areas of the assessment area. No branches were located in low-income geographies. Banking access through ATMs was readily available in the low-income and moderate-income geographies of the AA. Approximately 31 percent of the ATMs were situated in a low-income geography compared to 7 percent of the population. Approximately 7.7 percent of the ATMs were located in a moderate-income geography compared to 22.4 percent of the population.

To the extent that FTB changed its branch distribution, the bank's record of opening and closing branches during the modified review period, did not adversely affect accessibility to the bank's delivery systems in low- or moderate-income geographies or by low- or moderate-income individuals. During the evaluation period, 16 branches were opened, 15 branches in middle-income geographies and 1 branch in a moderate-income area of the AA. During the evaluation period, 14 branches were closed, one in a moderate-income geography and another in a middle-income area of the AA. There was no net change in the number of branches located in low- or moderate-income geographies.

The services offered at each branch were consistent and did not vary in a way that inconvenienced portions of the AA. FTB offered a full range of loan and deposit products, including debit and credit cards that permitted account access through non-proprietary ATMs, online and internet banking, and tele-banking services to its customers. Branch hours were standard across the assessment area and included extended weekday and Saturday banking hours.

### **Community Development Services**

Bank employees provided an adequate level of community development services to the Atlanta MSA AA and they have no impact on the Service Test rating. Community development services included serving on the board and operating committees of community development organizations that offer services to low- and moderate-income individuals or promote affordable housing in the AA.

## State of Hawaii

<b>CRA Rating for Hawaii:</b>	<b>Needs to Improve</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was good.
- The borrower distribution of FTB's lending was poor.
- Community development lending had a neutral impact on the Lending Test rating.
- Poor Investment Test performance considering the length of time the bank maintained a presence in the assessment area.
- The distribution of branches was adequate.
- FTB did not provide any community development services to the assessment area..

## Description of Institution's Operations in Hawaii

FTB operated one branch in the state of Hawaii during the modified review period March 1, 2005 to December 31, 2007. This branch represented less than one percent of the branch network during calendar year 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. FTB delineated one assessment area, the Honolulu, HI MSA. At June 30, 2007, deposits in the assessment area represented 0.2 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Hawaii in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Hawaii is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Honolulu MSA AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Hawaii section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Honolulu MSA AA, considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 12<sup>th</sup> in deposits among 12 depository institutions with a 0.19 percent share of the market. However, in a highly competitive market, where there were over 200 lenders operating in the AA, FTB achieved a favorable market share of loan originations/purchases. Compared to deposit market share, FTB's lending market share is significantly higher than its deposit share at 1.7 percent for home mortgage loans. FTB did not achieve a market share of loans to small businesses.

Approximately 3 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Honolulu MSA AA. FTB's primary lending products in the Honolulu MSA AA were home purchase and home refinance loans, although the bank originated 13 home improvement loans and 4 small business loans. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked 14<sup>th</sup> in the origination/purchase of home purchase loans with a 2.2 percent market share. For home refinance loans, the bank ranked 17<sup>th</sup> with a 1.5 percent market share, and in home improvement lending, FTB ranked 59<sup>th</sup> with a 0.11 percent market share. FTB did not achieve a market share ranking for small business loans in 2007.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was good in the Honolulu MSA AA. This was due to an excellent distribution of home purchase loans and home refinance loans, and a poor distribution of home improvement loans. During the evaluation period, FTB originated four small loans to businesses; too few for meaningful analysis.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Hawaii section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of FTB's home purchase loans in low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. However, FTB's 2007 market share of home purchase loans in low-income geographies was lower than its overall home purchase market share in the AA. FTB's market share of home purchase loans in moderate-income geographies was very near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was poor. The percentage of FTB's home improvement loans in moderate-income geographies was lower than the percentage of owner-occupied housing units located in those geographies. FTB did not originate any home improvement loans in low-income geographies where less than 1 percent of the owner-occupied housing units are located. FTB's 2007 market share of home improvement loans in moderate-income geographies significantly exceeded its overall home improvement market share in the AA.

The geographic distribution of home refinance loans was excellent. The percentage of FTB's home refinance loans in low-income geographies exceeded the percentage of owner-occupied housing units in those geographies even in light of the limited opportunities to make loans in geographies with a small volume of owner-occupied housing units. The percentage of FTB's home refinance loans in moderate-income geographies was near the demographic. FTB's 2007 market share of home refinance loans in low-income geographies was lower than its overall home refinance market share in the AA. The bank's market share of home refinance loans in moderate-income geographies significantly exceeded its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Hawaii section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was adequate in the Honolulu MSA AA. The percentage of FTB's small loans to businesses in moderate-income geographies significantly exceeded the percentage of businesses in those areas of the AA. FTB did not originate any loans in a low-income geography. During the evaluation period, FTB originated four small loans to businesses. The volume of loans was too low for meaningful market share analysis.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was poor in the Honolulu MSA AA. This was due to a poor distribution record of home purchase, home improvement, and home refinance loans, an adequate distribution of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Hawaii section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was poor. The percentage of loans to low-income and moderate-income borrowers was substantially lower than the percentage of low- or moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income and moderate-income borrowers exceeded its overall home purchase market share in the AA.

FTB did not originate any home improvement loans to low-income or moderate-income borrowers in the AA. This is poor performance.

The distribution of home refinance loans to borrowers of different income level was poor. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. While the percentage of loans to low-income borrowers was lower, than the percentage of low-income families in the area, we considered the impact that the area's poverty level has on lending to the low-income segment of the community. The percentage of loans to moderate-income borrowers was also significantly lower than the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers met its overall home refinance market share in the AA. The bank's market share of home refinance loans to moderate-income borrowers exceeded its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Hawaii section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was adequate in the Honolulu MSA AA. The percentage of loans to businesses with revenues of \$1 million or less exceeded the percentage of small businesses within the AA. During the evaluation period, FTB originated four small loans to businesses in the Honolulu MSA AA. The volume of loans was too low for meaningful market share analysis.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Hawaii section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Hawaii assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Hawaii is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Honolulu MSA was poor.

There were no current or prior period investments directly in the assessment area.

Refer to Table 14 in the state of Hawaii section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

The bank's performance under the Service Test in Hawaii is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Honolulu MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Hawaii section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

As of June 30, 2007, FTB operated one branch in the Honolulu MSA AA; however, the distribution of branches was adequate, as the single location was reasonably accessible to all portions of the full-scope area. The branch was located in a middle-income geography. Approximately 42.1 percent of the population in the assessment area resides in a middle-income geography. The bank did not own or operate any ATMs in the AA; however FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that the bank made changes, the bank's record of opening and closing branches did adversely affect the accessibility of the bank's delivery systems. FTB opened and closed one branch in the AA by year-end 2007 when the company ceased its operations in the market area.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

### **Community Development Services**

FTB did not provide any community development services to the Honolulu MSA AA during the evaluation period.

## State of Indiana

<b>CRA Rating for Indiana:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's lending was adequate.
- The borrower distribution of FTB's lending was excellent.
- Community development lending had a neutral impact on the Lending Test rating.
- Poor Investment Test performance considering the length of time the bank maintained a presence in the assessment area.
- The distribution of branches was adequate.
- FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Indiana

FTB operated one branch in the state of Indiana during the modified evaluation period June 1, 2005 to December 31, 2007. This branch represented less than one percent of the total branch network during calendar year 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. FTB delineated one assessment area in Indiana defined as Marion County in the Indianapolis-Carmel, IN MSA. At June 30, 2007, deposits in the assessment area represented 0.01 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Indiana in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Indiana is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Indianapolis MSA AA was good.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Indiana section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Indianapolis MSA AA, considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 29<sup>th</sup> in deposits among 12 depository institutions with a 0.01 percent share of the market. However, in spite of the bank's low deposit market share, FTB's lending market share is higher than its deposit market share at 2.3 percent for home mortgage loans. FTB did not achieve a market share of loans to small businesses.

Less than 1 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Indianapolis MSA AA. FTB's primary lending products in the Indianapolis MSA AA were home purchase and home refinance loans, although the bank originated 10 home improvement loans and 29 small business loans. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked 3<sup>rd</sup> in the origination/purchase of home purchase loans with a 5.0 percent market share. For refinance loans, the bank ranked 10<sup>th</sup> with a 2.3 percent market share, and 96<sup>th</sup> in the origination/purchase of home improvement loans with a 0.11 percent market share. FTB did not receive a market share ranking for small business loans in 2007.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was adequate in the Indianapolis MSA AA. This was due to a poor distribution of home purchase, a good distribution of home refinance loans, and an excellent distribution of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of Indiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was poor. There are no low-income geographies in the assessment area. The percentage of FTB's home purchase loans in moderate-income geographies was lower than the percentage of owner-occupied housing units located in those geographies. FTB's 2007 market share of home purchase loans in moderate-income geographies was near its overall home purchase market share in the AA. The geographic distribution of home improvement loans was adequate. The percentage of

FTB did not originate any home improvement loans in the Indianapolis MSA AA.

The geographic distribution of home refinance loans was good. The percentage of FTB's home refinance loans in moderate-income geographies was lower than the percentage of owner-occupied housing units located in those geographies. FTB's 2007 market share of home refinance loans in moderate-income geographies was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Indiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was excellent in the Indianapolis MSA AA. The percentage of FTB's small loans to businesses in moderate-income geographies exceeded the percentage of businesses in those areas of the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was excellent in the Indianapolis MSA AA. This was due to an excellent distribution of home purchase loans and small loans to businesses and a good distribution record of refinance loans.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Indiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was excellent. The conclusion is primarily due to performance to moderate-income borrowers. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was near the percentage of low-income families in the AA. FTB's 2007 market share of home purchase loans to low-income and moderate-income borrowers exceeded its overall home purchase market share in the AA.

FTB did not originate any home improvement loans in the Indianapolis MSA AA.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers exceeded its overall market share of home refinance loans in the AA. FTB's 2007 market share of home refinance loans to moderate-income borrowers was very near its overall markets share of home refinance loans in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Indiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent in the Indianapolis MSA AA. The percentage of loans to businesses with revenues of \$1 million or less exceeded the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Indiana section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Indiana assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Indiana is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Indianapolis MSA AA was poor.

There were no current or prior period investments in the assessment area.

Refer to Table 14 in the state of Indiana section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Indiana is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Indianapolis MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Indiana section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

As of June 30, 2007, FTB operated one branch in the Indianapolis MSA AA; however, the distribution of branches was adequate, as the single location was reasonably accessible to all portions of the full-scope area. The branch was located in a middle-income geography. Approximately 38.3 percent of the population in the AA resides in a middle-income geography. There were no low-income geographies in the AA, and only 3.9 percent of the population resides in a moderate-income geography. The bank did not own or operate any ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that FTB made changes in branch distribution, the bank's record of opening and closing branches, affected adversely the accessibility of the bank's delivery systems. However, FTB exited this market and closed the branch by year-end 2007.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

## **Community Development Services**

FTB did not provide any community development services to the Indianapolis MSA AA during the evaluation period.

## State of Maine

<b>CRA Rating for Maine:</b>	<b>Needs to Improve</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was good.
- The borrower distribution of FTB's lending was poor.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor even considering the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was adequate. FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Maine

FTB operated two branches in the state of Maine during the modified evaluation period October 1, 2006 to December 31, 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. The bank did not operate any deposit-taking ATMs in the state of Maine. The bank's delineated assessment areas in the state included the entire Bangor, ME MSA, and Cumberland County in the Portland-South Portland-Biddeford, ME MSA. We selected the Bangor MSA AA for full-scope review due to a high concentration of deposits (55.1 percent) within the state. We analyzed the Portland MSA AA using limited-scope procedures. At June 30, 2007, deposits in the Bangor MSA AA represented 0.01 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Maine in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Maine is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Bangor MSA AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Maine section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Bangor MSA AA considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 11<sup>th</sup> in deposits among 11 depository institutions with a 0.10 percent share of the market. Given the level of competition in the Bangor MSA AA where there are 100 lenders operating in the AA, the majority of which are not depository institutions, FTB's lending market share was significantly higher than its deposit share at 4.3 percent for home mortgage loans.

Less than 1 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Bangor MSA AA. FTB's primary loan products in the Bangor MSA AA were home purchase and home refinance loans. Although the bank actively originated home improvement loans and loans to small businesses, home purchase and home refinance loans represented 98.3 percent of reported loans during the evaluation period. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked second in the origination/purchase of home purchase loans with a 8.0 percent market share. For refinance loans, the bank ranked 4<sup>th</sup> with a 5.0 percent market share, and 28<sup>th</sup> in the origination/purchase of home improvement loans with a 0.53 percent market share. According to 2007 aggregate small business data, FTB ranked 37<sup>th</sup> with a 0.02 percent share in the AA.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was good in the Bangor MSA AA. This was due to an excellent distribution of home refinance loans, and a good distribution of home purchase loans. The volume of home improvement loans and loans to small businesses was too low for meaningful analyses.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of Maine section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was good. The percentage of FTB's home purchase loans in moderate-income geographies was near the percentage of owner-occupied housing units located in those geographies. FTB's 2007 market share of home purchase loans in moderate-income geographies was near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was excellent. The percentage of FTB's home improvement loans in moderate-income geographies significantly exceeded the percentage of owner-occupied housing units located in those geographies. During the evaluation period, FTB originated four home improvement loans; too few for meaningful market share analysis.

The geographic distribution of home refinance loans was excellent. The percentage of FTB's home refinance loans in moderate-income geographies exceeded the percentage of owner-occupied housing units located in those geographies. FTB's 2007 market share of home refinance loans in moderate-income geographies was near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Maine section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was adequate in the Bangor MSA AA; however, during the evaluation period, FTB only originated three small loans to businesses. The volume of loans was too few for meaningful market share analysis.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was poor in the Bangor MSA AA. This was due to a very poor distribution of home purchase loans and a poor distribution of home refinance loans.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Maine section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was very poor. The percentage of loans to low-income and moderate-income borrowers was significantly lower than the percentage of low- and moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income borrowers was very near its overall home purchase market share in the AA. FTB's 2007 market share of home purchase loans to moderate-income borrowers exceeded its overall home purchase market share in the AA. FTB did not originate any home improvement loans to low-income or moderate-income borrowers in the AA.

FTB originated four home improvement loans. FTB did not originate any home improvement loans to low-income or moderate-income borrowers in the AA.

The distribution of home refinance loans to borrowers of different income levels was poor. The percentage of loans to low-income and moderate-income borrowers was lower than the percentage of low- and moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was lower than its overall home refinance market share in the AA. FTB's 2007 market share of home refinance loans to moderate-income borrowers exceeded its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Maine section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

During the evaluation period, FTB originated three small loans to businesses; too few for meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Maine section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Maine assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Portland MSA AA was not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test in Maine.

Refer to the Tables 1 through 12 in the state of Maine section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Maine is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Bangor MSA AA was poor.

There were no current or prior period investments in the assessment area.

Refer to Table 14 in the state of Maine section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Portland MSA AA was not inconsistent with the bank's overall "Needs to Improve" performance under the Investment Test in Maine. Refer to the Table 14 in the state of Maine section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Maine is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Bangor MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Maine section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

As of June 30, 2007, FTB operated one branch in the Bangor MSA AA; however, the distribution of branches was adequate, as the single location was reasonably accessible to all portions of the full-scope area. The branch was located in a moderate-income geography. Approximately 18.4 percent of the population in the AA resides in a moderate-income geography. The bank did not own or operate any ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

FTB opened and closed one branch during the evaluation period, adversely affecting the accessibility of the bank's delivery systems in moderate-income geographies and to low- or moderate-income individuals.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

## **Community Development Services**

FTB did not provide any community development services to the Bangor MSA AA during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Portland MSA AA was not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in Maine.

Refer to Table 15 in the state of Maine section of Appendix D for the facts and data that support these conclusions.

## State of Maryland

<b>CRA Rating for Maryland:</b>	<b>Needs to Improve</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was adequate.
- The borrower distribution of FTB's lending was good.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor considering the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was adequate.
- FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Maryland

FTB operated seven branches in the state of Maryland during the modified evaluation period September 1, 2005 to December 31, 2007. FTB exited this market area by year-end 2007 FHNC terminated its national expansion strategy in the area. The bank did not operate any deposit-taking ATMs in the state of Maryland. The bank's delineated assessment areas in the state included Anne Arundel County and Baltimore County in the Baltimore-Towson, MD MSA and Frederick County and Montgomery County in the Bethesda-Frederick-Gaithersburg, MD MSA. We selected the Baltimore MSA AA for full-scope review due to its high concentration of deposits (60 percent), reportable loans (65 percent), and branches (60 percent) within the state. We used limited-scope procedures to analyze the performance in the Bethesda MSA AA. At June 30, 2007, deposits in the Baltimore MSA AA represented 0.06 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Maryland in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Maryland is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Baltimore MSA AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Maryland section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Baltimore MSA AA considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 62<sup>nd</sup> in deposits among 70 depository institutions with a 0.04 percent share of the market. Given the level of competition in the Baltimore MSA AA, with over 700 lenders operating in AA, the majority of which are not depository institutions, FTB's lending market share is significantly higher than its deposit share, at 1.8 percent.

Approximately 5 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Baltimore MSA AA. FTB's primary loan products in the Baltimore MSA AA were home purchase and home refinance loans. Although the bank actively originated home improvement loans and loans to small businesses, home purchase and home refinance loans represented 98.7 percent of reported loans in the AA. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked 7<sup>th</sup> in the origination/purchase of home purchase loans with a 3.4 percent market share. For refinance loans, the bank ranked 11<sup>th</sup> with a 1.8 percent market share, and 39<sup>th</sup> in the origination/purchase of home improvement loans with a 0.7 percent market share. FTB did not achieve a small business loans market share ranking in 2007.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was adequate in the Baltimore MSA AA. This was due to an excellent distribution of home purchase loans, a good distribution of home refinance and home improvement loans. FTB originated nine loans to small businesses; too few for meaningful analysis.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Maryland section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of home purchase loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. The percentage of home purchase loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies significantly exceeded its overall home purchase market share in the AA. The bank's 2007 market share of home purchase loans in moderate-income geographies was very near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was good. The percentage of home improvement loans in low-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. The percentage of home improvement loans in moderate-income geographies was lower than the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home improvement loans in low-income and moderate-income geographies was significantly lower than its overall home improvement market share in the AA.

The geographic distribution of home refinance loans was good. The percentage of home refinance loans in low-income and moderate-income geographies is near the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home refinance loans in low-income and moderate-income geographies was near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Maryland section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

During the evaluation period, FTB originated nine small loans to businesses; too few for meaningful analysis.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Baltimore MSA AA. This was due to a good distribution of home purchase, home improvement, and home refinance loans. The volume of small loans to businesses was too low for meaningful analysis.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Maryland section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income and moderate-income borrowers exceeded its overall home purchase market share in the AA.

The distribution of home improvement loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers was very near the demographic. FTB's 2007 market share of home improvement loans to low-income borrowers exceeded its overall home improvement market share in the AA. FTB's 2007 market share of home improvement loans to moderate-income borrowers was near its overall home improvement market share in the AA.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was near its overall home refinance market share in the AA. FTB's 2007 market share of home refinance loans to moderate-income borrowers was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Maryland section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was poor in the Baltimore MSA AA. The percentage of loans to businesses with revenues of \$1 million or less was well below the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful market share analysis.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Maryland section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Maryland assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Bethesda MSA AA was stronger than the bank's "Low Satisfactory" performance in the Baltimore MSA AA. This stronger performance had a positive impact on the overall Lending Test rating for the state of Maryland. The bank's performance in the Bethesda MSA AA is stronger due to an excellent borrower distribution of home mortgage loans, particularly home purchase and home improvement loans.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Maryland is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Baltimore MSA AA was poor.

There were no current or prior period investments in the assessment area.

Refer to Table 14 in the state of Maryland section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Bethesda MSA AA was not inconsistent with the bank's overall "Needs to Improve" performance under the Investment Test in Maryland.

Refer to the Table 14 in the state of Maryland section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Maryland is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Baltimore MSA AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Maryland section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

As of June 30, 2007, FTB operated three branches in the Baltimore MSA AA. There were no branch locations in low-income or moderate-income geographies in the AA; however, retail delivery systems were reasonably accessible to all portions of the full-scope area. One branch was located in a middle-income geography. Approximately 40 percent of the population in the AA resides in a middle-income geography. Two branches were located in upper-income geographies. Approximately 31 percent of the population resided in an upper-income geography. FTB did not operate any deposit-taking ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that changes were made, the bank's record of opening and closing branches did not adversely affect the accessibility of the bank's delivery systems in low-income or moderate-income areas or to low-income or moderate-income individuals within the AA. FTB opened seven branches and closed six locations, all in middle-income geographies.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday, 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

### **Community Development Services**

FTB did not provide any community development services to the Baltimore MSA AA during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Bethesda MSA AA was not inconsistent with the bank's "Low Satisfactory" performance under the Service Test in Maryland.

Refer to Table 15 in the state of Maryland section of Appendix D for the facts and data that support these conclusions.

## State of Massachusetts

**CRA Rating for Massachusetts: Satisfactory**  
**The Lending Test is rated: High Satisfactory**  
**The Investment Test is rated: Needs to Improve**  
**The Service Test is rated: High Satisfactory**

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was good. Home mortgage lending performance was excellent and lending to small business was adequate.
- The borrower distribution of FTB's lending was adequate. Home mortgage lending performance was very poor, while lending to small business was excellent.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor considering the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was good. FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Massachusetts

FTB operated one branch in the state of Massachusetts during the modified evaluation period April 1, 2005 to December 31, 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. The bank did not operate any deposit-taking ATMs in the state of Massachusetts. The bank's delineated assessment area was the Barnstable Town, MA MSA. At June 30, 2007, deposits in the Barnstable MSA AA represented 0.03 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Massachusetts in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Massachusetts is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Barnstable MSA AA was good.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Barnstable MSA AA considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 29<sup>th</sup> in deposits among 29 depository institutions with a 0.08 percent share of the market. The Barnstable MSA AA reflects a high level of competition with over 400 lenders operating in the Barnstable MSA AA, the majority of which are not depository institutions. FTB's lending market share was significantly higher than its deposit share, at 1.8 percent for home mortgage loans.

Approximately 1 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Barnstable MSA AA. FTB's primary loan products in the Barnstable MSA AA were home purchase and home refinance loans. Although the bank originated a limited number of home improvement loans and loans to small businesses, home purchase and home refinance loans represented 96.9 percent of reported loans in the AA. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked 13<sup>th</sup> in the origination/purchase of home purchase and home refinance loans with a 2.2 percent and 2.1 percent market share, respectively. FTB achieved a 0.15 percent market share for home improvement loans, ranking 66<sup>th</sup> of 114 lenders in the AA. According to 2007 aggregate small business data, FTB ranked 49<sup>th</sup> of 51 lenders in the AA achieving a less than one percent market share.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was good in the Barnstable MSA AA. This was due to an excellent distribution of home purchase and home refinance loans, and an adequate distribution of loans to small businesses.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of home purchase loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. The percentage of home purchase loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies significantly exceeded its overall home purchase market share in the AA. FTB's 2007 market share of home purchase loans in moderate-income geographies was lower than its overall home purchase market share in the AA.

FTB originated eight home improvement loans in the AA; too few for meaningful analysis.

The geographic distribution of home refinance loans was excellent. The percentage of home refinance loans in low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home refinance loans in low-income geographies significantly exceeded its overall home refinance market share in the AA. FTB's 2007 market share of home refinance loans in moderate-income geographies was lower than its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was adequate in the Barnstable MSA AA. The percentage of FTB's small loans to businesses in low-income geographies was lower than the percentage of businesses in those areas of the AA. The percentage of small loans to businesses in moderate-income geographies exceeded the percentage of businesses in those areas of the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was adequate in the Barnstable MSA AA. This was due to an excellent distribution of loans to small businesses and a very poor distribution record of home purchase and home refinance loans.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was very poor. The percentage of loans to moderate-income borrowers was significantly lower than the percentage of moderate-income families in the AA. FTB did not originate any home purchase loans to low-income borrowers. FTB's 2007 market share of home purchase loans to moderate-income borrowers significantly exceeded its overall home purchase market share in the AA.

FTB originated eight home improvement loans; too few for meaningful analysis.

The distribution of home refinance loans to borrowers of different income levels was very poor. The percentage of loans to low-income and moderate-income borrowers was significantly lower than the percentage of low-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was lower than its overall home refinance market share in the AA. FTB's 2007 market share of home refinance loans to moderate-income borrowers exceeded its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent in the Barnstable MSA AA. The percentage of loans to businesses with revenues of \$1 million or less significantly exceeded the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Massachusetts assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Massachusetts is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Barnstable MSA AA was poor.

There were no current or prior period investments in the assessment area.

Refer to Table 14 in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Massachusetts is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Barnstable MSA AA was good.

### **Retail Banking Services**

Refer to Table 15 in the state of Massachusetts section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

FTB's delivery systems were accessible to all portions of the full-scope area. As of June 30, 2007, FTB operated one branch in the Barnstable MSA AA. The branch was located in a low-income geography. Approximately 2.0 percent of the population in the AA resides in a low-income geography. Approximately 5.0 percent of the population resided in moderate-income geographies within close proximity of the only existing branch in the AA. FTB did not operate any deposit-taking ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that changes occurred, the bank's record of opening and closing branches did adversely affect the accessibility of the bank's delivery systems. FHNC terminated its national expansion strategy in this area by year-end 2007 and FTB closed its only existing branch in the Barnstable MSA AA.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday, 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

## **Community Development Services**

FTB did not provide any community development services to the Barnstable MSA AA during the evaluation period.

## State of Michigan

<b>CRA Rating for Michigan:</b>	<b>Needs to Improve</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Needs to Improve</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was adequate.
- The borrower distribution of FTB's lending was also good.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor considering the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was poor. FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Michigan

FTB operated one branch in the state of Michigan during the modified evaluation period April 1, 2005 to December 31, 2007. FTB exited this market area by year-end 2007, when FHNC terminated its national expansion strategy in the area. The bank did not operate any deposit-taking ATMs in the state of Michigan. The bank's delineated assessment area was Wayne County in the Detroit-Livonia-Dearborn, MI metropolitan division (MD). At June 30, 2007, deposits in the Detroit MD AA represented 0.02 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Michigan in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Michigan is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Detroit MD AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Michigan section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was adequate in the Detroit MD AA considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 28<sup>th</sup> in deposits among 29 depository institutions operating in the AA, with a market share of less than one percent. FTB's lending market share in the AA was only slightly higher at 1.0 percent.

Less than 1 percent of total reported loans originated/purchased during the evaluation period were in the Detroit MD AA. FTB's primary loan products in the Detroit MD AA were home purchase and home refinance loans. Although the bank originated a limited number of home improvement loans and loans to small businesses, home purchase and home refinance loans represented 98.5 percent of reported loans in the AA. FTB did not originate any multifamily loans and an insignificant number of small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMD data, FTB ranked 33<sup>rd</sup> in the origination/purchase of home purchase and home refinance loans with a 1.0 percent market share, respectively. FTB achieved a 0.03 percent market share of home improvement loans, ranking 133<sup>rd</sup> of 162 lenders in the AA. FTB did not achieve a market share ranking for CRA loans in 2007.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was adequate in the Detroit MD AA. This was due to a good distribution of home purchase loans, and an adequate distribution of home refinance loans and loans to small businesses.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Michigan section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was good. The percentage of home purchase loans in low-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. The percentage of home purchase loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies significantly exceeded its overall home purchase market share in the AA. FTB's 2007 market share of home purchase loans in moderate-income geographies was lower than its overall home purchase market share in the AA.

During the evaluation period, FTB originated six home improvement loans in the Detroit MDA AA; too few for meaningful analysis.

The geographic distribution of home refinance loans was adequate. The percentage of home refinance loans in low-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. The percentage of home refinance loans in moderate-income geographies was lower than the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home refinance loans in low-income or moderate-income geographies was lower than its overall home refinance loan market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Michigan section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was adequate in the Detroit MD AA. The percentage of FTB's small loans to businesses in low-income geographies was significantly lower than the percentage of businesses in those areas of the AA. The percentage of FTB's loans in moderate-income geographies was near the percentage of businesses in those areas of the AA. FTB's 2007 market share of loans to businesses was too small for meaningful analyses.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Detroit MD AA. This was due to a good distribution record of home purchase, home refinance loans, and loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Michigan section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income borrowers significantly exceeded its overall home purchase market share in the AA. FTB's 2007 market share of home purchase loans to moderate-income borrowers was very near its overall home purchase market share in the AA.

During the evaluation period, FTB originated six home improvement loans. The level of volume was too low for meaningful analysis.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers was very near the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income and moderate-income borrowers was lower than its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Michigan section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was good in the Detroit MD AA. The percentage of loans to businesses with revenues of \$1 million or less was very near the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Michigan section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Michigan assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Michigan is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Detroit MD AA was poor.

Refer to Table 14 in the state of Michigan section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

There were no current or prior period investments in the assessment area.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Michigan is rated "Needs to Improve." Based on full-scope reviews the bank's performance in the Detroit Michigan MSA AA was poor.

### **Retail Banking Services**

Refer to Table 15 in the state of Michigan section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

FTB's delivery systems were unreasonably inaccessible to all portions of the full-scope area. As of June 30, 2007, FTB operated one branch in the Detroit MD AA. The branch was located in an upper-income geography. Approximately 52 percent of the Detroit MD AA population resided in a low-income or moderate-income geography. Conversely, only 15 percent of the AA population resided in an upper-income geography. FTB did not operate any deposit-taking ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that changes occurred, the bank's record of opening and closing branches did adversely affect the accessibility of the bank's delivery systems. FTB opened and closed its only branch location by year-end 2007, when FHNC terminated its national expansion strategy in this area.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday, 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

## **Community Development Services**

FTB did not provide any community development services to the Detroit MD AA during the evaluation period.

## State of Missouri

<b>CRA Rating for Missouri:</b>	<b>Needs to Improve</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Needs to Improve</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was poor.
- The borrower distribution of FTB's lending was good.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor given the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was poor. FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Missouri

FTB operated one branch in the state of Missouri during the modified evaluation period December 1, 2005 to June 30, 2008. FTB exited this market area and closed this branch effective June 30, 2008, when FHNC terminated its national expansion strategy in this area. The bank did not operate any deposit-taking ATMs in the state of Missouri. The bank's delineated assessment area was Jackson County, MO in the Kansas City, MO-KS Multistate MSA. At June 30, 2007, deposits in the Jackson County AA represented 0.02 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Missouri in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Missouri is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Jackson County AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Missouri section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was adequate in the Jackson County AA considering the length of time the bank operated in this market. As of June 30, 2007, FTB ranked 46<sup>th</sup> in deposits among 49 depository institutions operating in the Jackson County AA, with a 0.03 percent share of the market. FTB's lending market share in the AA was significantly higher at 2.3 percent.

Approximately 1 percent of total reported loans originated/purchased during the evaluation period were in the Jackson County AA. FTB's primary loan products in the Jackson County AA were home purchase and home refinance loans. Although the bank originated a limited number of home improvement loans and loans to small businesses, home purchase and home refinance loans represented 99.1 percent of reported loans in the AA. FTB did not originate any multifamily or small farm loans. Therefore, we performed no analyses for these loan types. According to 2008 aggregate HMDA data, FTB ranked 13<sup>th</sup> in the origination/purchase of home purchase loans with a 2.7 percent market share. For home refinance loans, FTB ranked 14<sup>th</sup> with a 1.5 percent market share and 59<sup>th</sup> in the origination/purchase of home improvement loans. FTB did not achieve a market share ranking for small business loans in 2008.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was poor in the Jackson County AA. This was due to a poor distribution of home purchase and home refinance loans, and an adequate distribution of home improvement loans. During the evaluation period, FTB originated eight small loans to a business. This level of volume was too low for meaningful analysis.

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Missouri section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was poor. The percentage of home purchase loans in low-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. The percentage of home purchase loans in moderate-income geographies was lower than the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home purchase loans in low-income and moderate-income geographies was too small for meaningful analyses.

The geographic distribution of home improvement loans was adequate. The percentage of home improvement loans in moderate-income geographies was near the percentage of owner-occupied housing units in those geographies. FTB did not originate any home improvement loans in low-income geographies of the AA. FTB's 2008 market share of home improvement loans in moderate-income geographies was too small for meaningful analyses.

The geographic distribution of home refinance loans was poor. The percentage of home refinance loans in low-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. The percentage of home refinance loans in moderate-income geographies was lower than the percentage of owner-occupied housing units in those geographies. FTB's 2008 market share of home refinance loans in low-income and moderate-income geographies was too small for meaningful analyses.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Missouri section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

FTB originated eight small loans to a business in the Jackson County, MO AA; too few for meaningful analysis.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Jackson County AA. This was due to a good distribution of home mortgage loans.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Michigan section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was excellent. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA. FTB's 2008 market share of home purchase loans to low-income and moderate-income borrowers was too small for meaningful analyses.

The distribution of home improvement loans to borrowers of different income levels was adequate. The percentage of loans to low-income and moderate-income borrowers was lower than the percentage of low-income and moderate-income families in the AA. FTB's 2008 market share of home improvement loans to low-income and moderate-income borrowers was too small for meaningful analyses.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2008 market share of home refinance loans to low-income and moderate-income borrowers was too small for meaningful analyses.

***Small Loans to Businesses***

Refer to Table 11 in the state of Missouri section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

FTB originated eight loans in the Jackson County, MO AA; too few for meaningful analysis.

**Community Development Lending**

Refer to Table 1 Lending Volume in the state of Missouri section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Missouri assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Missouri is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Jackson County AA was poor.

Refer to Table 14 in the state of Missouri section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

There were no current or prior period investments in the assessment area.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Missouri is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Jackson County AA was poor.

### **Retail Banking Services**

Refer to Table 15 in the state of Missouri section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

FTB's delivery systems were unreasonably inaccessible to all portions of the full-scope area. As of June 30, 2007, FTB operated one branch in the Jackson County, MO AA. The branch was located in an upper-income geography. Approximately 42 percent of the Jackson County AA population resided in a low-income or moderate-income geography. Conversely, only 18 percent of the AA population resided in an upper-income geography. FTB did not operate any deposit-taking ATMs in the AA; however, FTB offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that FTB made changes, the bank's record of opening and closing of branches did adversely affect the accessibility of the bank's delivery systems. FTB closed its only existing branch in the Jackson County AA prior to June 30, 2008, when FHNC terminated its national expansion strategy in this AA.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday, 9:00 a.m. to 3:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

## **Community Development Services**

FTB did not provide any community development services to the Jackson County AA during the evaluation period.

## State of North Carolina

**CRA Rating for North Carolina: Needs to Improve**  
**The Lending Test is rated: Low Satisfactory**  
**The Investment Test is rated: Needs to Improve**  
**The Service Test is rated: Needs to Improve**

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was poor. Mortgage lending performance was adequate and lending to small businesses was very poor.
- The borrower distribution of FTB's lending was good.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor even considering the limited length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was poor. FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in North Carolina

FTB operated three branches in the state of North Carolina during the modified evaluation period January 1, 2005 to December 31, 2007. During this time-period, the bank delineated three assessment areas in the state including Mecklenburg County, NC in the Charlotte-Gastonia-Concord, NC-SC multistate metropolitan area, Guilford County in the Greensboro-High Point, NC MSA, and Wake County in the Raleigh-Cary, NC MSA. FTB exited these market areas by year-end 2007, when FHNC terminated its national expansion strategy in these areas. Beginning in 2008, FTB established one new branch, and continues to operate one branch, in Forsyth County in the Winston-Salem, NC MSA. The bank did not operate any deposit-taking ATMs in the state of North Carolina.

At the bank's request, we selected the Greensboro MSA AA for full-scope review due to a higher concentration of deposits (51.7 percent) within the state. The Charlotte multistate metropolitan AA, the Raleigh MSA AA, and the Winston Salem MSA AA were analyzed using limited-scope procedures. The concentration of deposits in the Greensboro MSA AA far exceeded the Raleigh MSA AA, which was the next largest assessment area in terms of deposits with 30.8 percent of FTB's deposits in the state during 2007. The Charlotte multistate metropolitan area represented 17.6 percent of FTB's deposits in the state. At June 30, 2007, deposits in the Greensboro MSA AA represented 0.04 percent of the bank's total deposits. In 2008, the Winston-Salem MSA AA represented 0.02 percent of FTB's bank-wide deposits. As such, performance in these rating areas did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of North Carolina in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in North Carolina is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Greensboro MSA AA was adequate.

### **Lending Activity**

Refer to Tables 1 Lending Volume in the state of North Carolina section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity is good in the Greensboro MSA AA considering the period of time the bank operated in this market. As of June 30, 2007, FTB ranked 23<sup>rd</sup> in deposits among 26 depository institutions with a 0.11 percent share of the market. The Greensboro MSA AA is highly competitive, with over 400 lenders operating in the AA, the majority of which are not depository institutions. FTB achieved a favorable lending market share, significantly higher than its deposit share, at 1.8 percent.

Less than 1 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Greensboro MSA AA. FTB's primary lending products in the Greensboro MSA AA were home purchase and refinance mortgage loans. Although the bank actively originated home improvement loans and loans to small businesses, home purchase and home refinance loans represented 97.1 percent of reported loans in the AA. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked 13<sup>th</sup> in the origination/purchase of home purchase loans with a 2.1 percent market share. For refinance loans, the bank ranked 15<sup>th</sup> with a 1.5 percent market share, and 44<sup>th</sup> in the origination/purchase of home improvement loans with a 0.3 percent market share. According to 2007 aggregate small business loan data, FTB ranked 32<sup>nd</sup> with a 0.4 percent market share in the AA.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of FTB's loans was poor in the Greensboro MSA AA. This was due to an excellent distribution of home purchase loans, offset by a poor distribution of home refinance loans, and a very poor distribution of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of North Carolina section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans excellent. The percentage of FTB's home purchase loans in low-income geographies exceeded the percentage of owner-occupied housing units located in those geographies. The percentage of home purchase loans in moderate-income geographies was very near the percentage of owner-occupied housing units located in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies significantly exceeded its overall home purchase market share in the AA. The bank's 2007 market share of home purchase loans in moderate-income geographies was lower than its overall home purchase market share in the AA.

During the evaluation period, FTB originated five home improvement loans in the Greensboro MSA AA. This level of performance was too low for meaningful analysis.

The geographic distribution of home refinance loans was poor. The percentage of FTB's home refinance loans in low-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's home refinance loans in moderate-income geographies was lower than the percentage of owner-occupied housing units located in those geographies. FTB's 2007 market share of home refinance loans in moderate-income geographies was well below its overall home refinance market share in the AA. The bank's 2007 market share of home refinance loans in low-income geographies was too small for meaningful analyses.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of North Carolina section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was very poor. The percentage of FTB's small loans to businesses in moderate-income geographies was significantly lower than the percentage of businesses in those areas of the AA. FTB did not originate any loans to small businesses in a low-income geography. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Greensboro MSA AA. This was due to a good distribution record of home purchase and home refinance loans and an adequate distribution record of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of North Carolina section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income borrowers was lower than its overall home purchase market share in the AA. FTB's 2007 market share of home purchase loans to moderate-income borrowers exceeded its overall home purchase market share in the AA.

During the evaluation period, FTB originated five home improvement loans. The level of volume was too low for meaningful analysis.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers was near its overall home refinance market share in the AA. FTB's 2007 market share of home refinance loans to moderate-income borrowers exceeded its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of North Carolina section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was adequate in the Greensboro MSA AA. The percentage of loans to businesses with revenues of \$1 million or less was lower than the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses met its overall market share of small loans to businesses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of North Carolina section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of North Carolina assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Charlotte multistate AA and the Winston-Salem MSA AA was not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test in North Carolina. Performance in the Winston-Salem MSA AA was adequate even through CD lending performance was significantly stronger than the overall performance in the state. In the Raleigh MSA AA the bank's performance is stronger than the banks overall performance in the state, due to stronger borrower lending distributions. The results of the limited-scope reviews had no impact on the bank's overall performance under the Lending Test in North Carolina.

Refer to the Tables 1 through 12 in the state of North Carolina section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in North Carolina is rated Needs to Improve." Based on full-scope reviews, the bank's performance in the Greensboro MSA AA was poor.

There were no current or prior period investments in the assessment area.

Refer to Table 14 in the state of North Carolina section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Charlotte MMSA AA, the Raleigh MSA AA, and the Winston-Salem MSA AA was not inconsistent with the overall "Needs to Improve" performance under the Investment Test in North Carolina.

Refer to the Table 14 in the state of North Carolina section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

The bank's performance under the Service Test in North Carolina is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Greensboro MSA AA was poor.

### **Retail Banking Services**

Refer to Table 15 in the state of North Carolina section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

As of June 30, 2007, FTB operated one branch in the Greensboro MSA AA. The distribution of branches was poor, as the single location was unreasonably inaccessible to all portions of the full-scope area. The branch was located in a middle-income geography. Although approximately 22 percent of the AA population resided in a low- or moderate-income geography, none of these geographies was in close proximity to the bank's single branch location. The bank operated one deposit-taking ATM also located in a middle-income geography in the AA and offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

To the extent that changes in branch distribution occurred, branch openings and closings generally did adversely affect the accessibility of the bank's delivery systems in moderate-income geographies and to low- income or moderate-income individuals. FTB opened and closed the one branch during the evaluation period when FTB ceased operating in this market.

FTB offered a full range of loan and deposit products and hours of operation were limited to traditional short banking days in the AA, Monday through Friday 10:00 a.m. to 2:00 p.m. These hours did not vary in a way that inconvenienced persons in the assessment area.

### **Community Development Services**

FTB did not provide any community development services to the Greensboro MSA AA during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Charlotte MMSA AA and the Raleigh MSA AA was not inconsistent with the bank's overall "Needs to Improve" performance under the Service Test in North Carolina. Overall, retail delivery systems in these AAs were unreasonably inaccessible to geographies and individuals of different income levels. In the Winston-Salem MSA AA the bank's performance was stronger than the bank's overall performance in the state, due to stronger branch distribution. FTB did not provide any community development services to any of the limited-scope assessment areas during the evaluation period. The results of the limited-scope reviews had no impact on the bank's overall performance under the Service Test in North Carolina.

Refer to Table 15 in the state of North Carolina section of Appendix D for the facts and data that support these conclusions.

## State of Texas

<b>CRA Rating for Texas:</b>	<b>Needs to Improve</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Needs to Improve</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's lending was adequate. Home mortgage lending performance was poor and lending to small businesses was adequate.
- The borrower distribution of FTB's lending was also adequate. Home mortgage lending performance was poor and lending to small businesses was adequate.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor given the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was adequate. FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Texas

FTB operated twelve branches in the state of Texas during the modified evaluation period April 1, 2005 to June 30, 2008. During this time-period, the bank delineated two assessment areas in the state including Collin, Dallas, Denton, and Rockwall Counties in the Dallas-Plano-Irving, TX Metropolitan Division (MD), and Tarrant County in the Fort Worth-Arlington, TX Metropolitan Division. During the evaluation period, FTB operated seven branches in the Dallas MD. However, by June 30, 2008, FTB only operated one branch in the Dallas MD AA, exiting this market area shortly thereafter when FHNC terminated its national expansion strategy in this area. FTB exited the Fort Worth MD market by December 31, 2007. The bank operated four deposit-taking ATMs in the state of Texas, all in the Dallas MD.

We selected the Dallas MD AA for full-scope review due to a higher concentration of deposits (64.2 percent) within the state. Additionally, First Horizon Home Loans, the bank's mortgage banking affiliate, maintained its main office in Irving, Dallas County, Texas. We analyzed the Fort Worth MD using limited-scope procedures. At June 30, 2008, deposits in the Dallas MD represented less than one percent of the bank's total deposits. At June 30, 2007, deposits in the Fort Worth MD represented 0.03 percent of the bank's total deposits. As such, performance in these rating areas did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Texas in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

The bank's performance under the Lending Test in Texas is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Dallas MD AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity is good in the Dallas MD AA considering the period of time the bank operated in this market. As of June 30, 2008, FTB ranked 103<sup>rd</sup> in deposits among 109 depository institutions with a market share less than one-tenth of one percent. The Dallas MD AA is highly competitive, with over 700 lenders operating in the AA, the majority of which are not depository institutions. However, FTB achieved a favorable lending market share, significantly higher than its deposit share, at 0.75 percent.

Approximately 4 percent of total loans originated/purchased during the evaluation period were in the Dallas MD AA. FTB's primary lending products in the Dallas MD were home purchase and home refinance mortgage loans. Although the bank actively originated home improvement loans and loans to small businesses, home purchase and home refinance loans represented 95.6 percent of reported loans in the AA. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2008 aggregate HMDA data, FTB ranked 26<sup>th</sup> in the origination/purchase of home refinance loans with a 0.59 percent market share. For home purchase loans, the bank ranked 27<sup>th</sup> with a 0.84 percent market share, and in the origination/purchase of home improvement loans, the bank ranked 119<sup>th</sup> with a 0.09 percent market share. In 2008, FTB did not originate/purchase any loans to small businesses in the Dallas MD AA; however, according to 2007 aggregate small business loan data, FTB ranked 41<sup>st</sup> in the origination/purchase of small business loans with a 0.30 percent market share in the AA.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was adequate in the Dallas MD AA. This was due to a poor distribution of home purchase and home refinance loans, a very poor distribution home improvement loans, and an adequate distribution of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was poor. The percentage of FTB's home purchase loans in low-income and moderate-income geographies was significantly lower than the percentage of owner-occupied housing units located in those geographies. FTB's 2008 market share of home purchase loans in low-income geographies exceeded its overall home purchase market share in the AA. The bank's 2008 market share of home purchase loans in moderate-income geographies was lower than its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was very poor. The percentage of FTB's home improvement loans in moderate-income geographies was significantly lower than the percentage of owner-occupied housing units located in those geographies. FTB did not originate any home improvement loans in low-income geographies. The bank's 2008 market share of home improvement loans in moderate-income geographies was too low for meaningful analyses.

The geographic distribution of home refinance loans was poor. The percentage of FTB's home refinance loans in low-income and moderate-income geographies was significantly lower than the percentage of owner-occupied housing units located in those geographies. FTB's 2008 market share of home refinance loans in low-income and moderate-income geographies was lower than its overall home purchase market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was adequate. The percentage of FTB's small loans to businesses in low-income geographies was significantly lower than the percentage of businesses in those areas of the AA. The percentage of FTB's small loans to businesses in moderate-income geographies was very near the percentage of businesses in those areas of the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was adequate in the Dallas MD AA. This was due to a poor distribution record of home purchase and home refinance loans, a very poor distribution record of home improvement loans, and an adequate distribution of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was poor. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers was lower than the percentage of moderate-income families in the AA. FTB's 2008 market share of home purchase loans to low-income and moderate-income borrowers was lower than its overall home purchase market share in the AA.

FTB did not originate any home improvement loans to low-income or moderate-borrowers in the AA. Performance was very poor.

The distribution of home refinance loans to borrowers of different income levels was poor. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers was lower than the percentage of moderate-income families in the AA. FTB's 2008 market share of home refinance loans to low-income borrowers was significantly lower than its overall home refinance market share in the AA. The bank's 2008 market share of home refinance loans to moderate-income borrowers was near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was adequate in the Dallas MD AA. The percentage of loans to businesses with revenues of \$1 million or less was lower than the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses was too small for meaningful analyses.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Texas assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Fort Worth MD AA was not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test in Texas.

Refer to the Tables 1 through 12 in the state of Teas section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Texas is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Dallas MD AA was poor.

There were no current period or prior period investments in the assessment area.

Refer to Table 14 in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Fort Worth MD AA was not inconsistent with the bank's overall "Needs to Improve" performance under the Investment Test in Texas.

Refer to the Table 14 in the state of Texas section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

The bank's performance under the Service Test in Texas was rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Dallas MD AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Texas section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of bank branches was adequate in the Dallas MD AA, as they were reasonably accessible to portions of the bank's geographies and individuals of different income levels in the AA. As of June 30, 2007, FTB operated seven branches in the Dallas MD AA. Three bank branches were located in middle-income geographies and four bank branches were located in upper-income geographies. Approximately two-thirds of the population resided in a middle- or upper-income geography in the AA. During the evaluation period, the bank opened and closed all seven branches. To the extent that changes in branch distribution occurred, branch openings and closings adversely affected the accessibility of the bank's delivery systems in low- or moderate-income geographies but did not affect accessibility by low- or moderate-income individuals in the AA. FTB operated four deposit-taking ATMs, one in a moderate-income geography and two each in a middle- or upper-income geography. The bank also offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

The services offered at each branch were generally consistent and did not vary in a way that would inconvenience portions of the AA. FTB offered a full-range of loan and deposit products and branch hours were convenient and included extended weekday and Saturday hours.

### **Community Development Services**

FTB did not provide any community development services to the Dallas MD AA during the evaluation period. This level of performance was adequate when taking into consideration the limited length of time the bank maintained a presence in the AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Fort Worth MD AA was not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in Texas.

Refer to Table 15 in the state of Texas section of Appendix D for the facts and data that support these conclusions.

## State of Virginia

<b>CRA Rating for Virginia:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Service Test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was adequate. The distribution of home mortgage loans was good and the distribution of loans to small businesses was poor.
- The borrower distribution of FTB's lending was good. The distribution of home mortgage loans was good and the distribution of loans to small businesses was poor.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was adequate given the limited length of time the bank maintained a presence in the assessment area. Investments were responsive to community needs such as affordable housing and the support of community services targeted to low- and moderate-income individuals.
- The bank's distribution of branch facilities was adequate.
- The bank provided an adequate level of community development services in the Washington-Arlington-Alexandria MD AA when taking into consideration the limited length of time the bank operated in the assessment area.

## Description of Institution's Operations in Virginia

FTB operated 13 branches in the state of Virginia during the modified evaluation period December 1, 2005 to December 31, 2007. During this time-period, the bank delineated one assessment area in the state comprised of Alexandria, Fairfax, Falls Church, Loudon, and Prince William Counties, a portion of the Washington-Arlington-Alexandria, DC-VA-MD-WV metropolitan division (MD). The bank also operated eight deposit-taking ATMs, all in the state of Virginia. FTB exited this market area by December 31, 2007, when FHNC terminated its national expansion strategy in this area. At June 30, 2007, deposits in the Washington-Arlington-Alexandria MD represented 0.83 percent of the bank's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Virginia in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

The bank's performance under the Lending Test in Virginia was rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Washington-Arlington-Alexandria MD AA was adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Virginia section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Washington-Arlington-Alexandria AA considering the period of time the bank operated in this market. As of June 30, 2007, FTB ranked 24<sup>th</sup> in deposits among 44 depository institutions with a market share of 0.40 percent. However, with over 800 lenders operating in the Washington-Arlington-Alexandria MD AA, the majority of which are not depository institutions, FTB achieved a competitive lending market share, significantly higher than its deposit share, at 1.5 percent.

Approximately 7 percent of the bank's total loans originated/purchased during the evaluation period were in the Washington-Arlington-Alexandria MD AA. FTB's primary lending products in the Washington-Arlington-Alexandria MD were home purchase and home refinance mortgage loans. Although the bank actively originated home improvement loans and loans to small businesses, home purchase and home refinance loans represented 97.6 percent of reported loans in the AA. FTB did not originate any multifamily and small farm loans. Therefore, we performed no analyses for these loan types. According to 2007 aggregate HMDA data, FTB ranked 12<sup>th</sup> in the origination/purchase of home purchase loans with a 1.8 percent market share. For home refinance loans, the bank ranked 19<sup>th</sup> with a 1.3 percent market share, and in the origination/purchase of home improvement loans, the bank ranked 63<sup>rd</sup> with a 0.17 percent market share. According to 2007 aggregate small business loan data, FTB ranked 40<sup>th</sup> in the origination/purchase of small business loans with a 0.3 percent market share in the AA.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was adequate in the Washington-Arlington-Alexandria MD AA. This was due to a good distribution of home purchase loans, home refinance loans, and home improvement loans, and a poor distribution of loans to small businesses.

#### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was good. The percentage of FTB's home purchase loans in low-income geographies was lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's home purchase loans in moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies was lower than its overall home purchase market share in the AA. The bank's 2007 market share of home purchase loans in moderate-income geographies significantly exceeded its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was good. The percentage of FTB's home improvement loans in moderate-income geographies was very near the percentage of owner-occupied housing units in those geographies. FTB did not originate any home improvement loans in low-income geographies, where opportunities are limited because the number of owner-occupied housing units is negligible. FTB's 2007 market share of home improvement loans in moderate-income geographies exceeded its overall home improvement market share in the AA.

The geographic distribution of home refinance loans was good. The percentage of FTB's home refinance loans in low-income geographies was lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's home refinance loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home refinance loans in low-income geographies was lower than its overall home refinance market share in the AA. The bank's market share of home refinance loans in 2007 in moderate-income geographies was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was poor. The percentage of FTB's small loans to businesses in moderate-income geographies was significantly lower than the percentage of businesses located in those segments of the AA. FTB did not originate any small loans to businesses in low-income geographies of the AA. FTB's 2007 market share in moderate-income geographies was lower than its overall small business market share in the AA.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of FTB's loans was good in the Washington-Arlington-Alexandria MD AA. This was due to a good distribution record of home purchase, home improvement, and home refinance loans, and a poor distribution of loans to small businesses.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to low-income and moderate-income areas was very near its overall home purchase market share in the AA.

The distribution of home improvement loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers exceeded the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers was lower than the percentage of moderate-income families in the AA. FTB's 2007 market share of home improvement loans to low-income borrowers significantly exceeded its overall home improvement market share in the AA. The bank's market share of home improvement loans to moderate-income borrowers in 2007 was lower than its overall home improvement market share in the AA.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home refinance loans to low-income borrowers significantly exceeded its overall home refinance market share in the AA. The bank's market share of home refinance loans to moderate-income borrowers in 2007 exceeded its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was poor in the Washington-Arlington-Alexandria MD AA. The percentage of loans to businesses with revenues of \$1 million or less was significantly lower than the percentage of small businesses within the AA. FTB's 2007 market share of small loans to businesses significantly exceeded its overall market share of loans in the AA.

## Community Development Lending

Refer to Table 1 Lending Volume in the state of Virginia section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Virginia assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Virginia is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Washington-Arlington-Alexandria MD AA was adequate and in a highly competitive market area, responsive to critical needs in the AA such as affordable housing and the support of community development services targeted to low- and moderate-income individuals. Five current period investments totaling \$93,000 benefited the assessment area. One, totaling \$75,000 and representing 81 percent of total current period investments, represents a donation to the local chapter of Habitat for Humanity in support of housing affordable to low- and moderate-income families in the assessment area. Remaining donations were to four organizations that provide community services in the assessment area targeted to low- and moderate-income families, including a program that provided laptop computers to LMI students to help overcome poor academic performance. Additionally, we positively considered the potential benefit of an assessment area wide \$2 million donation to Habitat International. According to bank data, at least three Habitat projects, two in the Maryland portion of the multistate AA and one in the Virginia portion of the AA, benefited from the donation.

Refer to Table 14 in the state of Virginia section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

The bank's performance under the Service Test in Virginia was rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Washington-Arlington-Alexandria MD AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Virginia section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of bank branches was adequate in the Washington-Arlington-Alexandria MD AA, as they were reasonably accessible to the bank's geographies and individuals of different income levels in the AA. As of June 30, 2007, FTB operated 13 branches in the Washington-Arlington-Alexandria MD AA, all of them in the state of Virginia. One branch facility was located in a moderate-income geography. Approximately 13.9 percent of the AA population resided in a moderate-income geography. There were no FTB branches located in low-income geographies; however, only 1 percent of the population lived in low-income areas of the AA. FTB operated eight deposit-taking ATMs, located in middle- and upper-income geographies of the AA. During the evaluation period, the bank opened and closed all 13 branches when FHNC terminated its national expansion strategy in this area. To the extent that changes in branch distribution occurred, branch openings and closings adversely affected the accessibility of delivery systems. However, the bank also offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

The services offered at each branch were generally consistent and did not vary in a way that would inconvenience portions of the AA. FTB offered a full-range of loans and deposit products and branch hours were convenient and included extended weekday and Saturday hours.

### **Community Development Services**

FTB provided an adequate level of community development services to the Washington-Arlington-Alexandria MD AA. Financial literacy programs and tax preparation assistance was provided to social service agencies representing low- and moderate-income individuals in the greater Washington, DC metropolitan area. Additionally, a bank employee served on the board of directors of a charitable foundation established to benefit the needs of low- and moderate-income Hispanic youth.

## State of Washington

**CRA Rating for Washington: Satisfactory**  
**The Lending Test is rated: High Satisfactory**  
**The Investment Test is rated: Needs to Improve**  
**The Service Test is rated: Low Satisfactory**

The major factors that support this rating include:

- The geographic distribution of FTB's home mortgage and small business lending was good.
- The borrower distribution of FTB's lending was also good.
- Community development lending had a neutral impact on the Lending Test rating.
- The volume of community development investments was poor given the length of time the bank maintained a presence in the assessment area.
- The bank's distribution of branch facilities was adequate.
- FTB did not provide any community development services to the assessment area.

## Description of Institution's Operations in Washington

FTB operated two branches in the state of Washington during the modified evaluation period December 1, 2006 to December 31, 2007. The bank also operated two deposit-taking ATMs in the AA. During the evaluation period, the bank delineated one assessment area in the state comprised of the entire Seattle-Bellevue-Everett, WA Metropolitan Division (MD). FTB exited this market area by December 31, 2007, when FHNC terminated its national expansion strategy in this area. At June 30, 2007, deposits in the Seattle MD AA represented 0.07 percent of FTB's total deposits. As such, performance in this rating area did not have a material impact on the bank's overall CRA rating.

Refer to the market profiles for the state of Washington in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## LENDING TEST

The bank's performance under the Lending Test in Washington is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Seattle MD AA was good.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity was good in the Seattle MD AA considering the period of time the bank operated in this market. As of June 30, 2007, FTB ranked 66<sup>th</sup> in deposits among 72 depository institutions with a market share of 0.03 percent. However, in a highly competitive market area, with over 600 lenders operating in the Seattle MD AA, the majority of which are not depository institutions, FTB achieved a favorable lending market share. Compared to deposit market share, FTB market share for loan originations was significantly higher than its deposit share, at 2.5 percent.

Approximately 6 percent of the bank's total reported loans originated/purchased during the evaluation period were in the Seattle MD AA. FTB's primary lending products in the Seattle MD AA were home purchase and home refinance mortgage loans. Although the bank actively originated home improvement loans and loans to small businesses, home purchase and home refinance loans represented 99.4 percent of reported loans in the AA. FTB did not originate any multifamily and small farms loans. Therefore, we performed no analyses of these loan types. According to 2007 aggregate HMDA data, FTB ranked 7<sup>th</sup> in the origination/purchase of home purchase loans with a 3.1 percent market share. For home refinance loans, the bank ranked 9<sup>th</sup> with a 2.1 percent market share, and in the origination/purchase of home improvement loans, the bank ranked 56<sup>th</sup> with a 0.41 percent market share. According to 2007 aggregate Small business data, FTB did not achieve a market share ranking.

### Distribution of Loans by Income Level of the Geography

The geographic distribution of FTB's loans was good in the Seattle MD AA. This was due to an excellent distribution of home purchase loans, a poor distribution of home improvement loans, and an adequate distribution of home refinance loans. During the evaluation period, FTB originated seven loans to small businesses. This volume of lending was too low for meaningful analysis.

#### *Home Mortgage Loans*

Refer to Tables 2, 3, 4, and 5 in the state of Washington section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans was excellent. The percentage of FTB's home purchase loans in low-income and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home purchase loans in low-income geographies exceeded its overall home purchase market share in the AA. The bank's 2007 market share of home purchase loans in moderate-income geographies was very near its overall home purchase market share in the AA.

The geographic distribution of home improvement loans was poor. The percentage of FTB's home improvement loans in moderate-income geographies was significantly lower than the percentage of owner-occupied housing units in those geographies. FTB did not originate any home improvement loans in low-income geographies. FTB's 2007 market share of home improvement loans in moderate-income geographies was also lower than its overall home improvement market share in the AA.

The geographic distribution of home refinance loans was good. The percentage of FTB's home refinance loans in low-income geographies was lower than the percentage of owner-occupied housing units in those geographies. The percentage of FTB's home refinance loans in moderate-income geographies was near the percentage of owner-occupied housing units in those geographies. FTB's 2007 market share of home refinance loans in low-income geographies was lower than its overall home refinance market share in the AA. The bank's market share of home refinance loans in 2007 in moderate-income geographies was near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Washington section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses was adequate. The percentage of FTB's small loans to businesses in moderate-income geographies was lower than the percentage of businesses located in those segments of the AA. FTB did not originate any small loans to businesses in low-income geographies of the AA. During the evaluation period, FTB originated seven small loans to businesses in the Seattle MD AA. This volume of lending was too low for meaningful market share analysis.

## **Distribution of Loans by Income Level of the Borrower**

### ***Home Mortgage Loans***

The borrower distribution of FTB's loans was good in the Seattle MD AA. This was due to a an excellent distribution of loans to small businesses, a good distribution record of home purchase and home refinance loans, and an adequate distribution record of home improvement loans.

Refer to Tables 8, 9 and 10 in the state of Washington section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. It is especially difficult for the segment of the low-income population that lives below the poverty line to afford and maintain a home. This has an impact on the opportunity to lend to the low-income population of the community. Refer to the Market Profiles in Appendix C for the demographic information, including poverty rate.

The distribution of home purchase loans to borrowers of different income levels was good. The percentage of loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's 2007 market share of home purchase loans to both low-income and moderate-income borrowers exceeded its overall home purchase market share in the AA.

The distribution of home improvement loans to borrowers of different income levels was adequate. The percentage of home improvement loans to both low-income and moderate-income borrowers was lower than the percentage of low-income and moderate-income families in the AA. FTB's 2007 market share of home improvement loans to low-income borrowers significantly exceeded its overall home improvement market share in the AA. The bank's market share of home improvement loans in 2007 to moderate-income borrowers was lower than its overall home improvement market share in the AA.

The distribution of home refinance loans to borrowers of different income levels was good. The percentage of home refinance loans to low-income borrowers was lower than the percentage of low-income families in the AA. The percentage of home refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. FTB's market share of home refinance loans in 2007 to low-income and moderate-income borrowers was very near its overall home refinance market share in the AA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Washington section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was excellent in the Seattle MD AA. The percentage of loans to businesses with revenues of \$1 million or less exceeded the percentage of small businesses within the AA. During the evaluation period, FTB originated seven small loans to businesses. The volume of small loans to businesses was too low for meaningful analysis.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a neutral impact on the Lending Test rating for the state of Washington assessment area. FTB did not originate any CD loans in the assessment area during the evaluation period.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Washington is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Seattle MD AA is poor.

There were no current period or prior period investments in the assessment area.

Refer to Table 14 in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

## **SERVICE TEST**

The bank's performance under the Service Test in Washington was rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Seattle MD AA was adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Washington section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of bank branches was adequate in the Seattle MD AA, as they were reasonably accessible to the bank's geographies and individuals of different income levels in the AA. As of June 30, 2007, FTB operated two branches and two deposit-taking ATMs in the Seattle MD AA, both in close proximity to three moderate-income geographies in the AA. One branch and ATM was located in a middle-income geography. One branch and ATM was located in an upper-income geography. This distribution is good and correlates well with the distribution of population throughout the AA. Approximately 21.9 percent of the AA population resided in a moderate-income geography. Approximately 52.4 percent of the AA population resided in a middle-income geography and 23.8 percent of the population lived in an upper-income geography. FTB opened and closed both branches by December 31, 2007, when FHNC terminated its national expansion strategy in this area. To the extent that changes in branch distribution occurred, branch openings and closings adversely affected the accessibility of delivery systems. However, the bank also offered debit and credit cards that permitted account access through non-proprietary ATMs and online and internet banking to all its customers.

## **Community Development Services**

FTB did not provide any community development services to the Seattle MD AA during the evaluation period.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): (01/01/2004 to 12/31/2009)	
	Investment and Service Tests and CD Loans: (01/01/2005 to 12/31/2009)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
First Tennessee Bank, N.A. (“FTB”) Memphis, Tennessee	Home Purchase Home Improvement Home Refinance Small Loans to Businesses Small Loans to Farms	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
First Horizon Home Loans	Mortgage Banking Division of First Tennessee Bank, N.A.	Home Mortgage Loans
First Tennessee Housing Corporation (FTHC)	Subsidiary of First Tennessee Bank, N.A.	Community Development Loans
First Tennessee Foundation (FTF)	Subsidiary of First Horizon National Corporation	Community Development Investments
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam &amp; Evaluation Period</b>	<b>Other Information (Reflects counties in non-MSA areas and/or counties in MSAs where whole MSAs were not selected)</b>
<b>Multistate MA(s)</b>		
Memphis, TN-MS-AR Multistate MA	Full Scope 01/01/04 – 12/31/09	MS: Desoto and Tate County TN; Shelby County
Chattanooga, TN-GA Multistate MA	Full Scope 01/01/04 – 12/31/09	TN: Hamilton County GA: Catoosa County
Providence-Bedford-Fall River, RI-MA Multistate MA	Full Scope 07/01/05 – 12/31/07	RI: Kent County MA: Bristol County
<b>State MA(s)</b>		
<b>Tennessee:</b>		

Kingsport-Bristol-Bristol, TN-VA Multistate MA	Full Scope 01/01/04 – 12/31/09	Sullivan
<u>Knoxville, TN MSA</u>	Full Scope 01/01/04 – 12/31/09	<u>Blount, Knox</u>
<u>Cleveland, TN MSA</u>	Limited Scope 01/01/04 – 12/31/09	Bradley
<u>Jackson, TN MSA</u>	Limited Scope 01/01/04 – 12/31/09	Madison
<u>Johnson City, TN MSA</u>	Limited Scope 01/01/04 – 12/31/09	Carter, Unicoi, Washington
Morristown, TN MSA	Limited Scope 01/01/04 – 12/31/09	Grainger, Hamblen, Jefferson
Nashville, TN MSA	Limited Scope 01/01/04 – 12/31/09	Davidson, Rutherford, Sumner, Williams, Wilson
TN Non MSA	Limited Scope 01/01/04 – 12/31/09	Dyer, Greene, Maury, Putnam, Sevier
<b><u>Colorado:</u></b> Denver, CO MSA	Full Scope <u>06/01/06 – 06/30/07</u>	<u>Arapahoe</u>
<b><u>Florida:</u></b> Orlando, FL MSA	Full Scope 07/05/06 – 06/30/07	Seminole
<b><u>Georgia:</u></b> Atlanta, GA MSA	Full Scope 08/01/05 – 06/30/07	Cobb, Douglas, Fulton, Gwinnett, Paulding, Walton
<b><u>Hawaii:</u></b> Honolulu, HI MSA	Full Scope 03/01/05 – 12/31/07	Honolulu
<b><u>Indiana:</u></b> Indianapolis, IN MSA	Full Scope 06/01/05 – 12/31/07	Marion
<b><u>Maine:</u></b>		
Bangor, ME MSA	Full Scope 10/01/06 – 12/31/07	Entire MSA
Portland, ME MSA	Limited Scope 10/01/06 – 12/31/07	Cumberland
<b><u>Maryland:</u></b>		
Baltimore, MD MSA	Full Scope 09/01/06 – 12/31/07	Anne Arundel, Baltimore
Bethesda, MD MSA	Limited Scope 09/01/06 – 12/31/07	Frederick, Montgomery
<b><u>Massachusetts:</u></b> Barnstable, MA MSA	Full Scope 04/01/05 – 12/31/07	Barnstable
<b><u>Michigan:</u></b> Detroit, MI MD	Full Scope 04/01/05 – 12/31/07	Wayne
<b><u>Missouri:</u></b> Kansas City, MO-KS Multistate	Full Scope 12/01/05 – 06/30/08	Jackson

MA		
<b><u>North Carolina:</u></b>		
Charlotte-Gastonia-Concord, NC-SC Multistate MA	Limited Scope 01/01/05 – 12/31/07	Mecklenburg
Greensboro, NC MSA	Full Scope 01/01/05 – 12/31/07	Guilford
Raleigh, NC MSA	Limited Scope 01/01/05 – 12/31/07	Wake
Winston-Salem, NC MSA	Limited Scope 01/01/08 – 12/31/09	Forsyth
<b><u>Texas:</u></b>		
Dallas, TX MD	Full Scope 04/01/05 – 06/30/08	Collin, Dallas, Denton, Rockwall
Fort Worth, TX MD	Limited Scope 04/01/05 – 06/30/08	Tarrant
<b><u>Virginia:</u></b> Washington-Arlington-Alexandria, DC-VA-MD-WV MD	Full Scope 12/01/05 – 12/31/07	Alexandria, Fairfax, Falls Church, Loudon, Prince William
<b><u>Washington:</u></b> Seattle, WA MD	Full Scope 12/01/06 – 12/31/07	Entire MD

## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		FIRST TENNESSEE BANK, N.A.		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
First Tennessee Bank, N.A.	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Memphis Multistate MA	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Chattanooga Multistate MA	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Providence Multistate MA	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
State of Tennessee	High Satisfactory	Needs to Improve	Outstanding	Satisfactory
State of Colorado	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Florida	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
State of Georgia	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of Hawaii	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Indiana	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
State of Maine	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Maryland	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Massachusetts	High Satisfactory	Needs to Improve	High Satisfactory	Satisfactory
State of Michigan	Low Satisfactory	Needs to Improve	Needs to Improve	Needs to Improve
State of Missouri	Low Satisfactory	Needs to Improve	Needs to Improve	Needs to Improve
State of North Carolina	Low Satisfactory	Needs to Improve	Needs to Improve	Needs to Improve
State of Texas	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Virginia	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of Washington	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

## Appendix C: Market Profiles for Full-Scope Areas

### Memphis, TN-MS-AR Multistate Metropolitan Area

Demographic Information for Full-Scope Area: Memphis Multistate MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	243	17.28	24.69	25.10	31.69	1.23
Population by Geography	1,030,041	9.54	25.49	29.58	34.93	0.47
Owner-Occupied Housing by Geography	251,108	5.66	20.64	30.16	43.54	0.00
Businesses by Geography	89,587	8.72	17.76	26.31	46.82	0.39
Farms by Geography	1,569	4.14	14.15	30.91	50.48	0.32
Family Distribution by Income Level	267,443	21.94	16.29	19.43	42.33	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	102,264	16.86	38.47	29.07	15.60	0.00
Median Family Income						
HUD Adjusted Median Family Income for 2009	= \$46,771					
Households Below the Poverty Level	= \$57,800					
	= 14%					
		Median Housing Value				= 103,576
		Unemployment Rate				= 3.22%

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 U.S. Census data and 2009 HUD updated MFI.

The Memphis Multistate MA is comprised of Desoto and Tate County in Mississippi and Shelby County in Tennessee. All counties closely surround the city of Memphis, Tennessee. The AA is comprised of 243 geographies; 17.3 percent and 24.7 percent are low- and moderate-income, respectively. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. Memphis is centrally located on the Mississippi River and ideally situated for commerce among the transportation and shipping industry.

The city is home to Memphis International Airport, one of the world's busiest cargo airports and the primary hub for FedEx Express shipping and secondary hub for Delta Airlines. Memphis is also home to other Fortune 500 companies, including the corporate headquarters of FedEx Corporation (the largest employer in the MA), AutoZone Inc, International Paper, and Thomas & Betts. Memphis is also home to the pharmaceutical/healthcare firm Schering-Plough Corporation, serving as the company's research and development center. Tourism also helps to fuel the economy in Memphis; however, according to the Bureau of Labor of Statistics report, Memphis' largest industries continue to exhibit weak performance and exhibit ongoing decline in employment as evidenced by an unemployment rate of 10.4 percent in the AA at December 31, 2009, compared to 10.7 for the state of Tennessee.

Economic development of the tourist area of downtown Memphis has occurred but outside the immediate fringes of downtown, there are numerous neglected low- and moderate-income neighborhoods that are overlooked or in decline. The primary barrier to economic development is the lack of subsidies or other incentives for low- and moderate-income individuals or small businesses to locate to the area.

The level of opportunity for banks to work in partnership with organizations to make community development loans and investments within the AA is good. The City of Memphis Consolidated Plan identifies two critical housing needs in Shelby County, affordable housing and rehabilitation of existing housing stock. Since 1996, housing permits have steadily declined. There have been some affordable housing multifamily products built using low-income housing tax credits; however, limited multifamily construction is causing decreased vacancy rates, fueling annual rent increases. The Memphis MSA has 22 public housing developments primarily concentrated in the inner city. Currently there are zoning barriers requiring exclusive zoning in most of the inner city core. Antiquated zoning restrictions requiring an area to remain commercial, industrial, or multifamily have made it extremely difficult to convert an area to 1-4 family residential. Because of this, large areas that are desirable for building have been unable to construct residential housing. Additionally, service providers for special needs populations indicated that there is a need for temporary or emergency housing for elderly, persons with mental, physical or developmental disabilities, and persons with AIDS.

The City of Memphis Housing and Community Development division offers down payment assistance and the Tennessee Housing Development Agency offers mortgages for down payments and closing costs for low- and moderate-income individuals. Although the city housing division has an established resource center to assist individuals in becoming homeowners, the facility is not widely used. Feedback from community groups and organizations indicate that services are not easily accessible. As a result, low- and moderate-income citizens favor the assistance of non-profits to help them achieve homeownership; however, the non-profits have limited capacity and funding.

Additionally, there are opportunities to provide support for small and micro businesses in the AA. For example, the City of Memphis Small Business Lending Program Economic Development Division provides flexible small business loans under \$100,000 and maintains a micro-lending program for loans under \$20,000. There is an opportunity for banks to provide assistance in funding and loan guarantees for the micro-loan program.

### Chattanooga, TN-GA Multistate Metropolitan Area

Demographic Information for Full-Scope Area: Chattanooga Multistate MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	77	7.79	18.18	48.05	25.97	0.00
Population by Geography	361,178	5.05	10.44	53.88	30.62	0.00
Owner-Occupied Housing by Geography	97,792	1.91	8.53	55.09	34.48	0.00
Businesses by Geography	37,346	4.69	11.57	57.55	26.19	0.00
Farms by Geography	636	0.94	7.08	54.87	37.11	0.00
Family Distribution by Income Level	99,685	18.14	16.68	21.86	43.32	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	34,708	9.78	16.17	55.25	18.80	0.00
Median Family Income		Median Housing Value				=
HUD Adjusted Median Family Income for 2009	= \$44,787	Unemployment Rate				= \$93,765
Households Below the Poverty Level	= \$56,100					= 2.63%
	= 12%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2009 HUD updated MFI.

The Chattanooga Multistate MA is comprised of Hamilton County in southeast Tennessee and Catoosa County in northwest Georgia. Both counties closely surround the city of Chattanooga, Tennessee. The AA is comprised of 77 geographies; 7.8 percent and 18.2 percent are low- and moderate-income, respectively. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas.

Chattanooga is the fourth largest city in Tennessee and includes a diversified economy, a mix of manufacturing and service industries. At December 31, 2009, the unemployment rate was 9.4 percent compared to the state unemployment rate of 10.7 percent. The five largest employers in the AA include BlueCross BlueShield of Tennessee; Hamilton County Department of Education; Erlanger Health System; Tennessee Valley Authority and McKee Foods Corporation. The economy reports losses in both manufacturing and service industries as evidenced by a 9.5 percent employment rate in those sectors as of October 2009. In particular, a decline in freight shipments is overwhelming Chattanooga's important trucking industry, which is steadily downsizing. However, the City of Chattanooga's plan is to continue to target industries such as medical equipment and supplies, commercial and service industry machinery, and automotive parts to spur and sustain economic growth.

A good level of opportunity exists for banks to work in partnership with organizations to provide community development loans, investments, and services within the AA in support of affordable housing, economic development, revitalization, and small business development. The City of Chattanooga Consolidated Plan identifies several housing and community development needs that are priorities for the area including affordable housing, improving public facilities, the acquisition, and demolition of abandoned property, activities in support of economic development, and assistance in the operation of emergency shelters, and homeless prevention activities. The AA housing stock in the AA is aged. According to 2000 Census data, 26,567 housing units were built prior to 1950. The AA continues to experience a tight rental market, resulting in housing shortages and increased cost burdens for low- and moderate-income individuals and special needs households. Units are available for rental and homeownership but may be substandard or not affordable for those on fixed incomes.

Opportunities exist to support small businesses to create employment for low-income area residents through investments in these businesses. A small business development fund operates within the Chattanooga MSA AA, delivering financial products and developmental services to start-up and early-stage small businesses that do not have access to traditional financing. Products offered by this CDFI include an SBA Micro Loan fund, USDA Intermediary Relending Program, a Revolving Loan Fund, and a Community Loan Fund.

Providence-New Bedford-Fall River, Rhode Island-Massachusetts  
Multistate Metropolitan Area

Demographic Information for Full-Scope Area: Providence Multistate MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	153	7.84	22.22	45.75	24.18	0.00
Population by Geography	701,768	4.18	18.26	46.93	30.63	0.00
Owner-Occupied Housing by Geography	174,718	1.58	10.78	52.55	35.10	0.00
Businesses by Geography	43,021	6.35	14.05	47.05	32.54	0.00
Farms by Geography	1,032	3.29	5.72	45.35	45.64	0.00
Family Distribution by Income Level	186,633	19.81	17.02	22.61	40.56	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	68,739	7.62	28.93	45.86	17.59	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$53,013 = \$68,300 = 10%	Median Housing Value Unemployment Rate			140,932 = 2.82%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census data and 2007 HUD updated MFI.

The Providence Multistate MA is consists of two counties (Bristol County, MA and Kent County, RI) closely surrounding the city of Providence, Rhode Island. The AA is comprised of 153 geographies of which 7.8 percent and 22.2 percent are low- and moderate-income, respectively. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. FTB ceased operations in this market area by December 31, 2007.

At December 31, 2007, the unemployment rate in the assessment area was 5.8 percent compared to 4.4 percent in the state of Massachusetts and 6.0 percent in the state of Rhode Island. The five largest employers in the AA include LifeSpan; Care New England Health System; Roman Catholic Diocese of Providence; CVS Corporation and Citizens Financial Group. The area is also highly dependent upon tourism.

Severe state budget shortfalls in Rhode Island impacts funding to entities that serve low- and moderate-income population. Additionally, the area is experiencing long-term decline in the manufacturing industry leading to growing job losses. Community contacts identify the primary credit need in the AA as gap financing to offset development costs for affordable housing and affordably loans for low- and moderate-income homebuyers. Further, contacts identify the primary community development need in the AA as financial literacy education and foreclosure prevention services.

The level of opportunity available for community development within the AA is good, especially in support of loans to small businesses. There are a number of non-profit community development organizations serving the area but cuts in state funding forces them to seek assistance from the private and non-profit sectors. Examples of entities serving the area include:

- LISC Rhode Island – presents investment opportunities supporting affordable housing and economic development activities.
- Minority Investment Development Corporation – presents investment and lending opportunities in cooperation with a CDFI focused on minority and women-owned small businesses.
- Community Economic Development Center of Southeastern Massachusetts – presents investment opportunities in partnership with a non-profit organization that is focused on micro-enterprise development and serving low-income and immigrant populations.
- Southeast Economic Development Corporation – presents investment and lending opportunities in partnership with a regional non-profit serving the needs of small businesses in Massachusetts.

State of Tennessee  
 Knoxville, TN Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Knoxville MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	101	14.85	20.79	43.56	19.80	0.99
Population by Geography	487,855	7.09	13.21	53.80	25.86	0.05
Owner-Occupied Housing by Geography	137,976	3.67	11.02	58.48	26.83	0.00
Businesses by Geography	46,579	9.33	14.09	45.04	31.53	0.02
Farms by Geography	1,067	3.66	9.37	60.45	26.52	0.00
Family Distribution by Income Level	131,822	19.45	17.55	21.60	41.40	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	48,771	11.83	18.38	58.02	11.77	0.00
Median Family Income		Median Housing Value				100,362
HUD Adjusted Median Family Income for 2009	= \$46,594	Unemployment Rate				= 2.43%
Households Below the Poverty Level	= \$58,800 = 13%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2009 HUD updated MFI.

The Knoxville MSA AA, comprised of Blount and Knox counties, includes 101 geographies, of which 14.9 percent and 21 percent are low- and moderate-income, respectively. Both counties surround the city of Knoxville, Tennessee. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas.

At December 31, 2009, the unemployment rate in the assessment area was 8.7 percent compared to the state unemployment rate of 10.7 percent. The five largest employers in the AA include the U.S. Department of Energy Oak Ridge Operation; Covenant Health; University of Tennessee – Knoxville; Mercy Heath Partners and Wal-Mart Stores. By NAICS classification, top industries in the AA include state and local government (45.4 percent); full-service restaurants (15.3 percent); general medical and surgical hospitals (14.2 percent); limited-service eateries (12.1 percent) and offices of physicians (8 percent).

According to the Consolidated Plan for the State of Tennessee, rehabilitation of existing housing stock, affordable housing, and homelessness are the most prevalent housing needs.

In 1999, the City of Knoxville received a 10-year Empowerment Zone award. The designation covers a 16 square mile area within the heart of Knoxville and provides funding for economic development projects and a variety of tax incentives to stimulate economic development within the zone boundaries. Several projects are underway, most importantly, brownfields redevelopment to acquire vacant and blighted land to attract small businesses who wish to start-up or expand their operation in the empowerment zone.

A good level of opportunity exists for banks to work in partnership with organizations to provide community development loans, investments, and services within the AA in support of affordable housing, economic development, revitalization, and small business development. Feedback from community groups and organizations indicated that financial institutions could best support the needs of the AA through construction loans and down-payment assistance, and grants to non-profit organizations to sustain and support their operations.

Opportunities exist to support small businesses to create employment for low-income area residents through investments in these businesses. For example, the Knoxville Community Development Corporation (KCDC) serves the AA and provides micro-loans and small business loans to LMI individuals. The KCDC has a pool of funding in which banks can contribute for the micro-loan program. Banks can also assist in making SBA loans through this organization. Banks can also assist by providing technical to assistance to this non-profit CDC.

State of Tennessee  
Sullivan County, TN AA

Demographic Information for Full-Scope Area: Sullivan County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	36	0.00	13.89	55.56	30.56	0.00
Population by Geography	153,048	0.00	12.01	58.53	29.46	0.00
Owner-Occupied Housing by Geography	48,153	0.00	9.21	59.96	30.83	0.00
Business by Geography	11,120	0.00	18.51	54.01	27.48	0.00
Farms by Geography	259	0.00	11.20	61.00	27.80	0.00
Family Distribution by Income Level	45,046	18.01	17.80	23.17	41.02	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	16,129	0.00	16.80	63.16	20.04	0.00
Median Family Income	39,138	Median Housing Value		82,092		
HUD Adjusted Median Family Income for 2009	49,000	Unemployment Rate (2000 US Census)		2.15%		
Households Below Poverty Level	14%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census data and 2009 HUD updated MFI.

FTB operates in just one county within the Kingsport Multistate MA. The Sullivan County AA consists of 36 geographies, where 14 percent are moderate-income. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas.

The bank maintains branches in the highly industrial cities of Bristol and Kingsport, located in the northeast portion of the state. By NAICS classification, primary industries in the area include services (47.2 percent); retail trade (15.5 percent); construction (8.2 percent) and financial services (8 percent). At December 31, 2009, the unemployment rate in the assessment area was 9.3 percent compared to the state unemployment rate of 10.7 percent. The five largest employers in the AA include Eastman Chemical Company; Wellmont Health Systems; Sullivan County Department of Education; Kingsport City Schools and AFG Industries.

A good level of opportunity exists for banks to work in partnership with organizations to provide community development loans, investments, and services within the AA in support of affordable housing, economic development, and revitalization. Community groups and organizations report affordable housing as a primary credit need in the AA. The demand for moderately priced units has exceeded the supply and there is a continued shortage of rental housing. This is particularly true in terms of family-sized units that meet Section 8 standards. The housing shortage is partially due to a predominance of high wage job losses during the last ten years. Additionally, agricultural land and mountains surround the area and restrict development to some extent. Although the area is currently undergoing a static or slow growth period, availability of affordable housing, for rent or sale remains limited.

State of Colorado  
 Denver-Aurora-Broomfield, CO Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Denver MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	121	2.48	21.49	45.45	30.58	0.00
Population by Geography	487,967	3.58	20.52	47.01	28.89	0.00
Owner-Occupied Housing by Geography	129,899	1.29	15.10	50.54	33.06	0.00
Businesses by Geography	55,316	3.34	18.49	36.45	41.72	0.00
Farms by Geography	769	2.08	17.69	47.46	32.77	0.00
Family Distribution by Income Level	126,468	15.49	18.78	23.99	41.74	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	43,341	6.36	32.32	48.28	13.04	0.00
Median Family Income						
HUD Adjusted Median Family Income for 2007	= \$61,185					
Households Below the Poverty Level	= \$71,400					
	= 6%					
		Median Housing Value			=	
		Unemployment Rate			186,174	
					= 1.80%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

The bank defined its Denver MSA AA as 121 geographies in Arapahoe County, a small portion of the full MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. Arapahoe County is the third most populous county in the State of Colorado. Arapahoe County surrounds the city of Denver. FTB entered this market area in 2006 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

Although the city of Denver is at the foothills leading to the Rocky Mountains, the immediate MSA is not highly dependent on tourism economically, and the MSA and the state of Colorado report low unemployment at 6.2 percent as of December 2008, compared to the national unemployment rate of 7.4 percent. The five largest employers in the Denver metropolitan area include Qwest Communications; HealthOne; Lockheed Martin Corporation; Exempla Healthcare and University of Denver.

Good opportunities exist within the AA for banks to work in partnership with organizations to provide community development loans, investments, and services. Feedback from community organizations view affordable mixed income housing, senior housing, and activities that promote economic development as the primary credit needs in the assessment area. Further, primary community development needs in the Denver MSA area include support for small and micro businesses; revitalization of blighted neighborhoods; more local businesses with a neighborhood presence; transitional housing with job placement and training; housing counseling/education and foreclosure prevention and intervention. There are several Brownfield's in the MSA, but there are no Renewal Communities or Enterprise Zones.

State of Florida  
 Orlando-Kissimmee, FL Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Orlando MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	75	1.33	12.00	36.00	50.67	0.00
Population by Geography	365,196	1.07	5.47	39.00	54.46	0.00
Owner-Occupied Housing by Geography	96,956	0.35	4.17	35.62	59.86	0.00
Business by Geography	52,088	0.85	5.21	40.03	53.91	0.00
Farms by Geography	1,278	0.78	6.65	37.72	54.85	0.00
Family Distribution by Income Level	97,889	13.07	15.20	21.88	49.85	0.00
Geographies (Census Tracts/BNAs)	75	1.33	12.00	36.00	50.67	0.00
Median Family Income	47,851	Median Housing Value		120,064		
HUD Adjusted Median Family Income for 2007	54,900	Unemployment Rate (2000 US Census)		2.00%		
Households Below Poverty Level	7%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

The bank defined its Orlando MSA AA as 75 geographies in Seminole county, a small portion of the full MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. FTB entered this market area in 2006 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

Seminole county is in the central part of Florida between Orlando to the south and Daytona Beach to the north. Seminole county's location between Volusia County and Orange County has made it one of the fastest growing counties in Florida, reporting an annual unemployment rate of 4.0 percent at year-end 2007, compared to 4.3 percent within the MSA and 4.7 percent unemployment statewide. The five top employers in the county include Seminole County Public Schools, Convergys Corporation, Chase, Seminole County Government, and Florida Hospital – Altamonte Springs. With such a close proximity to the city of Orlando, the Seminole county economy is also highly dependent upon tourism as top employers in the AA include Walt Disney Company, Universal Orlando, Busch Entertainment Corporation, Marriott International Inc and Starwood Hotel and Resorts.

Concerns regarding the Florida real estate market are prevalent and the construction industry is in decline. In many neighborhoods, there are numerous "for sale" signs and local developers are expecting a continued softening of prices and decline in property values. Foreclosure rates remain high throughout the state and Seminole county.

An adequate level of opportunity exists within the AA for banks to engage in community development, including affordable housing and services targeted to LMI individuals. Feedback from community groups and organizations reveal that Seminole County has a need for emergency, permanent, and transitional housing for the homeless, and affordable housing for the disabled and senior citizens. Additionally, there is a need for credit counseling and foreclosure education.

State of Georgia  
 Atlanta-Sandy Springs-Marietta, GA Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Atlanta MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	557	12.39	24.06	33.57	29.98	0.00
Population by Geography	3,429,841	6.66	22.37	38.32	32.65	0.00
Owner-Occupied Housing by Geography	810,143	2.79	15.40	41.66	40.15	0.00
Businesses by Geography	408,710	5.05	17.68	36.50	40.77	0.00
Farms by Geography	5,808	2.46	14.65	45.47	37.41	0.00
Family Distribution by Income Level	860,379	19.33	17.57	21.74	41.35	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	317,513	11.98	33.36	38.03	16.62	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$58,537 = \$67,100 = 9%	Median Housing Value Unemployment Rate			153,613 = 2.84%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

The bank defined its AA as six counties within the Atlanta MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. All counties closely surround the city of Atlanta, Georgia. FTB entered this market area in 2005 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

The Atlanta MSA AA economy is robust primarily due to the relatively low cost of living, competitive labor costs, and its extensive transportation infrastructure making the area a regional and national distribution center. However, there are weaknesses in the economy including a chronically under funded public education system, high poverty levels in rural areas, and a highway infrastructure that is congested creating pollution problems.

At June 30, 2007, the unemployment rate in the AA was 4.7 percent compared to 4.5 percent unemployment statewide. Major employers in the AA include Gwinnett County Public Schools, Emory University, Delta Airlines, Publix Supermarket, and Kroger Company. Atlanta is also a city well known for its many shopping areas. The Atlanta area is home to one of the largest shopping malls, the Mall of Georgia, which is located in Gwinnett County. Gwinnett County is included in the bank's AA. Furthermore, Atlanta is home to one of the largest airports in the world. The Hartsfield International Airport contributes to economic growth generating more than \$7 billion in business revenue annually. However, there have been economic slowdowns in the AA attributed to sharp declines in the construction sector followed by the manufacturing and federal government sectors.

The city of Atlanta was an empowerment zone but in 2002, it converted to a renewal community allowing the city to benefit from tax incentives at the national level. Businesses established within the three renewal clusters receive tax credits and deductions, capital gains exclusives, and bond financing.

There is an adequate level of opportunity for banks to engage in community development activities especially in support of affordable housing, loans to and investment in small businesses, and provision of services for LMI individuals. The need for affordable housing has always been an issue in Atlanta, particularly in the downtown sector. The single greatest barrier to affordable housing is insufficient income. Other obstacles include high land and construction costs, low fair market rents, and failing appraisal values. Beginning in early 2007, the effects of foreclosure hit the Atlanta downtown area, as well as some suburban markets.

In addition to the need for affordable housing, funding for small businesses and sources for micro-lending are also viewed as community development needs in the AA.

State of Hawaii  
 Honolulu, HI Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Honolulu MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	217	3.69	29.49	36.41	27.65	2.76
Population by Geography	876,156	2.03	28.72	42.14	27.10	0.00
Owner-Occupied Housing by Geography	156,233	0.42	16.11	43.47	40.00	0.00
Businesses by Geography	50,409	4.56	36.07	38.34	19.37	1.65
Farms by Geography	701	1.71	20.83	52.07	24.54	0.86
Family Distribution by Income Level	207,147	20.32	17.94	22.25	39.49	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	79,256	3.95	43.02	38.09	14.95	0.00
Median Family Income						
HUD Adjusted Median Family Income for 2007	= \$60,118					
Households Below the Poverty Level	= \$73,500					
	= 10%					
		Median Housing Value				307,586
		Unemployment Rate				= 2.91%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

The state of Hawaii is comprised of eight separate islands: Oahu, Kauai, Maui, Hawaii, Molokai, Lanai, Kano’olawe, and Ni’ihau. FTB defined its AA as the entire Honolulu MSA. The MSA includes the city of Honolulu on the island of Oahu. The balance of the state is rural. Honolulu is the state capital. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. FTB entered this market area in 2005 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

Hawaii, like other parts of the country, is attempting to recover from the recession that grips the mainland and severely impacts tourism, the state's primary source of income. However, the large and stable military presence has helped the metro area avoid more severe declines. At December 31, 2007, the unemployment rate in the AA was 2.5 percent compared to 3.0 percent unemployment statewide. In addition to its economic difficulties, there is an ongoing struggle between the descendants of the native Hawaiians and other populations that have located on the islands over the years. The native Hawaiians, many of whom live in rural areas, are often the lowest income residents in their communities. The Hawaiian housing market has always been problematic because of the high cost of housing. It is now even tighter due to the foreclosure crisis. Loss of equity is a major concern of homeowners.

The Hawaii State Department of Business, Economic Development and Tourism designated several areas in the Honolulu MSA as Enterprise Zones including Haleiwa and part of Waialua; Mililani Technology Park and parts of Wahiawa; Waipahu, Pearl City, Waipio (business park), and Waiawa; Urban Honolulu (airport, Kalihi, Iwilei, downtown and Ala Moana); and Leeward Oahu.

Community groups identified needs in the assessment area including funding for non-profit community development organizations that provide foreclosure counseling services and financial literacy training; IDA accounts; and operating grants for community-based groups and organizations. Loans with flexible lending terms, and economic development and small business loans for entrepreneurs, both urban and rural, and technical assistance for the Native Hawaiians, especially in the rural areas, who are attempting to revitalize their low-income communities are also recognized as ways that financial institutions can assist persons living and operating businesses in the assessment area.

State of Indiana  
Indianapolis-Carmel, IN Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Indianapolis MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	212	12.26	36.32	34.91	16.04	0.47
Population by Geography	860,454	8.21	35.46	38.28	18.05	0.00
Owner-Occupied Housing by Geography	208,932	5.45	30.11	41.30	23.14	0.00
Businesses by Geography	61,522	6.76	26.18	44.33	22.53	0.19
Farms by Geography	890	4.94	25.96	40.56	28.54	0.00
Family Distribution by Income Level	214,784	24.13	20.67	22.51	32.68	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	96,230	12.83	48.16	31.03	7.98	0.00
Median Family Income		Median Housing Value				
HUD Adjusted Median Family Income for 2007	= \$55,425					\$98,747
Households Below the Poverty Level	= \$63,800					= 2.86%
	= 11%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its assessment area as Marion County a portion of the Indianapolis-Carmel MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. Nine townships comprise Marion county including: Center, Decatur, Franklin, Lawrence, Perry, Pike, Warren, Washington, and Wayne. The city of Indianapolis and Marion County share the same borders and a common local government. Indianapolis is the state’s capital. FTB entered this market area in 2005 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

Indianapolis is the primary industrial, commercial, and transportation center for the Midwest. Situated in proximity to the vast agricultural region known as the corn-belt and to the industrialized cities of the upper Midwest and the East, a diversified economic base supports the city of Indianapolis. The manufacturing industry, once the economic bedrock of the state, is on the decline and the state is focusing on attracting new businesses. The state of Indiana offers a variety of tax credits, incentives, and workforce development programs. Additionally, agriculture (corn, soybean, tomato, and hog production) are a significant component of the regions economy. The insurance industry has an established presence in Indianapolis, the headquarters for several large insurance companies. Tourism associated with major sporting events hosted in the city of Indianapolis also positively influence the economy spurring a multitude of urban revitalization development projects in downtown Indianapolis (hotels, new stadium, and expanded convention center) which continue to add jobs in the area as well as generate billions of dollars to the local economy.

At December 31, 2007, the unemployment rate in the AA and statewide was 4.6 percent, compared to 4.1 percent in the entire MSA. The largest corporate employers in the region include Eli Lilly and Company; Purdue University; Indiana University – Purdue University at Indiana; Indiana University; Marsh Supermarkets; Rolls-Royce; FedEx; Allison Transmission/Division of GMC; SBC Indiana; and WellPoint Inc.

Adequate opportunities exist within the AA for banks to work in partnership with organizations in support of affordable housing and in the provision of community development services targeted to LMI individuals. Marion County experienced a 1.4 percent growth in population from 2000 to 2007. However, although considered one of the most affordable housing markets in the county, during the same time-period the city of Indianapolis experienced rising unemployment rates, increasing foreclosure rates, decreased building rates, and high abandonment rates. Community representatives report that the greatest housing needs are for the extremely low income, assisting the homeless, and people living with HIV/AIDS. Large families are those with the greatest need of affordable housing, both rental housing and owner-occupied housing. The greatest challenges to homeownership are bad credit and excessive debit. Further, programs that focus on job training and economic development are also pressing needs in the assessment area.

State of Maine  
Bangor, ME Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Bangor MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	49	0.00	20.41	75.51	4.08	0.00
Population by Geography	144,919	0.00	18.44	75.46	6.10	0.00
Owner-Occupied Housing by Geography	40,542	0.00	11.94	81.52	6.54	0.00
Businesses by Geography	12,749	0.00	20.57	73.64	5.79	0.00
Farms by Geography	276	0.00	14.86	79.35	5.80	0.00
Family Distribution by Income Level	38,149	21.83	18.39	23.63	36.14	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	15,345	0.00	21.53	75.13	3.34	0.00
Median Family Income		Median Housing Value			= 76,924	
HUD Adjusted Median Family Income for 2007	= \$42,416	Unemployment Rate			= 2.88%	
Households Below the Poverty Level	= \$53,400 = 14%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its full-scope assessment area as the entire Bangor, ME MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. The defined assessment area is comprised of 49 census tracts situated in Penobscot County. During the evaluation period, FTB operated one branch in Maine, in a moderate-income geography. FTB entered and ceased operations in this market area in 2007, when FHNC terminated its national expansion strategy in the area.

Services, the government sector, and retail trade are the three primary industries in the assessment area. At December 31, 2007, the unemployment rate in the AA was 4.5 percent compared to 4.7 percent unemployment statewide. The largest employers in the AA are Eastern Maine Medical Center, Hannafords Supermarkets, Jackson Laboratory, and Cianbro Corporation. The area is also somewhat dependent upon the tourism industry as a source of income.

Discussions with several individuals in the community that are active in diverse local organizations indicated that opportunities exist for area banks to address and meet the various needs of persons living in and doing business in the assessment area. Primary needs include activities such as financing and down-payment assistance for LMI borrowers, loans for small business startups, and financing for housing rehabilitation. Primary community development needs of the assessment area include preservation of affordable rental housing; creation of affordable housing (both owner and renter-occupied); foreclosure mitigation assistance; affordable housing for seniors; and support for community groups and organizations that provide community and social services targeted to LMI.

The opportunity for financial institutions to forge partnerships with community development organizations to originate community development loans, investments, and services exists as several community development organizations operate in the area. For example, financial institutions have the opportunity to leverage relationships with CEI Community Ventures, a CDFI, and new markets venture capital company operating statewide. Northern New England Housing Investment Fund is a non-profit focused on affordable housing development in New Hampshire and Maine. Genesis Community Loan Fund is a CDFI that serves the state of Maine; Community Housing of Maine, a non-profit affordable housing developer serving the state of Maine; and Penquis a non-profit community action agency primarily serving LMI residents in Bangor all afford banks with opportunities to form alliances to address community needs in the assessment area.

State of Maryland  
 Baltimore-Towson, MD Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Baltimore MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	299	1.34	13.38	52.51	31.44	1.34
Population by Geography	1,243,948	1.20	13.40	49.69	35.37	0.33
Owner-Occupied Housing by Geography	337,496	0.30	8.66	49.69	41.35	0.00
Businesses by Geography	88,383	0.78	6.85	50.60	41.70	0.07
Farms by Geography	1,703	0.29	5.46	36.64	57.60	0.00
Family Distribution by Income Level	329,910	15.53	17.80	24.01	42.66	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	109,966	1.53	22.72	53.87	21.88	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$59,301 = \$75,800 = 6%	Median Housing Value Unemployment Rate		153,754 = 1.98%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its full-scope assessment area as a portion of the Baltimore-Towson, MD MSA. The Baltimore-Towson, MD MSA is included in a combined statistical area consisting of the overlapping market region of the cities of Baltimore, Maryland and Washington, D.C. The region includes central Maryland, northern Virginia, and two counties in the eastern panhandle of West Virginia. Statisticians consider this area of the country the most educated, highest-income and fourth largest Combined Statistical Area in the United States.

The defined assessment area is comprised of 299 geographies situated in Anne Arundel County and Baltimore County. Both counties closely surround the City of Baltimore. Annapolis, situated on the Chesapeake Bay, south of Baltimore and east of Washington D.C., is the county seat in Arundel County and the Maryland state capital. Baltimore County is located in the northern part of Maryland and its county seat is Towson, MD. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. FTB entered this market area in 2005 and ceased operations in this market by year-end 2007, when FHNC terminated its national expansion strategy in this area.

Baltimore County maintains the third highest population and the largest land area of any political subdivision in the State of Maryland, behind only Montgomery and Prince George's Counties. Over the past 40 years, Baltimore County changed from being predominately rural to an urban-suburban-rural mix.

Baltimore County employs more people than in any other jurisdiction in the Baltimore region, except for Baltimore City. County jobs accounted for 29.2 percent of the regional total workforce in 2000, and Baltimore County businesses continue to experience job growth. The largest employment industry is retail trade (16.7 percent), followed by health care and social assistance (16.2 percent), manufacturing (8.7 percent), accommodation and food services (8.3 percent), and construction (7.9 percent). Although the manufacturing industry is declining, it still presents a large share of local employment opportunities. Retail trade, finance and insurance, and health care and social assistance also represent a large share of local employment. At December 31, 2007, the unemployment rate in the assessment area and statewide was 3.5 percent, compared to a 3.6 unemployment rate in the MSA. By number of employees, the top ten employers in Baltimore County are the Social Security Administration; Greater Baltimore Medical Center; Franklin Square Hospital Center; UMBC; Towson University; Centers for Medicare and Medicare Services; Erickson Retirement Communities; Sheppard Pratt Health Systems; McCormick & Company, and Lockheed Martin. However, while job growth is trending upward, community representatives identify employment training, job readiness preparedness, and vocational training for low- and moderate-income persons a pressing need in the assessment area.

Affordable housing (owner-occupied and rental housing) is a major challenge within the assessment area. As the demand for housing increased, so has the price of housing. By 2007, sales prices in Baltimore County had nearly doubled while wages grew by 20 percent. Additionally, low- to moderate-income persons with disabilities often find it difficult to find housing that is both accessible and affordable. The housing stock in the AA is aged where approximately 85 percent of the housing stock predates the American with Disabilities Act (1990). Community representatives continually identify affordable housing, access to transportation, and jobs that pay a living wage as needs in the assessment area.

Increasing access to homeownership is also a major priority in the assessment area because city planners view homeownership as a critical element in the stabilization and the revitalization of the community. Homeownership in Baltimore County typically lags behind the State of Maryland. In 2007, the rate of homeownership in Baltimore County was 65.1 percent compared to 69.4 percent in the State of Maryland. Housing costs have skyrocketed in this region making affordable homeownership difficult for many households. Further, settlement costs in Maryland rank among the highest in the nation. Many families have difficulty saving the cash needed for the closing costs and down payment associated with purchasing a home.

Community representatives identify low cost loans/loan modifications for homeowners facing foreclosure, additional banking services in low- and moderate-income geographies, and financial literacy and education as needs in the assessment area.

The opportunity for financial institutions to work in partnership with community development organizations to originate community development loans, investments, and services exists as several community development organizations operate in the AA. Community contacts identified potential community development partners in the AA as for example,

- Neighborhood Housing Services of Baltimore, dedicated to the revitalization of Baltimore neighborhoods by promoting homeownership opportunities;
- Economic Alliance of Greater Baltimore, the public/private partnership that unites business, government, and educational institutions to market greater Baltimore and promote new business growth and investment in the region;
- Baltimore Community Lending, offers rehabilitation loans for homeownership and commercial development to residential, commercial, and small business borrowers;
- Community Capital of Maryland, Inc., a member of a national network of financial institutions that provides construction financing for the rehabilitation or new construction of affordable housing; and
- Community Development Ventures, Inc., a CD venture capital company that provides equity capital to businesses in underinvested markets to promote the creation of jobs, wealth, and entrepreneurial capacity.

State of Massachusetts  
 Barnstable, MA Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Barnstable MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	50	4.00	8.00	70.00	18.00	0.00
Population by Geography	222,230	1.55	5.38	76.31	16.76	0.00
Owner-Occupied Housing by Geography	73,783	0.44	3.80	77.61	18.15	0.00
Businesses by Geography	22,911	7.91	7.15	68.17	16.76	0.00
Farms by Geography	770	2.47	3.90	77.27	16.36	0.00
Family Distribution by Income Level	61,313	16.97	19.22	23.88	39.93	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	22,185	2.36	6.35	79.08	12.21	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$54,612 =\$70,400 = 7%	Median Housing Value Unemployment Rate		189,997 = 2.47%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its full-scope assessment area as the Barnstable Town MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. The defined assessment area is comprised of 50 census tracts situated in Barnstable County. During the evaluation period, FTB operated one branch in the Barnstable MSA, in a low-income geography of the AA. FTB entered this market area in 2005 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

The town of Barnstable is the largest community, both in land area and population, on Cape Cod. The town contains seven villages within its boundaries. Its largest village, Hyannis, is the central business district of the county and home to Barnstable Municipal Airport, the airline hub of Cape Cod and the Islands of Martha's Vineyard and Nantucket.

Cape Cod is a peninsula on the eastern most portion of the state of Massachusetts. Cape Cod is a tourist destination during the summer months. The tourist season typically runs from Memorial Day through Labor Day. Numerous businesses operate throughout the assessment area, with the highest concentration being in the middle-income geographies. According to 2007 business demographic data, the area had 22,911 businesses in operation, 95.7 percent of which reported gross annual revenues of \$1 million or less. The highest proportion of these business establishments engaged in the service industry (35.6 percent) and retail trade (17.8 percent). In terms of employees, approximately 63.1 percent of the area's businesses employed four or fewer people.

At December 31, 2007, the unemployment rate in the AA was 5.1 percent compared to the state unemployment rate of 4.4 percent. The largest employers in the area are the Woods Hole Oceanographic Institution, Otis Air National Guard Base, and Falmouth Hospital.

Affordable housing is a key need for the assessment area. Housing costs in the area are high, driven in part by the demand for vacation homes and vacation rentals. This makes it difficult for year round residents to afford housing particularly during the summer months. Housing costs place homeownership far out of the reach for most low wage earners in the area. The development of new affordable housing in the area is hampered by several things including, limited availability of land on which to build, a negative perception regarding affordable housing (NIMBYism), and growing concerns regarding traffic and use of area resources.

A need also exists to obtain funding to help support homelessness prevention. Because of state budget cuts, sources of funding to address homelessness issues are scarce. Available funds to support residential assistance to families in transition, providing emergency assistance to families facing homelessness, are also in short supply.

Discussions with individuals in the community that are active in diverse local organizations indicated that several opportunities exist for area banks to address and meet the various needs of persons living in and doing business in the assessment area. Several community development and economic development organizations operate in the AA, which financial institutions could form an alliance to originate community development loans and investments. Additional community development needs include funding for projects to increase local production of goods and services, and financing for existing and start-up businesses on Cape Cod.

State of Michigan  
 Detroit-Livonia-Dearborn, MI Metropolitan Division

Demographic Information for Full-Scope Area: Detroit MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	620	24.84	29.52	31.45	12.90	1.29
Population by Geography	2,061,162	20.31	31.31	33.81	14.48	0.09
Owner-Occupied Housing by Geography	511,936	12.00	27.33	41.92	18.75	0.00
Businesses by Geography	103,602	17.00	25.83	38.53	18.12	0.52
Farms by Geography	1,680	9.11	24.17	46.85	19.64	0.24
Family Distribution by Income Level	514,979	29.09	19.38	20.50	31.03	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	249,644	28.36	37.71	28.17	5.76	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$48,792 = \$53,800 = 15%	Median Housing Value Unemployment Rate			115,842 = 3.84%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its assessment area in Michigan as a portion of the Detroit-Livonia-Dearborn Metropolitan Division (MD). The assessment area complies with regulatory guidelines and does not arbitrarily exclude low- or moderate-income areas. The defined assessment area is comprised of 620 census tracts situated in Wayne County. During the evaluation period, FTB operated one branch in an upper-income geography in the AA. FTB entered this market area in 2005 and ceased operations in this market in 2007, when FHNC terminated its national expansion strategy in the area.

Wayne County is home to Detroit, the largest city in the state of Michigan. Detroit is considered the automotive capital of the world and home to the “big three” automakers (Chrysler, Ford, and General Motors). Employment in Wayne County (especially in Detroit) is heavily reliant on the automotive industry, which is in a recession. Numerous businesses operate throughout the assessment area, with a nearly equal distribution between the moderate-, middle-, and upper-income geographies. According to 2007 business demographic data, the area had 103,602 businesses in operation, 98.4 percent of which reported gross annual revenues of \$1 million or less. The highest proportion of these business establishments engage in the service industry (40.5 percent) and retail trade (16.2 percent). At December 31, 2007, the unemployment rate in Wayne County was 8.6 percent, compared to 7.1 percent unemployment in the state of Michigan. By number of employees, the top five employers in Wayne County are General Motors Corporation, Ford Motor Company, Chrysler L.L.C., Henry Ford Health, and the Detroit Medical Center.

Economic conditions, like in most of Michigan, are poor in Detroit where there are significant job losses, high unemployment rates, and foreclosures are high. The Detroit metropolitan area is among the highest in the nation for foreclosures. High levels of unemployment and declining sales in the automotive sector are the root cause of the issue. Community contacts also identified unconventional home financing options as the secondary cause of the foreclosure situation. Declining home values only exacerbate the issue.

Also due to economic conditions, city planners identify significant housing related needs in the assessment including affordable rental housing; financing for affordable housing; and supportive housing for the elderly and persons with disabilities.

Community representatives responded that as a whole, banks operating in the AA are doing a good job providing products and services but there is room for improvement. For example, providing check cashing for small businesses, lowering fees charged small business account customers, and improving overall customer service in branch locations. Additionally, community development partnerships are more difficult to consummate because many banks in the area are dissolving their bank-owned CDC's. Investment in CD projects is not as aggressive as it once was limiting growth in small businesses and economic development projects.

State of Missouri  
Jackson County, MO AA

Demographic Information for Full-Scope Area: Jackson County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	217	17.51	33.64	32.72	13.82	2.30
Population by Geography	654,880	11.28	30.19	40.46	18.02	0.05
Owner-Occupied Housing by Geography	167,435	7.22	26.05	44.73	22.00	0.00
Business by Geography	49,746	9.36	27.01	43.00	19.48	1.16
Farms by Geography	883	5.44	21.97	46.21	26.05	0.34
Family Distribution by Income Level	167,349	23.97	21.12	23.21	31.71	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	75,453	17.40	38.76	35.68	8.16	0.00
Median Family Income	55,031	Median Housing Value		93,210		
HUD Adjusted Median Family Income for 2008	67,800	Unemployment Rate (2000 US Census)		2.89%		
Households Below Poverty Level	11%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2008 HUD updated MFI.

FTB defined its assessment area in Missouri as a portion of the Kansas City Multistate Metropolitan Area. The assessment area complies with regulatory guidelines and does not arbitrarily exclude low- or moderate-income areas. The defined assessment area is comprised of 217 census tracts situated in Jackson County. During the evaluation period, FTB operated one branch in Jackson County, in an upper-income geography. FTB entered this market area in 2005 and ceased operations this market in 2008, when FHNC terminated its national expansion strategy in the area.

Jackson County is the second most populous county in Missouri after St. Louis County, owing mostly to the presence of Kansas City, the state's most populous city and focus city of the Kansas City metropolitan area. Although Independence, MO retains its status as the original county seat, Kansas City serves as a second county seat and the center of county government.

The Kansas City metropolitan area is not highly dependent upon tourism to fuel the economy but it is a sophisticated community offering many attractions, from a lyric opera company to five professional sports teams, and is generally known for its famous Kansas City barbeque. Kansas City is a suburban community and home to several large corporations such as DST Systems, Farmland Industries, Hallmark Cards, Sprint, and the University of Kansas Medical Center. At December 31, 2008, the unemployment rate in the AA was 6.9 percent, compared to the state unemployment rate of 6.1 percent.

City planners identify significant housing related needs in the assessment area including affordable rental housing; financing for affordable housing; and supportive housing for the elderly and persons with disabilities. Additionally, there is a need for micro-loan programs in support of small business growth and expansion.

Discussions with individuals in the community that are active in diverse local organization indicated that several opportunities exist for area financial institutions to help address and meet the community development needs within the AA. For example, there are opportunities to provide loans and technical assistance to the NHT Community Development Fund, a housing trust fund, which provides loans to non-profit organizations in support of affordable housing. Additionally community development opportunities exist to provide loans and technical assistance to the First Step Fund, which offers training and basic business and entrepreneurial skills to help or expand small business. Additionally, the fund offers financial assistance to start-up small business in the form of a micro-loan fund.

State of North Carolina  
Greensboro-High Point, NC Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Greensboro MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	98	7.14	21.43	38.78	32.65	0.00
Population by Geography	421,048	6.86	14.65	39.91	38.58	0.00
Owner-Occupied Housing by Geography	105,700	2.57	10.54	40.84	46.05	0.00
Businesses by Geography	46,050	4.13	15.88	40.85	39.15	0.00
Farms by Geography	1,072	2.89	7.84	48.97	40.30	0.00
Family Distribution by Income Level	110,443	17.72	16.34	21.64	44.30	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	37,618	13.05	23.63	42.37	20.95	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$48,807 = \$53,600 = 10%	Median Housing Value Unemployment Rate			125,230 = 2.99%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its full-scope assessment area as a portion of the Greensboro MSA. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. The defined assessment area is comprised of 98 census tracts situated in Guilford County. During the evaluation period, FTB operated one branch in Guilford County, in a middle-income geography of the AA. FTB entered this market area in 2005 and ceased operations in this market in 2007 when FHNC terminated its national expansion strategy in the area.

Greensboro is the county seat in Guilford County. Guilford County is part of the region of North Carolina known as the Piedmont Triad. The Triad area, comprised of the cities of Greensboro, Winston-Salem, and High Point, is a national center for textile manufacturing, represented by corporations including International Textile Group, based in Greensboro. Tobacco also is a prominent crop in the Triad's rural areas and many tobacco companies like Lorillard Tobacco Company of Greensboro call the Piedmont Triad home. The Triad area is also the headquarters for nationally known furniture manufacturers. However, many furniture and tobacco factories are closing and/or laying off workers across the region in response to escalating industrial globalization. The furniture and textile industries have in turn spawned large trucking, logistics, and warehousing businesses in the area and as old industries in the area die out, technological businesses are moving into the Triad region.

According to 2007 business demographic data, the area had 37,864 businesses in operation, 97.6 percent of which reported gross annual revenues of \$1 million or less. The highest proportion of these business establishments engaged in the services industry (37.1 percent) and retail trade (14.8 percent). In terms of employees, approximately 60 percent of the area's businesses employed four or fewer people. At December 31, 2007, the unemployment rate in the AA was 4.6 percent compared to the state unemployment rate of 4.9 percent. Major employers included City of Greensboro, Guilford County Board of Education, Moses H. Cone Memorial Hospital, State of North Carolina, U. S. Postal Service, and University of North Carolina at Greensboro.

Based on information from community contacts identified needs in the community include a safe, efficient, and environmentally sound transportation system; affordable and safe housing that is convenient to jobs, transportation, and services; and tax incentives and loans that support small business entrepreneurship. The opportunity exists for financial institutions to make loans or investment in community development organizations operating in the AA. For example, financial institutions could collaborate with the North Carolina Community Development Initiative (NCCDI), an intermediary that supports community development corporations across the state by making grants and creating loan products, to meet special financial and capital needs of North Carolina's low-wealth communities.

State of Texas  
 Dallas-Plano-Irving, TX Metropolitan Division

Demographic Information for Full-Scope Area: Dallas MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	635	9.76	28.50	29.45	31.65	0.63
Population by Geography	3,186,630	8.11	26.73	31.58	33.58	0.00
Owner-Occupied Housing by Geography	664,202	2.75	19.11	33.31	44.84	0.00
Businesses by Geography	330,091	4.75	23.07	30.99	40.02	1.16
Farms by Geography	5,429	2.84	18.29	37.52	40.95	0.41
Family Distribution by Income Level	795,611	20.70	17.54	19.83	41.92	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	304,264	14.39	38.85	31.63	15.13	0.00
Median Family Income		Median Housing Value				123,907
HUD Adjusted Median Family Income for 2008	= \$56,313	Unemployment Rate				= 2.52%
Households Below the Poverty Level	= \$65,000 = 10%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2008 HUD updated MFI.

FTB defined its full-scope assessment area as the Dallas-Plano-Irving Metropolitan Division (MD). The assessment area complies with regulatory guidelines and does not arbitrarily exclude low- or moderate-income areas. The defined assessment area is comprised of 635 census tracts situated in Collin, Dallas, Denton, and Rockwall Counties. During the evaluation period, FTB operated seven branches in the AA, three in middle-income geographies and four in upper-income geographies. FTB entered this market area in 2005 and ceased operations in the area by year-end 2008, when FHNC terminated its national expansion strategy in the area.

The economic conditions in the Dallas MD are good. A well-diversified business environment supports the Dallas MD with emphasis in manufacturing, high technology, and education. According to 2008 business demographic data, the area had 330,091 businesses in operation, 98.4 percent of which reported annual revenues of \$1 million or less. The highest proportion of these business establishments engaged in the service industry (37.8 percent) and retail trade (15.5 percent). At December 31, 2008, the unemployment rate in the Dallas MD and the state of Texas was 6.1 percent, compared to the 7.4 percent national unemployment rate. American Airlines is the largest employer in the area and maintains its hub at Dallas/Fort Worth International Airport, the world's third busiest airport. Additionally, the Dallas MD AA is home to numerous corporate headquarters including AT&T; Atmos Energy; Baylor Health Care System; Dr. Pepper Snapple Group; Exxon Mobil; J. C. Penney; Kimberly-Clark; Southwest Airlines; Tenet Healthcare; Texas Instruments; UT Southwestern Medical Center; and the University of North Texas.

The area lying south and east of the core downtown area of Dallas is the area most in need of economic development. The southern sector contributes only 16 percent of the City's tax base, yet it contains 41 percent of Dallas' population and 47 percent of its land area. The north half of the city has benefited from continuing economic growth and the south has not. The distressed sector lacks retail and commercial development, and the single-family housing stock is mainly stick-built, constructed in the early 1920's. The city of Dallas has a strategy for expanding development in southern Dallas, representing the greatest opportunity for lenders to provide housing loans, consumer loans, and small business loans to persons in the area.

Excessive housing cost is the predominant housing problem in Dallas. There are many homes and apartments needing minor and major rehabilitation. Overcrowding is a problem faced by many large, low-income families. The Dallas MD AA does not have an adequate inventory of affordable housing, an issue reflected in the significant homeless population living in the area. The largest portion of this population is single minority males, although a growing group among the homeless is single women accompanied by small children. The major community development services needs of the area's homeless population is shelter, transportation, employment assistance, and drug treatment.

Community contacts identified financing for new and growing small businesses as an important need to spur economic revitalization of the distressed areas of south Dallas. The critical credit needs they identify are small loans (less than \$25,000), equity or inexpensive venture capital, and technical assistance. Community representatives also expressed the need for more bank branch presence in distressed communities, and financial literacy counseling.

State of Virginia  
 Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Division

Demographic Information for Full-Scope Area: Washington-Arlington-Alexandria MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	329	1.52	13.07	35.87	49.24	0.30
Population by Geography	1,789,051	1.07	13.89	36.99	48.05	0.00
Owner-Occupied Housing by Geography	437,466	0.24	7.46	35.49	56.80	0.00
Business by Geography	149,020	0.76	9.29	36.81	53.14	0.00
Farms by Geography	2,134	0.14	6.14	38.66	55.06	0.00
Family Distribution by Income Level	451,578	14.12	14.90	21.47	49.50	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	131,075	2.21	25.47	43.77	28.55	0.00
Median Family Income	71,100	Median Housing Value		229,125		
HUD Adjusted Median Family Income for 2007	92,600	Unemployment Rate (2000 US Census)		1.54%		
Households Below Poverty Level	4%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its full-scope assessment area as a portion of the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Division (MD). The Washington-Arlington-Alexandria MD is included in a combined statistical area consisting of the overlapping market region of the cities of Baltimore, Maryland and Washington, D.C. The region includes central Maryland, northern Virginia, and two counties in the eastern panhandle of West Virginia. Statisticians consider this area of the country the most educated, highest-income and fourth largest Combined Statistical Area in the United States.

The defined assessment area is comprised of 329 geographies situated in Alexandria, Fairfax, Falls Church, Loudon, and Prince William counties. All counties closely surround the Washington, DC metropolitan area. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas. During the evaluation period, FTB operated 13 branches in the Washington MD, of which, one was located in a moderate-income geography. FTB entered this market area in 2005 and ceased operations in the market by year-end 2007, when FHNC terminated its national expansion strategy in this area.

Although the economy of the assessment area is diverse with a mix of retail, service, and technology-based industries, the region relies directly and indirectly (government contractors) on the federal government for the majority of employment opportunities. According to 2007 business demographic data, aside from federal government employment, the area had 249,020 businesses in operation, of which 98.6 percent reported gross annual revenue of \$1 million or less. The highest proportion of these businesses engaged in the services industry (47.4 percent) and retail trade (11.8 percent). At December 31, 2007, the unemployment rate in the AA was 2.9 percent compared to the national unemployment rate of 5 percent.

Community contacts reflected that there are very significant affordable housing shortages throughout the AA. The AA has a good public transit system and as a result, many LMI families do not own an automobile and use the Metro system. This allows them to spend more of their income on housing, which is very expensive throughout the AA. Housing values are high but have been declining over the last few years as foreclosures rise. Still, homeownership is beyond the reach of most LMI residents due to the very high cost of homes in the parts of the AA served by the public transit system. The contacts also mentioned that much of affordable housing stock is aging, and many properties are multifamily buildings in need of significant repair and rehabilitation.

The level of opportunity to make community development investments and loans is good because there are several community development organizations that serve the AA or with regional and national footprints that include the AA.

State of Washington  
 Seattle-Bellevue-Everett, WA Metropolitan Division

Demographic Information for Full-Scope Area: Seattle MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	506	2.17	20.75	52.96	24.11	0.00
Population by Geography	2,343,058	1.93	21.89	52.39	23.79	0.00
Owner-Occupied Housing by Geography	577,775	0.49	15.58	55.45	28.48	0.00
Business by Geography	196,840	2.55	23.79	47.30	26.35	0.00
Farms by Geography	4,377	1.07	16.43	58.03	24.47	0.00
Family Distribution by Income Level	582,505	18.50	18.70	24.54	38.26	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	216,658	2.61	31.49	51.85	14.06	0.00
Geographies (Census Tracts/BNAs)	506	2.17	20.75	52.96	24.11	0.00
Median Family Income	63,951	Median Housing Value		239,818		
HUD Adjusted Median Family Income for 2007	75,600	Unemployment Rate (2000 US Census)		2.54%		
Households Below Poverty Level	8%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census data and 2007 HUD updated MFI.

FTB defined its full-scope assessment area as the Seattle-Bellevue-Everett Metropolitan Division (MD). The assessment area complies with regulatory guidelines and does not arbitrarily exclude low- or moderate-income areas. The defined assessment area is comprised of 506 census tracts situated in King County (Seattle) and Snohomish County (north of Seattle). During the evaluation period, FTB operated two branches in the AA, one each in a middle- and upper-income geography. FTB entered this market area in 2006 and ceased operations in the AA by year-end 2007, when FHNC terminated its national expansion strategy in the area.

Seattle is the urban center of a four-county metropolitan region. The city's largest employer is the University of Washington. The University plays a key role in many economic sectors such as healthcare, biotechnology, information technology, science, and research. Seattle's healthcare cluster (hospitals, healthcare products and services, training, and research) account for approximately 90,000 jobs and contributes upwards to \$10 billion annually to the local economy. The biotechnology and medical device sector, ranked 5<sup>th</sup> in the United States by industry concentration, consists of approximately 170 firms and non-profit research organizations, throughout the Seattle/Washington state region. Other major employers in the region include Boeing, the Naval Air Station, and Kimberly-Clark. At December 31, 2007, the unemployment rate for the AA was 4.0 percent compared to the state unemployment rate of 4.6 percent.

Tourism is a major component of the economy. The Port of Seattle experienced record growth in cruise ship travel in recent years with five major cruise lines providing a gateway to Alaska and British Columbia. The level of opportunity to make community development investments and loans is good as there are several CDFI's and CDE's operating within the AA.

Identified community development needs include affordable housing, especially single-family homes and low-income housing; support for economic development initiatives; and investment capital for small businesses and operating grants for community development organizations.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. 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: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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 and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.

- Table 2. Geographic Distribution of Home Purchase Loans** - 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 owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased 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 share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased 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 share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - 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 distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased 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. In addition, the table presents the percentage distribution of the number of loans originated and purchased 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 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased 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. In addition, the table presents the percentage distribution of the number of loans originated and purchased 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 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - 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 households 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 MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Table 1. Lending Volume**

LENDING VOLUME													Geography: Memphis Multistate MA													Evaluation Period: January 1, 2004 to December 31, 2009												
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***																										
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)																											
<b>Full Review:</b>																																						
Memphis Multistate MA	100.00	14,965	1,986,926	9,320	1,628,411	174	13,277	81	42,641	24,540	3,671,255	100.00																										

\* Loan Data as of December 31, 2009. Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is January 1, 2004 to December 31, 2009.

\*\*\* Deposit Data as of June 1, 2009. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE															Geography: Memphis Multistate MA					Evaluation Period: January 1, 2004 to December 31, 2009				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Memphis Multistate MA	6,909	100.00	5.66	1.14	20.64	6.01	30.16	16.27	43.54	76.58	3.59	0.65	3.43	2.48	4.09									

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT															
Geography: Memphis Multistate MA															
Evaluation Period: January 1, 2004 to December 31, 2009															
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis Multistate MA	602	100.00	5.66	5.32	20.64	19.60	30.16	26.08	43.54	49.00	3.87	5.80	3.79	5.08	2.59

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE      Geography: Memphis Multistate MA      Evaluation Period: January 1, 2004 to December 31, 2009															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis Multistate MA	7,445	100.00	5.66	2.73	20.64	13.93	30.16	23.02	43.54	60.32	4.93	4.70	4.67	3.81	5.63

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															Geography: Memphis Multistate MA															Evaluation Period: January 1, 2004 to December 31, 2009														
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*																																	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp																											
<b>Full Review:</b>																																												
Memphis Multistate MA	9	100.00	14.54	22.22	29.81	55.56	30.36	22.22	25.29	0.00	1.85	0.00	0.00	5.88	0.00																													

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: Memphis Multistate MA															Evaluation Period: January 1, 2004 to December 31, 2009														
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*																																	
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp																											
<b>Full Review:</b>																																												
Memphis Multistate MA	9,320	100.00	8.72	10.24	17.76	17.76	26.31	19.90	46.82	52.10	5.22	9.46	6.59	4.38	4.85																													

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet 2009.

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															Geography: Memphis Multistate MA		Evaluation Period: January 1, 2004 to December 31, 2009		
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*								
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp				
<b>Full Review:</b>																			
Memphis Multistate MA	174	100.00	4.14	0.00	14.15	8.62	30.91	77.01	50.48	14.37	7.43	0.00	10.00	11.76	5.19				

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet 2009.

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE															Geography: Memphis Multistate MA					Evaluation Period: January 1, 2004 to December 31, 2009				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share													
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Memphis Multistate MA	6,909	100.00	21.94	5.32	16.29	20.44	19.43	24.48	42.33	49.76	3.76	3.75	3.03	3.75	4.11									

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 12.1% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: Memphis TN-MS-AR Multistate MSA				Evaluation Period: January 1, 2004 to December 31, 2009					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****						
<b>Full Review:</b>																
Memphis TN MS AR	602	100.00	21.94	12.79	16.29	20.20	19.43	25.42	42.33	41.58	4.11	7.02	3.59	4.67	3.47	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.3% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: Memphis Multistate MA					Evaluation Period: January 1, 2004 to December 31, 2009				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share													
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Memphis Multistate MA	7,445	100.00	21.94	8.43	16.29	18.63	19.43	24.11	42.33	48.84	5.18	7.29	5.51	5.25	4.89									

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 15.2% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES									
					Geography: Memphis Multistate MA			Evaluation Period: January 1, 2004 to December 31, 2009	
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Memphis Multistate MA	9,320	100.00	74.63	31.58	59.71	18.36	21.93	5.22	5.39

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2009).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 28.22% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: Memphis Multistate MA									
Evaluation Period: January 1, 2004 to December 31, 2009									
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Memphis Multistate MA	174	100.00	94.90	32.18	77.01	12.07	10.92	7.43	2.17

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2009).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 65.52% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: Memphis Multistate MA <b>Evaluation Period:</b> January 1, 2004 to December 31, 2009									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Memphis Multistate MA	19	38,955	95	11,055	114	50,010	100.00	0	0

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\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Memphis Multistate MA Evaluation Period: January 1, 2004 to December 31, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Memphis Multistate MA	100.00	55	100.00	9.09	14.55	20.00	56.36	16	19	-2	+2	-8	+5	9.54	25.49	29.58	34.93

**Table 1. Lending Volume**

LENDING VOLUME												Geography: Chattanooga Multistate MA		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009	
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)				
<b>Full Review:</b>															
Chattanooga Multistate MA	100.00	4,839	762,305	5,069	952,299	4	227	16	10,400	9,928	1,725,231	100.00			

\* Loan Data as of December 31, 2009. Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is January 1, 2004 to December 31, 2009

\*\*\* Deposit Data as of June 1, 2009. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: Chattanooga Multistate MA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Chattanooga Multistate MA	2,519	100.00	1.91	0.75	8.53	5.24	55.09	46.69	34.48	47.32	3.69	0.93	3.61	3.25	4.40

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT															Geography: Chattanooga Multistate MA					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Chattanooga Multistate MA	95	100.00	1.91	0.00	8.53	6.32	55.09	53.68	34.48	40.00	0.82	0.00	2.82	0.00	1.61									

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: Chattanooga Multistate MA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Chattanooga Multistate MA	2,219	100.00	1.91	1.13	8.53	5.63	55.09	41.87	34.48	51.37	4.46	0.00	2.19	2.91	7.47	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: Chattanooga Multistate MA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Chattanooga Multistate MA	6	100.00	16.24	0.00	8.26	0.00	57.91	100.00	17.60	0.00	7.69	0.00	0.00	10.53	0.00	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: Chattanooga Multistate MA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Chattanooga Multistate MA	5,069	100.00	4.69	12.13	11.57	17.04	57.55	48.12	26.19	22.71	6.37	21.31	10.32	6.04	4.54					

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2009).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															Geography: Chattanooga Multistate MA					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Chattanooga Multistate MA	4	100.00	0.94	0.00	7.08	0.00	54.87	25.00	37.11	75.00	4.17	0.00	0.00	7.69	0.00									

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2009).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: Chattanooga Multistate MA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Chattanooga Multistate MA	2,519	100.00	18.14	5.25	16.68	18.88	21.86	25.03	43.32	50.83	3.90	1.28	2.30	3.22	5.45

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 7.1% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: Chattanooga Multistate MA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Chattanooga Multistate MA	95	100.00	18.14	7.45	16.68	15.96	21.86	30.85	43.32	45.74	0.99	0.00	0.00	1.71	1.40

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.1% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: Chattanooga Multistate MA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Chattanooga Multistate MA	2,219	100.00	18.14	7.22	16.68	15.55	21.86	21.09	43.32	56.14	4.89	3.40	2.35	2.22	7.65

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 6.4% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: Chattanooga Multistate MA		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Chattanooga Multistate MA	5,069	100.00	76.00	31.74	55.47	21.94	22.59	6.37	4.68

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2009).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 32.24% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: Chattanooga Multistate MA			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Chattanooga Multistate MA	4	100.00	97.96	25.00	100.00	0.00	0.00	4.17	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2009).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 50.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: Chattanooga Multistate MA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Chattanooga Multistate MA	2	263	13	7,329	15	7,592	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: CHATTANOOGA Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Chattanooga Multistate MA	100.00	22	8.59	4.19	9.52	70.04	16.25	0	2	0	0	-1	-1	5.05	10.44	53.88	30.62

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: Providence Multistate MA Evaluation Period: January 1, 2005 to December 31, 2007												
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Providence Multistate MA	100.00	2,739	500,091	65	2,200	0	0	0	0	2,804	502,291	100.00

\* Loan Data as of December 31, 2007. Rated area refers to multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is July 1, 2005 to December 31, 2007.  
 \*\*\* Deposit Data as of June 1, 2009. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE      Geography: Providence Multistate MSA      Evaluation Period: January 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	1,213	100.00	1.58	1.07	10.78	16.82	52.55	53.59	35.10	28.52	3.43	2.80	4.29	3.81	2.73

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT Geography: Providence Multistate MA <b>Evaluation Period:</b> January 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	24	100.00	1.58	4.17	10.78	16.67	52.55	41.67	35.10	37.50	0.24	0.00	0.46	0.17	0.29

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: Providence Multistate MA				
											Evaluation Period: January 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	1,502	100.00	1.58	2.86	10.78	15.25	52.55	52.66	35.10	29.23	2.28	3.69	3.20	2.39	1.74

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY      Geography: Providence Multistate MA      Evaluation Period: January 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	0	0.00	10.87	0.00	34.17	0.00	37.30	0.00	17.66	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES											Geography: Providence Multistate MA				
											Evaluation Period: January 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	65	100.00	6.35	9.23	14.05	16.92	47.05	43.08	32.54	30.77	0.01	0.00	0.00	0.01	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS											Geography: Providence Multistate MA				
											Evaluation Period: January 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	0	0.00	3.29	0.00	5.72	0.00	45.35	0.00	45.64	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE      Geography: Providence Multistate MA      Evaluation Period: January 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	1,213	100.00	19.81	3.19	17.02	19.78	22.61	35.52	40.56	41.52	3.90	2.13	3.92	4.35	3.69

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 12.0 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT Geography: Providence Multistate MA Evaluation Period: January 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	24	100.00	19.81	0.00	17.02	16.67	22.61	25.00	40.56	58.33	0.22	0.00	0.25	0.09	0.34

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 50.0% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE    Geography: Providence Multistate MA    Evaluation Period: January 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Providence Multistate MA	1,502	100.00	19.81	4.95	17.02	17.06	22.61	36.16	40.56	41.82	2.33	1.67	2.13	2.59	2.31

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 24.7% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: Providence Multistate MA Evaluation Period: January 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Providence Multistate MA	65	100.00	67.71	87.69	98.46	1.54	0.00	0.01	0.02

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS Geography: Providence Multistate MA Evaluation Period: January 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Providence Multistate MA	0	0.00	94.96	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: Providence Multistate MA <b>Evaluation Period:</b> January 1, 2005 to December 31, 2007									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Providence Multistate MA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Providence Multistate MA <b>Evaluation Period:</b> January 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Providence Multistate MA	100.00	2	100.00	0.00	50.00	50.00	0.00	2	2	0	0	0	0	4.18	18.26	46.93	30.63

**Table 1. Lending Volume**

LENDING VOLUME		Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Knoxville MSA AA	20.09	7,292	951,866	4,164	702,335	8	168	35	6,052	11,499	1,660,421	37.53
Sullivan County AA	8.90	3,103	324,773	1,981	309,117	8	724	4	354	5,096	634,968	7.08
<b>Limited Review:</b>												
Cleveland MSA AA	3.71	1,145	134,760	962	115,689	13	1,877	4	300	2,124	252,626	4.36
Jackson MSA AA	3.81	859	102,262	1,300	195,464	19	678	1	418	2,179	298,822	2.35
Johnson City MSA AA	8.72	3,516	387,077	1,446	178,815	22	2,673	4	390	4,988	568,955	10.81
Morristown MSA AA	6.08	2,655	294,977	806	122,826	13	1,383	3	680	3,477	419,866	4.47
Nashville MSA AA	38.17	16,173	2,429,723	5,572	845,821	79	3,683	20	4,046	21,844	3,283,273	26.85
Non MSA AA	10.52	3,322	353,978	2,530	316,428	160	13,383	8	4,515	6,020	688,304	6.54

\* Loan Data as of December 31, 2009. Rated area refers to multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is January 1, 2004 to December 31, 2009.  
 \*\*\* Deposit Data as of June 1, 2009. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	3,105	17.07	3.67	2.19	11.02	9.69	58.48	53.95	26.83	34.17	2.81	1.72	2.92	2.87	2.76
Sullivan County AA	1,178	100.00	0.00	0.00	9.21	8.91	59.96	53.06	30.83	38.03	5.79	0.00	3.78	6.89	4.72
<b>Limited Review:</b>															
Cleveland MSA AA	533	2.93	1.27	0.94	7.97	9.38	71.02	65.85	19.75	23.83	2.75	0.00	3.45	3.16	1.43
Jackson MSA AA	381	2.09	8.37	2.10	7.71	3.15	42.47	28.61	41.45	66.14	3.18	0.00	1.02	3.78	3.19
Johnson City MSA AA	1,534	8.43	0.00	0.00	9.81	5.54	71.89	68.58	18.30	25.88	5.24	0.00	2.11	5.48	5.71
Morristown MSA AA	1,481	8.14	0.00	0.00	3.84	2.84	80.70	67.39	15.46	29.78	10.13	0.00	14.00	8.80	15.33
Nashville MSA AA	9,573	52.62	1.95	1.77	13.11	10.72	56.33	58.22	28.61	29.30	2.63	1.58	2.82	2.60	2.72
Non MSA AA	1,585	8.71	0.00	0.00	3.75	3.28	81.00	82.52	15.25	14.20	3.17	0.00	8.64	3.32	1.88

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	273	30.50	3.67	1.47	11.02	9.52	58.48	57.14	26.83	31.87	1.09	0.00	2.00	0.80	1.49
Sullivan County AA	72	100.00	0.00	0.00	9.21	5.56	59.96	75.00	30.83	19.44	2.48	0.00	0.00	3.21	2.40
<b>Limited Review:</b>															
Cleveland MSA AA	21	2.35	1.27	0.00	7.97	14.29	71.02	66.67	19.75	19.05	0.68	0.00	0.00	1.00	0.00
Jackson MSA AA	31	3.46	8.37	25.81	7.71	3.23	42.47	45.16	41.45	25.81	2.38	0.00	0.00	3.08	2.00
Johnson City MSA AA	118	13.18	0.00	0.00	9.81	7.63	71.89	77.12	18.30	15.25	2.46	0.00	4.44	2.85	0.00
Morristown MSA AA	42	4.69	0.00	0.00	3.84	2.38	80.70	80.95	15.46	16.67	1.64	0.00	0.00	1.57	2.56
Nashville MSA AA	318	35.53	1.95	2.83	13.11	9.75	56.33	56.29	28.61	31.13	1.43	5.08	0.87	1.54	1.15
Non MSA AA	92	10.28	0.00	0.00	3.75	5.43	81.00	81.52	15.25	13.04	0.80	0.00	0.00	0.98	0.00

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	3,901	24.67	3.67	2.33	11.02	9.13	58.48	56.93	26.83	31.61	3.91	3.27	3.33	4.00	3.98
Sullivan County AA	1,846	100.00	0.00	0.00	9.21	6.77	59.96	59.48	30.83	33.75	5.88	0.00	4.85	5.79	6.32
<b>Limited Review:</b>															
Cleveland MSA AA	586	3.71	1.27	0.34	7.97	7.34	71.02	66.89	19.75	25.43	2.91	0.00	2.22	3.04	2.84
Jackson MSA AA	446	2.82	8.37	4.26	7.71	5.83	42.47	26.01	41.45	63.90	2.96	0.00	1.16	2.77	3.54
Johnson City MSA AA	1,845	11.67	0.00	0.00	9.81	4.82	71.89	68.67	18.30	26.50	4.42	0.00	1.27	4.65	4.79
Morristown MSA AA	1,127	7.13	0.00	0.00	3.84	2.66	80.70	75.42	15.46	21.92	4.66	0.00	4.41	4.29	6.45
Nashville MSA AA	6,271	39.66	1.95	1.24	13.11	8.87	56.33	53.50	28.61	36.39	2.73	1.42	2.46	2.52	3.32
Non MSA AA	1,635	10.34	0.00	0.00	3.75	3.73	81.00	80.80	15.25	15.47	2.54	0.00	2.00	2.60	2.34

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009						
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	13	20.31	20.28	15.38	24.70	15.38	34.43	69.23	20.59	0.00	7.94	5.56	9.09	13.04	0.00
Sullivan County AA	7	100.00	0.00	0.00	31.08	14.29	35.81	28.57	33.10	57.14	10.00	0.00	0.00	6.67	33.33
<b>Limited Review:</b>															
Cleveland MSA AA	5	7.81	14.22	20.00	20.51	0.00	50.16	60.00	15.11	20.00	7.14	16.67	0.00	6.25	0.00
Jackson MSA AA	1	1.56	25.51	0.00	7.00	100.00	35.81	0.00	31.68	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA AA	19	29.69	0.00	0.00	25.69	26.32	58.42	57.89	15.89	15.79	4.26	0.00	0.00	6.45	0.00
Morristown MSA AA	5	7.81	0.00	0.00	9.53	20.00	77.61	60.00	12.86	20.00	0.00	0.00	0.00	0.00	0.00
Nashville MSA AA	11	17.19	8.04	9.09	23.63	72.73	51.38	18.18	16.96	0.00	2.25	0.00	8.33	0.00	0.00
Non MSA AA	10	15.63	0.00	0.00	12.75	10.00	72.02	80.00	15.22	10.00	5.56	0.00	0.00	8.70	0.00

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: TENNESSEE				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp			
<b>Full Review:</b>																				
Knoxville MSA AA	4,164	24.82	9.33	14.43	14.09	16.43	45.04	39.55	31.53	29.59	3.45	5.63	4.95	3.33	2.84					
Sullivan County AA	1,981	100.00	0.00	0.00	18.51	16.20	54.01	51.49	27.48	32.31	6.45	0.00	5.71	6.50	7.45					
<b>Limited Review:</b>																				
Cleveland MSA AA	962	5.73	1.48	0.52	12.01	12.37	65.47	63.62	21.04	23.49	4.35	0.00	6.56	4.47	3.64					
Jackson MSA AA	1,300	7.75	15.26	11.23	7.87	2.08	38.33	33.69	38.53	53.00	4.24	3.86	0.00	3.88	5.20					
Johnson City MSA AA	1,446	8.62	0.00	0.00	14.73	16.04	62.79	51.31	22.47	32.64	5.20	0.00	5.55	3.84	8.61					
Morristown MSA AA	806	4.80	0.00	0.00	10.39	21.71	76.65	57.44	12.96	20.84	4.14	0.00	14.59	3.08	4.40					
Nashville MSA AA	5,572	33.21	3.62	2.03	20.15	24.64	47.19	46.07	28.70	27.26	2.03	1.23	2.92	2.34	1.42					
Non MSA AA	2,530	15.08	0.00	0.00	7.70	19.13	77.49	60.32	14.81	20.55	4.06	0.00	18.08	3.04	3.31					

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet 2009.

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009						
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	8	2.55	3.66	0.00	9.37	0.00	60.45	75.00	26.52	25.00	2.99	0.00	0.00	0.00	8.33
Sullivan County AA	8	100.00	0.00	0.00	11.20	0.00	61.00	87.50	27.80	12.50	3.57	0.00	0.00	4.17	0.00
<b>Limited Review:</b>															
Cleveland MSA AA	13	4.14	1.27	0.00	3.39	0.00	70.34	76.92	25.00	23.08	11.11	0.00	0.00	15.00	0.00
Jackson MSA AA	19	6.05	4.92	0.00	11.07	5.26	37.30	68.42	46.72	26.32	3.51	0.00	0.00	4.17	3.57
Johnson City MSA AA	22	7.01	0.00	0.00	6.70	0.00	71.91	13.64	21.39	86.36	0.95	0.00	0.00	0.00	4.76
Morristown MSA AA	13	4.14	0.00	0.00	4.58	0.00	85.39	61.54	10.03	38.46	2.86	0.00	0.00	3.57	0.00
Nashville MSA AA	79	25.16	1.50	0.00	11.80	5.06	60.50	92.41	26.01	2.53	4.26	0.00	0.00	7.28	0.00
Non MSA AA	160	50.96	0.00	0.00	2.82	0.00	80.27	73.13	16.91	26.88	2.48	0.00	0.00	4.57	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet 2009.

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	3,105	17.07	19.45	9.89	17.55	22.72	21.60	24.64	41.40	42.75	2.87	3.14	2.45	2.10	3.52
Sullivan County AA	1,178	100.00	18.01	7.58	17.80	21.12	23.17	25.72	41.02	45.58	6.25	5.04	5.09	5.43	7.29
<b>Limited Review:</b>															
Cleveland MSA AA	533	2.93	18.88	8.79	17.48	25.36	22.88	30.47	40.76	35.38	3.19	4.48	3.44	3.07	3.02
Jackson MSA AA	381	2.09	21.77	4.41	15.50	19.28	20.75	20.11	41.99	56.20	3.56	2.73	2.11	3.77	4.31
Johnson City MSA AA	1,534	8.43	19.61	8.71	18.00	21.10	23.45	24.58	38.94	45.61	5.60	8.94	4.85	4.79	5.89
Morristown MSA AA	1,481	8.14	19.28	7.20	18.26	25.21	23.15	28.58	39.31	39.01	11.64	8.70	15.64	12.54	9.82
Nashville MSA AA	9,573	52.62	18.38	9.84	17.41	25.32	23.02	26.87	41.19	37.97	2.77	2.55	2.57	2.83	2.89
Non MSA AA	1,585	8.71	17.73	6.45	17.60	20.60	23.24	24.88	41.43	48.07	3.51	3.92	3.50	3.38	3.53

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 8.9% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	273	30.50	19.45	15.04	17.55	19.55	21.60	19.92	41.40	45.49	1.20	0.73	1.75	1.34	1.00
Sullivan County AA	72	100.00	18.01	15.28	17.80	19.44	23.17	25.00	41.02	40.28	2.97	7.69	1.75	5.48	1.36
<b>Limited Review:</b>															
Cleveland MSA AA	21	2.35	18.88	25.00	17.48	5.00	22.88	40.00	40.76	30.00	0.80	0.00	0.00	3.33	0.00
Jackson MSA AA	31	3.46	21.77	16.67	15.50	13.33	20.75	20.00	41.99	50.00	2.65	0.00	0.00	4.76	3.28
Johnson City MSA AA	118	13.18	19.61	13.79	18.00	23.28	23.45	28.45	38.94	34.48	2.91	2.22	4.94	2.11	2.62
Morristown MSA AA	42	4.69	19.28	7.14	18.26	21.43	23.15	42.86	39.31	28.57	1.83	0.00	3.66	2.11	1.41
Nashville MSA AA	318	35.53	18.38	12.01	17.41	23.05	23.02	26.30	41.19	38.64	1.41	0.42	1.25	1.75	1.53
Non MSA AA	92	10.28	17.73	14.61	17.60	17.98	23.24	29.21	41.43	38.20	0.90	4.26	0.00	0.72	0.72

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 2.7% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Knoxville MSA AA	3,901	24.67	19.45	10.99	17.55	20.83	21.60	24.90	41.40	43.28	4.07	4.90	3.12	3.70	4.63
Sullivan County AA	1,846	100.00	18.01	9.27	17.80	19.04	23.17	24.23	41.02	47.46	6.31	10.07	4.15	4.82	7.42
<b>Limited Review:</b>															
Cleveland MSA AA	586	3.71	18.88	12.20	17.48	16.08	22.88	24.03	40.76	47.69	3.35	3.54	1.37	2.67	4.42
Jackson MSA AA	446	2.82	21.77	6.09	15.50	14.47	20.75	22.84	41.99	56.60	3.23	1.96	2.70	4.32	3.13
Johnson City MSA AA	1,845	11.67	19.61	7.89	18.00	19.84	23.45	26.93	38.94	45.34	4.90	5.29	3.53	5.18	5.17
Morristown MSA AA	1,127	7.13	19.28	8.40	18.26	18.11	23.15	27.17	39.31	46.32	4.83	2.44	3.59	4.89	5.71
Nashville MSA AA	6,271	39.66	18.38	8.97	17.41	20.79	23.02	26.04	41.19	44.20	2.91	2.20	2.52	2.60	3.40
Non MSA AA	1,635	10.34	17.73	7.68	17.60	18.11	23.24	21.21	41.43	53.00	2.77	2.21	2.35	2.38	3.12

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 9.0% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: TENNESSEE			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*		
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less	
<b>Full Review:</b>										
Knoxville MSA AA	4,164	24.77	75.25	35.21	59.73	20.65	19.62	3.45	3.41	
Sullivan County AA	1,981	100.00	76.16	29.18	59.92	22.01	18.07	6.45	4.22	
<b>Limited Review:</b>										
Cleveland MSA AA	962	5.72	78.29	38.05	69.85	18.09	12.06	4.35	3.27	
Jackson MSA AA	1,300	7.73	74.78	27.38	62.31	18.15	19.54	4.24	2.69	
Johnson City MSA AA	1,446	8.60	76.74	33.68	70.12	16.94	12.93	5.20	3.36	
Morristown MSA AA	806	4.79	77.21	34.74	63.28	20.22	16.50	4.14	3.31	
Nashville MSA AA	5,605	33.34	75.22	35.66	63.37	18.98	17.64	2.03	2.14	
Non MSA AA	2,530	15.05	76.74	30.79	69.96	15.26	14.78	4.06	2.87	

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2009).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 37.75% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS			Geography: TENNESSEE		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Knoxville MSA AA	8	2.55	97.94	75.00	100.00	0.00	0.00	2.99	4.17
Sullivan County AA	8	100.00	96.53	25.00	75.00	12.50	12.50	3.57	0.00
<b>Limited Review:</b>									
Cleveland MSA AA	13	4.14	97.46	23.08	76.92	0.00	23.08	11.11	0.00
Jackson MSA AA	19	6.05	95.49	31.58	94.74	5.26	0.00	3.51	0.00
Johnson City MSA AA	22	7.01	97.16	40.91	72.73	4.55	22.73	0.95	0.00
Morristown MSA AA	13	4.14	97.13	38.46	61.54	38.46	0.00	2.86	0.00
Nashville MSA AA	79	25.16	97.43	29.11	89.87	8.86	1.27	4.26	1.84
Non MSA AA	160	50.96	99.26	30.63	74.38	15.63	10.00	2.48	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2009).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 66.56% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: TENNESSEE				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Knoxville MSA AA	3	1,081	46	7,208	49	8,289	39.76	0	0
Sullivan County AA	1	944	11	66	12	1,010	4.85	0	0
<b>Limited Review:</b>									
Cleveland MSA AA	0	0	7	49	7	49	0.24	0	0
Jackson MSA AA	1	753	7	10	8	763	3.66	0	0
Johnson City MSA AA	0	0	6	6	6	6	0.03	0	0
Morristown MSA AA	1	155	6	1,043	7	1,198	5.75	0	0
Nashville MSA AA	2	1,220	30	8,278	32	9,498	45.56	0	0
Non MSA AA	0	0	5	32	5	32	0.15	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: TENNESSEE - OUTSIDE AA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Out of Area – No Benefit To AA	7	5,000	0	0	7	5,000	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: TENNESSEE Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Knoxville MSA AA	37.53	33	28.45	6.06	27.27	39.39	27.27	1	5	0	0	-5	+1	7.09	13.21	53.80	25.86
Sullivan County AA	7.08	7	6.03	0.00	42.86	42.86	14.29	0	2	0	0	-1	-1	0.00	12.01	58.53	29.46
<b>Limited Review:</b>																	
Cleveland MSA AA	4.36	6	5.17	0.00	16.67	83.33	0.00	0	1	0	0	-1	0	2.83	11.44	66.03	19.69
Jackson MSA AA	2.35	4	3.45	1.56	25.00	0.00	75.00	0	1	0	0	-1	0	14.76	9.16	39.18	36.90
Johnson City MSA AA	10.81	8	6.90	0.00	12.50	50.00	37.50	0	2	-1	-1	0	0	0.00	13.40	69.79	16.82
Morristown MSA AA	4.47	5	4.31	0.00	0.00	80.00	20.00	0	0	0	0	0	0	0.00	5.15	79.98	14.87
Nashville MSA AA	26.85	48	41.38	2.08	16.67	43.75	35.42	21	9	+1	+3	+6	+2	4.74	18.05	53.10	24.11
Non MSA AA	6.54	5	4.31	0.00	40.00	60.00	0.00	0	2	0	0	0	-2	0.00	6.32	78.73	14.95

**Table 1. Lending Volume**

LENDING VOLUME		Geography: COLORADO						Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Denver MSA AA	100.00	880	141,362	1	10	0	0	0	0	881	141,372	100.00

\* Loan Data as of June 30, 2007. Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is June 1, 2006 to June 30, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Denver MSA AA	513	100.00	1.29	1.75	15.10	15.01	50.54	55.36	33.06	27.88	0.75	1.49	0.78	0.83	0.58						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Denver MSA AA	3	100.00	1.29	0.00	15.10	0.00	50.54	0.00	33.06	100.00	0.12	0.00	0.00	0.00	0.34						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Denver MSA AA	364	100.00	1.29	0.55	15.10	12.36	50.54	42.58	33.06	44.51	0.78	1.02	0.72	0.74	0.82					

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp				
<b>Full Review:</b>																					
Denver MSA AA	0	0.00	8.54	0.00	41.84	0.00	40.10	0.00	9.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES											Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Denver MSA AA	1	100.00	3.34	100.00	18.49	0.00	36.45	0.00	41.72	0.00	0.00	0.00	0.00	0.00	0.00					

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Denver MSA AA	0	0.00	2.08	0.00	17.69	0.00	47.46	0.00	32.77	0.00	0.00	0.00	0.00	0.00	0.00						

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Denver MSA AA	513	100.00	15.49	8.00	18.78	26.74	23.99	27.79	41.74	37.47	0.84	0.45	1.00	1.03	0.69						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 7.4 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Denver MSA AA	3	100.00	15.49	0.00	18.78	0.00	23.99	0.00	41.74	100.00	0.13	0.00	0.00	0.00	0.27						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: COLORADO					Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Denver MSA AA	364	100.00	15.49	1.47	18.78	15.44	23.99	24.63	41.74	58.46	0.87	0.27	0.79	0.97	0.89						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 25.3% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: COLORADO Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Denver MSA AA	1	100.00	64.18	100.00	100.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS					Geography: COLORADO Evaluation Period: June 1, 2006 to June 30, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Denver MSA AA	0	0.00	94.28	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: COLORADO Evaluation Period: June 1, 2006 to June 30, 2007							
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Denver MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																Geography: COLORADO				Evaluation Period: June 1, 2006 to June 30, 2007			
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population									
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography									
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp						
<b>Full Review:</b>																							
Denver MSA AA	100.00	1	100.00	0.00	0.00	0.00	100.00	1	1	0	0	0	0	3.58	20.52	47.01	28.89						

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: FLORIDA												
Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007												
Assessment Area (2009):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Orlando MSA AA	100.00	790	152,296	6	525	0	0	0	0	796	152,821	100.00

\* Loan Data as of June 30, 2007. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from July 5, 2006 to June 30, 2007.

\*\*\* Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: FLORIDA				Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007						Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Orlando MSA AA	420	100.00	0.35	0.48	4.17	11.67	35.62	26.19	59.86	61.67	2.12	0.00	0.36	1.84	2.42	

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

)  
**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: FLORIDA				Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Orlando MSA AA	4	100.00	0.35	0.00	4.17	0.00	35.62	50.00	59.86	50.00	0.21	0.00	0.00	0.00	0.37

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: FLORIDA				Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Orlando MSA AA	366	100.00	0.35	0.00	4.17	2.73	35.62	33.06	59.86	64.21	0.78	0.00	0.37	0.76	0.83

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Orlando MSA AA	0	0.00	1.62	0.00	6.46	0.00	56.93	0.00	34.99	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Orlando MSA AA	6	100.00	0.88	0.00	5.45	0.00	39.76	0.00	53.91	100.00	0.00	0.00	0.00	0.00	0.01									

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Orlando MSA AA	0	0.00	0.73	0.00	7.70	0.00	38.12	0.00	53.45	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE															Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*													
	#	% of Total**	% Families***	% BANK Loans****	% Families 3	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Orlando MSA AA	420	100.00	13.07	2.93	15.20	15.73	21.88	26.93	49.85	54.40	2.29	2.63	2.63	3.23	1.75									

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 10.7% of loans originated and purchased by bank.

3 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families* **	% BANK Loans****	% Families <sup>4</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Orlando MSA AA	4	100.00	13.07	0.00	15.20	0.00	21.88	0.00	49.85	100.00	0.23	0.00	0.00	0.00	0.48	

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

<sup>4</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families <sup>5</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Orlando MSA AA	366	100.00	13.07	6.62	15.20	15.56	21.88	26.16	49.85	51.66	0.92	0.37	0.88	0.88	1.01	

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 17.5% of loans originated and purchased by bank.

<sup>5</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES									
Geography: FLORIDA					Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Orlando MSA AA	6	100.00	64.62	83.33	83.33	0.00	16.67	0.00	0.00

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: FLORIDA			Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Orlando MSA AA	0	0.00	96.41	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: FLORIDA		Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Orlando MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: FLORIDA				Evaluation Period: JULY 5, 2006 TO JUNE 30, 2007									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Orlando MSA AA	100.00	1	100.0	0.00	0.00	0.00	100.0	0	1	0	0	0	-1	1.07	5.47	39.00	54.46

**Table 1. Lending Volume**

LENDING VOLUME												Geography: GEORGIA		Evaluation Period: August 1, 2005 to June 30, 2007	
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***			
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)				
<b>Full Review:</b>															
Atlanta MSA AA	100.00	8,154	1,154,932	415	64,390	0	0	0	0	8,569	1,219,322	100.00			

\* Loan Data as of June 30, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is August 1, 2005 to June 30, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE												Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Atlanta MSA AA	5,028	100.00	2.79	3.92	15.40	14.46	41.66	43.95	40.15	37.67	0.94	0.66	0.79	0.99	0.99						

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT												Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Atlanta MSA AA	71	100.00	2.79	4.23	15.40	9.86	41.66	33.80	40.15	52.11	0.21	0.66	0.22	0.07	0.33						

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Atlanta MSA AA	3,054	100.00	2.79	4.72	15.40	15.00	41.66	40.96	40.15	39.33	0.84	0.82	0.79	0.80	0.91					

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: GEORGIA Evaluation Period: August 1, 2005 to June 30, 2007												
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	1	100.00	11.60	0.00	31.14	0.00	30.24	0.00	27.02	100.00	0.46	0.00	0.00	0.00	1.64

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES											Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Atlanta MSA AA	415	100.00	5.05	4.34	17.68	17.11	36.50	37.59	40.77	40.96	0.08	0.09	0.11	0.08	0.07					

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS												Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp				
<b>Full Review:</b>																					
Atlanta MSA AA	0	0.00	2.46	0.00	14.65	0.00	45.47	0.00	37.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE												Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Atlanta MSA AA	5,028	100.00	19.33	6.58	17.57	25.45	21.74	25.79	41.35	42.19	1.06	0.99	1.00	1.10	1.09						

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 17.8 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT												Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Atlanta MSA AA	71	100.00	19.33	1.96	17.57	3.92	21.74	29.41	41.35	64.71	0.21	0.16	0.11	0.17	0.29						

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 28.2% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: GEORGIA					Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Atlanta MSA AA	3,054	100.00	19.33	5.10	17.57	18.69	21.74	27.27	41.35	48.94	0.82	0.63	0.81	0.84	0.84						

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 27.5% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: GEORGIA Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Atlanta MSA AA	415	100.00	65.27	52.05	63.61	14.70	21.69	0.08	0.10

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 19.28% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS					Geography: GEORGIA Evaluation Period: August 1, 2005 to June 30, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Atlanta MSA AA	0	0.00	95.25	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: GEORGIA Evaluation Period: August 1, 2005 to June 30, 2007							
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Atlanta MSA AA	0	0	7	21	7	21	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: GEORGIA Evaluation Period: August 1, 2005 to June 30, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Atlanta MSA AA	100.00	15	100.00	0.00	6.67	20.00	73.33	16	14	0	0	-1	-1	6.66	22.37	38.32	32.65

**Table 1. Lending Volume**

LENDING VOLUME												Geography: HAWAII Evaluation Period: March 1, 2005 to December 31, 2007											
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***											
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)												
<b>Full Review:</b>																							
Honolulu MSA AA	100.00	1,983	617,759	4	140	0	0	0	0	1,987	617,899	100.00											

\* Loan Data as of December 31, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is March 1, 2005 to December 31, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE												Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Honolulu MSA AA	1,082	100.00	0.42	0.65	16.11	21.26	43.47	45.01	40.00	33.09	2.19	0.96	2.05	2.19	2.40						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT												Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Honolulu MSA AA	13	100.00	0.42	0.00	16.11	7.69	43.47	46.15	40.00	46.15	0.08	0.00	0.27	0.00	0.11						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Honolulu MSA AA	888	100.00	0.42	0.45	16.11	13.63	43.47	52.36	40.00	33.56	1.46	0.74	1.20	1.50	1.55					

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: HAWAII Evaluation Period: March 1, 2005 to December 31, 2007													
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Honolulu MSA AA	0	0.00	3.50	0.00	55.83	0.00	31.80	0.00	8.87	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES											Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Honolulu MSA AA	4	100.00	4.56	0.00	36.07	50.00	38.34	25.00	19.37	25.00	0.00	0.00	0.00	0.00	0.00					

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS												Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp				
<b>Full Review:</b>																					
Honolulu MSA AA	0	0.00	1.71	0.00	20.83	0.00	52.07	0.00	24.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE												Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Honolulu MSA AA	1,082	100.00	20.32	0.62	17.94	5.56	22.25	22.43	39.49	71.40	2.46	2.82	3.13	2.85	2.20						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 10.2 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT												Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Honolulu MSA AA	13	100.00	20.32	0.00	17.94	0.00	22.25	0.00	39.49	100.00	0.08	0.00	0.00	0.27	0.00						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 69.2% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: HAWAII					Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share										
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Honolulu MSA AA	888	100.00	20.32	1.87	17.94	10.04	22.25	22.49	39.49	65.60	1.58	1.58	1.65	1.62	1.54						

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 15.9% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: HAWAII Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Honolulu MSA AA	4	100.00	66.08	75.00	100.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS					Geography: HAWAII Evaluation Period: March 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Honolulu MSA AA	0	0.00	89.73	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: HAWAII Evaluation Period: March 1, 2005 to December 31, 2007							
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Honolulu MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: HAWAII Evaluation Period: March 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Honolulu MSA AA	100.00	1	100.00	0.00	0.00	100.00	0.00	1	1	0	0	0	0	2.03	28.72	42.14	27.10

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: INDIANA Evaluation Period: June 1, 2005 to December 31, 2007												
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Indianapolis MSA AA	100.00	909	156,289	22	1,530	0	0	0	0	931	157,819	100.00

\* Loan Data as of December 31, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is June 1, 2005 to December 31, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE															Geography: INDIANA															Evaluation Period: June 1, 2005 to December 31, 2007														
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp																													
<b>Full Review:</b>																																												
Indianapolis MSA AA	663	100.00	0.00	0.00	2.88	1.66	26.34	14.48	70.78	83.86	3.49	0.00	3.54	4.58	3.24																													

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: INDIANA					Evaluation Period: June 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Indianapolis MSA AA	0	0.00	0.00	0.00	2.88	0.00	26.34	0.00	70.78	0.00	0.11	0.00	0.00	0.44	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: INDIANA				Evaluation Period: June 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Indianapolis MSA AA	246	100.00	0.00	0.00	2.88	2.44	26.34	13.82	70.78	83.74	2.09	0.00	2.31	1.35	2.29	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: INDIANA					Evaluation Period: June 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Indianapolis MSA AA	0	0.00	0.00	0.00	6.66	0.00	27.95	0.00	65.38	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: INDIANA						Evaluation Period: June 1, 2005 to December 31, 2007							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Indianapolis MSA AA	22	100.00	0.00	0.00	4.10	4.55	27.70	18.18	68.20	77.27	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: INDIANA				Evaluation Period: June 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Indianapolis MSA AA	0	0.00	0.00	0.00	1.62	0.00	58.96	0.00	39.42	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: INDIANA					Evaluation Period: June 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Indianapolis MSA AA	663	100.00	9.27	8.29	12.07	18.34	20.39	24.69	58.26	48.68	3.97	2.87	5.24	4.62	3.37	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 14.5 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: INDIANA				Evaluation Period: June 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Indianapolis MSA AA	0	0.00	9.27	0.00	12.07	0.00	20.39	0.00	58.26	0.00	0.11	0.00	0.00	0.00	0.18	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: INDIANA				Evaluation Period: June 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Indianapolis MSA AA	246	100.00	9.27	2.94	12.07	14.22	20.39	20.10	58.26	62.75	1.86	0.84	2.11	1.98	1.82

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 17.1% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES      Geography: INDIANA      Evaluation Period: June 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Indianapolis MSA AA	22	100.00	66.90	72.73	90.91	0.00	9.09	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.55% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: INDIANA			Evaluation Period: June 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Indianapolis MSA AA	0	0.00	96.11	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: INDIANA				Evaluation Period: June 1, 2005 to December 31, 2007			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Indianapolis MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: INDIANA Evaluation Period: June 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Indianapolis MSA AA	100.00	1	100.00	0.00	0.00	100.00	0.00	1	1	0	0	0	0	0.00	3.60	26.90	69.50

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MAINE				Evaluation Period: October 1, 2006 to December 31, 2007						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Bangor MSA AA	36.71	403	54,313	3	45	0	0	0	0	406	54,358	55.05
<b>Limited Review:</b>												
Portland MSA AA	63.29	698	125,351	2	100	0	0	0	0	700	125,451	44.95

\* Loan Data as of December 31, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is October 1, 2006 to December 31, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MAINE				Evaluation Period: October 1, 2006 to December 31, 2007						Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Bangor MSA AA	222	38.95	0.00	0.00	11.94	10.36	81.52	82.43	6.54	7.21	7.25	0.00	5.90	7.63	6.95	
<b>Limited Review:</b>																
Portland MSA AA	348	61.05	0.60	0.86	3.29	8.05	71.04	69.83	25.06	21.26	2.67	2.47	3.13	2.79	1.95	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: MAINE					Evaluation Period: October 1, 2006 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Bangor MSA AA	4	36.36	0.00	0.00	11.94	25.00	81.52	75.00	6.54	0.00	0.53	0.00	1.15	0.19	1.32	
<b>Limited Review:</b>																
Portland MSA AA	7	63.64	0.60	0.00	3.29	14.29	71.04	71.43	25.06	14.29	0.12	0.00	0.88	0.08	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MAINE				Evaluation Period: October 1, 2006 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Bangor MSA AA	177	34.04	0.00	0.00	11.94	12.43	81.52	80.23	6.54	7.34	4.24	0.00	3.64	3.80	5.76	
<b>Limited Review:</b>																
Portland MSA AA	343	65.96	0.60	0.58	3.29	4.66	71.04	75.22	25.06	19.53	2.01	2.86	1.11	2.16	1.80	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: MAINE					Evaluation Period: October 1, 2006 to December 31, 2007									
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Bangor MSA AA	0	0.00	0.00	0.00	39.91	0.00	55.94	0.00	4.15	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Portland MSA AA	0	0.00	9.91	0.00	25.79	0.00	56.58	0.00	7.72	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: Maine					Evaluation Period: October 1, 2006 to December 31, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Bangor MSA AA	3	60.00	0.00	0.00	20.57	33.33	73.64	66.67	5.79	0.00	0.00	0.00	0.00	0.00	0.00									
<b>Limited Review:</b>																								
Portland MSA AA	2	40.00	3.03	0.00	13.97	0.00	65.83	50.00	17.17	50.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: MAINE				Evaluation Period: October 1, 2006 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Bangor MSA AA	0	0.00	0.00	0.00	14.86	0.00	79.35	0.00	5.80	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Portland MSA AA	0	0.00	1.62	0.00	6.87	0.00	64.24	0.00	27.27	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MAINE					Evaluation Period: October 1, 2006 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Bangor MSA AA	222	38.95	21.83	2.78	18.39	9.26	23.63	26.85	36.14	61.11	7.78	7.19	8.85	7.84	7.28	
<b>Limited Review:</b>																
Portland MSA AA	348	61.05	16.04	0.00	18.73	6.50	24.26	21.67	40.97	71.83	2.94	2.55	2.66	3.36	2.85	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 5.4% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: MAINE				Evaluation Period: October 1, 2006 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Bangor MSA AA	4	36.36	21.83	0.00	18.39	0.00	23.63	0.00	36.14	100.00	0.55	0.00	0.00	0.51	0.98	
<b>Limited Review:</b>																
Portland MSA AA	7	63.64	16.04	0.00	18.73	0.00	24.26	20.00	40.97	80.00	0.13	0.00	0.00	0.22	0.14	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 18.2% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MAINE					Evaluation Period: October 1, 2006 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Bangor MSA AA	177	34.04	21.83	1.26	18.39	13.84	23.63	24.53	36.14	60.38	4.47	3.24	5.17	4.95	3.99	
<b>Limited Review:</b>																
Portland MSA AA	343	65.96	16.04	2.10	18.73	10.14	24.26	19.23	40.97	68.53	2.13	2.43	2.22	2.04	2.11	

\* Based on 2007 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 14.4% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MAINE			Evaluation Period: October 1, 2006 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Bangor MSA AA	3	60.00	47.87	100.00	100.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Portland MSA AA	2	40.00	58.83	0.00	100.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MAINE			Evaluation Period: October 1, 2006 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Bangor MSA AA	0	0.00	94.93	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Portland MSA AA	0	0.00	95.15	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: MAINE			Evaluation Period: October 1, 2006 to December 31, 2007				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Bangor MSA AA	0	0	0	0	0	0	0.00	0	0
<b>Limited Review:</b>									
Portland MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MAINE Evaluation Period: October 1, 2006 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Bangor MSA AA	55.05	1	50.00	0.00	100.00	0.00	0.00	1	1	0	0	0	0	0.00	18.44	75.46	6.10
<b>Limited Review:</b>																	
Portland MSA AA	44.95	1	50.00	0.00	0.00	100.00	0.00	1	1	0	0	0	0	2.45	6.64	69.16	21.75

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MARYLAND						Evaluation Period: September 1, 2005 to December 31, 2007				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Baltimore MSA AA		5,703	1,180,151	9	1,449	0	0	0	0	5,712	1,181,600	
<b>Limited Review:</b>												
Bethesda MSA AA		1,466	373,186	6	440	0	0	0	0	1,472	373,626	

\* Loan Data as of December 31, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is September 1, 2006 to December 31, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MARYLAND					Evaluation Period: September 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Baltimore MSA AA	3,206	80.86	4.55	4.74	16.09	19.06	42.83	45.57	36.52	30.63	3.42	3.01	3.67	3.53	3.21	
<b>Limited Review:</b>																
Bethesda MSA AA	759	19.14	0.19	0.53	9.04	10.67	52.67	71.01	38.10	17.79	1.69	0.86	1.61	2.05	0.98	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: MARYLAND					Evaluation Period: September 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Baltimore MSA AA	96	87.27	4.55	3.13	16.09	16.67	42.83	41.67	36.52	38.54	0.63	0.31	0.62	0.54	0.84	
<b>Limited Review:</b>																
Bethesda MSA AA	14	12.73	0.19	0.00	9.04	28.57	52.67	28.57	38.10	42.86	0.16	0.00	0.27	0.05	0.35	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MARYLAND				Evaluation Period: September 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Baltimore MSA AA	2,401	77.60	4.55	3.62	16.09	15.83	42.83	48.02	36.52	32.53	1.72	1.39	1.40	1.77	1.92	
<b>Limited Review:</b>																
Bethesda MSA AA	693	22.40	0.19	0.14	9.04	12.55	52.67	62.48	38.10	24.82	1.32	0.33	1.49	1.43	0.94	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: MARYLAND					Evaluation Period: September 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Baltimore MSA AA	0	0.00	9.27	0.00	27.09	0.00	44.67	0.00	18.97	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Bethesda MSA AA	0	0.00	0.40	0.00	35.39	0.00	51.27	0.00	12.94	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: MARYLAND					Evaluation Period: September 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Baltimore MSA AA	9	60.00	5.62	0.00	15.69	11.11	42.62	44.44	36.03	44.44	0.00	0.00	0.00	0.00	0.00									
<b>Limited Review:</b>																								
Bethesda MSA AA	6	40.00	0.29	0.00	15.88	16.67	47.84	50.00	35.99	33.33	0.00	0.00	0.00	0.00	0.00									

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS      Geography: MARYLAND      Evaluation Period: September 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Baltimore MSA AA	0	0.00	0.75	0.00	6.86	0.00	44.92	0.00	47.47	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Bethesda MSA AA	0	0.00	0.10	0.00	11.13	0.00	57.27	0.00	31.49	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MARYLAND					Evaluation Period: September 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Baltimore MSA AA	3,206	80.86	20.42	6.98	17.71	25.01	22.46	29.02	39.42	39.00	3.90	4.42	4.36	4.18	3.48	
<b>Limited Review:</b>																
Bethesda MSA AA	759	19.14	15.41	13.84	16.76	29.24	22.04	28.53	45.80	28.39	1.94	2.93	2.65	1.78	1.53	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 6.8 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: MARYLAND					Evaluation Period: September 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Baltimore MSA AA	96	87.27	20.42	11.63	17.71	18.60	22.46	26.74	39.42	43.02	0.63	0.50	0.49	0.65	0.72	
<b>Limited Review:</b>																
Bethesda MSA AA	14	12.73	15.41	10.00	16.76	40.00	22.04	10.00	45.80	40.00	0.17	0.27	0.23	0.09	0.15	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 12.7% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MARYLAND				Evaluation Period: September 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Baltimore MSA AA	2,401	77.60	20.42	8.11	17.71	22.68	22.46	31.40	39.42	37.81	1.86	1.46	1.53	2.15	1.95
<b>Limited Review:</b>															
Bethesda MSA AA	693	22.40	15.41	13.53	16.76	25.66	22.04	31.63	45.80	29.17	1.40	1.32	1.47	1.55	1.23

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 13.5% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MARYLAND			Evaluation Period: September 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Baltimore MSA AA	9	60.00	68.11	44.44	77.78	0.00	22.22	0.00	0.00
<b>Limited Review:</b>									
Bethesda MSA AA	6	40.00	69.88	83.33	83.33	16.67	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 13.33% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MARYLAND			Evaluation Period: September 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Baltimore MSA AA	0	0.00	95.20	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Bethesda MSA AA	0	0.00	94.73	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: MARYLAND				Evaluation Period: September 1, 2005 to December 31, 2007			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Baltimore MSA AA	0	0	0	0	0	0	0.00	0	0
<b>Limited Review:</b>									
Bethesda MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MARYLAND Evaluation Period: September 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Baltimore MSA AA	60.01	3	50.00	0.00	0.00	33.33	66.67	7	6	0	0	+1	0	8.92	20.01	40.13	30.53
<b>Limited Review:</b>																	
Bethesda MSA AA	39.99	3	50.00	0.00	0.00	66.67	33.33	4	3	0	+1	0	0	0.34	16.26	51.37	32.03

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Barnstable MSA AA	100.00	1,363	343,899	36	990	0	0	0	0	1,399	344,889	100.00

\* Loan Data as of December 31, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is April 1, 2005 to December 31, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Barnstable MSA AA	535	100.00	0.44	2.06	3.80	4.67	77.61	78.50	18.15	14.77	2.17	5.66	0.86	2.34	2.13

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Barnstable MSA AA	8	100.00	0.44	0.00	3.80	0.00	77.61	87.50	18.15	12.50	0.16	0.00	0.00	0.09	0.65	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Barnstable MSA AA	820	100.00	0.44	1.71	3.80	5.37	77.61	77.07	18.15	15.85	2.08	6.38	1.19	2.08	2.47	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: MASSACHUSETTS					Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Barnstable MSA AA	0	0.00	9.03	0.00	17.96	0.00	64.05	0.00	8.96	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: MASSACHUSETTS						Evaluation Period: April 1, 2005 to December 31, 2007						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Barnstable MSA AA	36	100.00	7.91	2.78	7.15	8.33	68.17	77.78	16.76	11.11	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Barnstable MSA AA	0	0.00	2.47	0.00	3.90	0.00	77.27	0.00	16.36	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MASSACHUSETTS					Evaluation Period: April 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Barnstable MSA AA	535	100.00	16.97	0.00	19.22	1.32	23.88	13.69	39.93	84.99	2.45	0.00	3.58	3.73	2.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 15.3 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Barnstable MSA AA	8	100.00	16.97	0.00	19.22	14.29	23.88	14.29	39.93	71.43	0.16	1.22	0.00	0.00	0.17	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 12.5% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MASSACHUSETTS						Evaluation Period: April 1, 2005 to December 31, 2007							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Barnstable MSA AA	820	100.00	16.97	0.84	19.22	4.20	23.88	17.82	39.93	77.14	2.10	1.18	2.24	2.29	2.06

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 27.4% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MASSACHUSETTS			Evaluation Period: April 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Barnstable MSA AA	36	100.00	70.72	94.44	100.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MASSACHUSETTS			Evaluation Period: April 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Barnstable MSA AA	0	0.00	95.71	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: MASSACHUSETTS				Evaluation Period: April 1, 2005 to December 31, 2007			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Barnstable MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MASSACHUSETTS Evaluation Period: April 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Barnstable MSA AA	100.000.00	1	100.0	100.0	0.00	0.00	0.00	1	1	0	0	0	0	1.55	5.38	76.31	16.76

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MICHIGAN						Evaluation Period: April 1, 2005 to December 31, 2007				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Detroit MD AA	100.00	1,532	179,354	17	1,069	0	0	0	0	1,549	180,423	100.00

\* Loan Data as of December 31, 2007 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is April 1, 2005 to December 31, 2007.

\*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MICHIGAN				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Detroit MD AA	663	100.00	12.00	7.39	27.33	27.90	41.92	38.76	18.75	25.94	0.66	0.88	0.46	0.63	0.77

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: MICHIGAN				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Detroit MD AA	6	100.00	12.00	0.00	27.33	16.67	41.92	83.33	18.75	0.00	0.02	0.00	0.11	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MICHIGAN				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Detroit MD AA	863	100.00	12.00	5.33	27.33	21.32	41.92	48.32	18.75	25.03	0.78	0.46	0.57	0.76	0.89	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: MICHIGAN					Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Detroit MD AA	0	0.00	24.63	0.00	30.17	0.00	35.43	0.00	9.78	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: MICHIGAN				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
<b>Full Review:</b>																
Detroit MD AA	17	100.00	17.00	5.88	25.83	23.53	38.53	47.06	18.12	23.53	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: MICHIGAN					Evaluation Period: April 1, 2005 to December 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Detroit MD AA	0	0.00	9.11	0.00	24.17	0.00	46.85	0.00	19.64	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MICHIGAN					Evaluation Period: April 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Detroit MD AA	663	100.00	29.09	9.95	19.38	23.71	20.50	28.03	31.03	38.31	0.77	1.55	0.70	0.62	0.81	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 9.0% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: MICHIGAN				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Detroit MD AA	6	100.00	29.09	0.00	19.38	100.00	20.50	0.00	31.03	0.00	0.02	0.00	0.11	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 83.3% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MICHIGAN				Evaluation Period: April 1, 2005 to December 31, 2007					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****					
<b>Full Review:</b>															
Detroit MD AA	863	100.00	29.09	6.76	19.38	18.62	20.50	27.93	31.03	46.70	0.66	0.52	0.41	0.66	0.79

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 22.8% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MICHIGAN			Evaluation Period: April 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Detroit MD AA	17	100.00	69.30	64.71	94.12	0.00	5.88	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: MICHIGAN					Evaluation Period: April 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Detroit MD AA	0	0.00	96.19	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: MICHIGAN		Evaluation Period: April 1, 2005 to December 31, 2007					
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Detroit MD AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MICHIGAN Evaluation Period: April 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Detroit MD AA	100.00	1	100.00	0.00	0.00	0.00	100.00	1	1	0	0	0	0	20.31	31.31	33.81	14.48

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MISSOURI						Evaluation Period: December 1, 2005 to June 30, 2008				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Jackson County AA	100.00	2,236	280,516	8	1,417	0	0	0	0	2,244	281,933	100.00

\* Loan Data as of June 30, 2008. Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is December 1, 2005 to June 30, 2008

\*\*\* Deposit Data as of June 1, 2008. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MISSOURI Evaluation Period: December 1, 2005 to June 30, 2008													
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Jackson County AA	1,355	100.00	7.22	1.11	26.05	14.91	44.73	55.87	22.00	28.12	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT															Geography: MISSOURI					Evaluation Period: December 1, 2005 to June 30, 2008										
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp															
<b>Full Review:</b>																														
Jackson County AA	13	100.00	7.22	0.00	26.05	23.08	44.73	38.46	22.00	38.46	0.00	0.00	0.00	0.00	0.00															

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: MISSOURI															Evaluation Period: December 1, 2005 to June 30, 2008														
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp																											
<b>Full Review:</b>																																												
Jackson County AA	868	100.00	7.22	3.23	26.05	16.13	44.73	46.43	22.00	34.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00																											

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: MISSOURI <b>Evaluation Period:</b> December 1, 2005 to June 30, 2008													
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Jackson County AA	0	0.00	14.52	0.00	36.93	0.00	40.48	0.00	8.06	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: MISSOURI		Evaluation Period: December 1, 2005 to June 30, 2008				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Jackson County AA	8	100.00	9.36	12.50	27.01	25.00	43.00	37.50	19.48	25.00	0.00	0.00	0.00	0.00	0.00						

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2008).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															Geography: MISSOURI		Evaluation Period: December 1, 2005 to June 30, 2008				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Jackson County AA	0	0.00	5.44	0.00	21.97	0.00	46.21	0.00	26.05	0.00	0.00	0.00	0.00	0.00	0.00						

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2008).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MISSOURI		Evaluation Period: December 1, 2005 to June 30, 2008											
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Jackson County AA	1,355	100.00	23.97	16.22	21.12	30.81	23.21	26.87	31.71	26.10	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 4.4 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: MISSOURI				Evaluation Period: December 1, 2005 to June 30, 2008					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Jackson County AA	13	100.00	23.97	12.50	21.12	12.50	23.21	25.00	31.71	50.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 38.5% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MISSOURI				Evaluation Period: December 1, 2005 to June 30, 2008					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****					
<b>Full Review:</b>															
Jackson County AA	868	100.00	23.97	11.23	21.12	24.62	23.21	27.23	31.71	36.92	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 25.1% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: MISSOURI		Evaluation Period: December 1, 2005 to June 30, 2008		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Jackson County AA	8	100.00	64.67	62.50	75.00	12.50	12.50	0.00	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2008).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MISSOURI		Evaluation Period: December 1, 2005 to June 30, 2008					
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Jackson County AA	0	0.00	96.38	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2008).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
				Geography: MISSOURI		Evaluation Period: December 1, 2005 to June 30, 2008			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Jackson County AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MISSOURI Evaluation Period: December 1, 2005 to June 30, 2008																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Jackson County AA	100.00	1	100.00	0.00	0.00	0.00	100.00	1	1	0	0	0	0	11.28	30.19	40.46	18.02

**Table 1. Lending Volume**

LENDING VOLUME		Geography: NORTH CAROLINA						Evaluation Period: January 1, 2005 to December 31, 2009				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Greensboro MSA AA	24.63	1,476	184,807	39	11,849	0	0	0	0	1,515	196,656	51.68
<b>Limited Review:</b>												
Charlotte Multistate MA	38.30	2,310	289,789	46	2,976	0	0	0	0	2,356	292,765	17.56
Raleigh MSA AA	37.08	2,222	336,495	59	5,242	0	0	0	0	2,281	341,737	30.76
<b>Limited Review 2008-2009:</b>												
Winston Salem MSA AA	100.0	556	64,203	16	6,587	0	0	2	25,000	574	95,790	100.00

\* Loan Data as of December 31, 2009 Rated area refers to multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is January 1, 2005 to December 31, 2009.

\*\*\* Deposit Data as of June 1, 2009. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: NORTH CAROLINA					Evaluation Period: January 1, 2005 to December 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Greensboro MSA AA	993	34.81	2.57	2.72	10.54	9.97	40.84	36.05	46.05	51.26	0.65	1.06	0.39	0.49	0.82	
<b>Limited Review:</b>																
Charlotte Multistate MA	1,611	100.00	1.99	1.80	12.43	9.44	39.83	40.16	45.76	48.60	0.52	0.23	0.47	0.60	0.49	
Raleigh MSA AA	1,453	50.93	1.01	0.83	9.98	10.87	54.98	59.46	34.03	28.84	0.64	0.79	0.97	0.65	0.53	
Winston Salem MSA AA	407	14.27	1.33	0.00	11.78	18.92	46.67	59.95	40.22	21.13	0.71	0.00	1.27	0.72	0.54	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT															Geography: NORTH CAROLINA					Evaluation Period: January 1, 2005 to December 31, 2009				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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									
<b>Full Review:</b>																								
Greensboro MSA AA	5	29.41	2.57	0.00	10.54	0.00	40.84	60.00	46.05	40.00	0.00	0.00	0.00	0.00	0.00									
<b>Limited Review:</b>																								
Charlotte Multistate MA	6	100.00	1.99	0.00	12.43	0.00	39.83	16.67	45.76	83.33	0.14	0.00	0.00	0.00	0.28									
Raleigh MSA AA	9	52.94	1.01	0.00	9.98	11.11	54.98	55.56	34.03	33.33	0.26	0.00	0.92	0.15	0.28									
Winston Salem MSA AA	3	17.65	1.33	0.00	11.78	0.00	46.67	0.00	40.22	100.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: NORTH CAROLINA				Evaluation Period: January 1, 2005 to December 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Greensboro MSA AA	478	34.54	2.57	1.26	10.54	7.53	40.84	37.87	46.05	53.35	0.98	0.00	0.29	1.03	1.11	
<b>Limited Review:</b>																
Charlotte Multistate MA	693	100.00	1.99	1.88	12.43	8.08	39.83	31.31	45.76	58.73	0.70	0.96	0.32	0.67	0.78	
Raleigh MSA AA	760	54.91	1.01	0.13	9.98	8.68	54.98	59.47	34.03	31.71	0.59	0.00	0.39	0.79	0.34	
Winston Salem MSA AA	146	10.55	1.33	0.00	11.78	5.48	46.67	48.63	40.22	45.89	0.75	0.00	0.73	0.70	0.82	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: NORTH CAROLINA					Evaluation Period: January 1, 2005 to December 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Greensboro MSA AA	0	0.00	6.98	0.00	15.02	0.00	40.58	0.00	37.42	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Charlotte Multistate MA	0	0.00	4.02	0.00	23.98	0.00	43.12	0.00	28.89	0.00	0.00	0.00	0.00	0.00	0.00	
Raleigh MSA AA	0	0.00	6.96	0.00	17.48	0.00	51.61	0.00	23.95	0.00	0.00	0.00	0.00	0.00	0.00	
Winston Salem MSA AA	0	0.00	4.38	0.00	23.55	0.00	50.96	0.00	21.11	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: NORTH CAROLINA				Evaluation Period: January 1, 2005 to December 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
<b>Full Review:</b>																
Greensboro MSA AA	39	34.21	4.13	0.00	15.88	2.56	40.85	64.10	39.15	33.33	0.02	0.00	0.00	0.04	0.01	
<b>Limited Review:</b>																
Charlotte Multistate MA	46	100.00	5.37	4.35	14.48	2.17	36.05	30.43	43.87	63.04	0.01	0.00	0.00	0.01	0.02	
Raleigh MSA AA	59	51.75	1.70	0.00	9.66	3.39	58.02	59.32	30.63	37.29	0.02	0.00	0.00	0.02	0.01	
Winston Salem MSA AA	16	14.04	2.66	0.00	12.70	37.50	52.86	56.25	31.78	6.25	0.04	0.00	0.10	0.06	0.00	

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2009).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															Geography: NORTH CAROLINA					Evaluation Period: January 1, 2005 to December 31, 2009				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Greensboro MSA AA	0	0.00	2.89	0.00	7.84	0.00	48.97	0.00	40.30	0.00	0.00	0.00	0.00	0.00	0.00									
<b>Limited Review:</b>																								
Charlotte Multistate MA	0	0.00	2.64	0.00	11.18	0.00	44.36	0.00	41.73	0.00	0.00	0.00	0.00	0.00	0.00									
Raleigh MSA AA	0	0.00	0.53	0.00	8.12	0.00	63.51	0.00	27.84	0.00	0.00	0.00	0.00	0.00	0.00									
Winston Salem MSA AA	0	0.00	0.52	0.00	9.23	0.00	50.00	0.00	40.24	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2009).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: NORTH CAROLINA					Evaluation Period: January 1, 2005 to December 31, 2009					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Greensboro MSA AA	993	34.81	17.72	8.81	16.34	23.52	21.64	29.92	44.30	37.76	0.72	0.51	0.85	1.03	0.49	
<b>Limited Review:</b>																
Charlotte Multistate MA	1,611	100.00	17.56	7.80	16.36	23.39	21.05	26.06	45.03	42.76	0.59	0.43	0.50	0.69	0.59	
Raleigh MSA AA	1,453	50.93	16.90	18.28	16.60	25.49	22.48	25.81	44.01	30.42	0.71	1.00	0.91	0.76	0.51	
Winston Salem MSA AA	407	14.27	18.82	15.24	16.93	33.65	22.46	24.13	41.80	26.98	0.80	1.10	0.97	1.17	0.41	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 16.6% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: NORTH CAROLINA				Evaluation Period: January 1, 2005 to December 31, 2009					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****						
<b>Full Review:</b>																
Greensboro MSA AA	5	29.41	17.72	0.00	16.34	50.00	21.64	0.00	44.30	50.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Charlotte Multistate MA	6	100.00	17.56	25.00	16.36	0.00	21.05	25.00	45.03	50.00	0.15	0.74	0.00	0.23	0.09	
Raleigh MSA AA	9	52.94	16.90	33.33	16.60	33.33	22.48	0.00	44.01	33.33	0.28	2.13	0.53	0.00	0.00	
Winston Salem MSA AA	3	17.65	18.82	0.00	16.93	66.67	22.46	33.33	41.80	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 23.5% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: NORTH CAROLINA				Evaluation Period: January 1, 2005 to December 31, 2009					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****						
<b>Full Review:</b>																
Greensboro MSA AA	478	34.54	17.72	6.50	16.34	19.21	21.64	29.10	44.30	45.20	0.89	0.79	0.94	1.06	0.79	
<b>Limited Review:</b>																
Charlotte Multistate MA	693	100.00	17.56	3.36	16.36	25.34	21.05	24.44	45.03	46.86	0.61	0.12	0.60	0.50	0.69	
Raleigh MSA AA	760	54.91	16.90	9.23	16.60	22.22	22.48	31.64	44.01	36.91	0.59	0.68	0.66	0.75	0.47	
Winston Salem MSA AA	146	10.55	18.82	4.49	16.93	21.35	22.46	24.72	41.80	49.44	0.81	0.00	0.46	0.52	1.20	

\* Based on 2008 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 29.6% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NORTH CAROLINA			Evaluation Period: January 1, 2005 to December 31, 2009				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Greensboro MSA AA	39	34.21	74.71	51.28	28.21	23.08	48.72	0.02	0.02
<b>Limited Review:</b>									
Charlotte Multistate MA	46	100.00	64.92	54.35	93.48	0.00	6.52	0.01	0.01
Raleigh MSA AA	59	51.75	76.47	44.07	86.44	1.69	11.86	0.02	0.00
Winston Salem MSA AA	16	14.04	76.69	37.50	37.50	0.00	62.50	0.04	0.03

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2009).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 13.16% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS									
				Geography: NORTH CAROLINA		Evaluation Period: January 1, 2005 to December 31, 2009			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Greensboro MSA AA	0	0.00	98.13	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Charlotte Multistate MA	0	0.00	93.00	0.00	0.00	0.00	0.00	0.00	0.00
Raleigh MSA AA	0	0.00	95.82	0.00	0.00	0.00	0.00	0.00	0.00
Winston Salem MSA AA	0	0.00	98.43	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2009).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: NORTH CAROLINA				Evaluation Period: January 1, 2005 to December 31, 2009			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Greensboro MSA AA	0	0	0	0	0	0	0.00	0	0
<b>Limited Review:</b>									
Charlotte Multistate MA	0	0	0	0	0	0	0.00	0	0
Raleigh MSA AA	0	0	0	0	0	0	0.00	0	0
<b>Limited Review 2008-2009:</b>									
Winston Salem MSA AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: NORTH CAROLINA Evaluation Period: January 1, 2005 to December 31, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Greensboro MSA AA	51.68	1	33.33	0.00	0.00	100.00	0.00	1	1	0	0	0	0	6.86	14.65	39.91	38.58
<b>Limited Review:</b>																	
Charlotte Multistate MA	17.56	1	33.33	0.00	0.00	0.00	100.00	1	1	0	0	0	0	5.31	18.23	39.07	37.39
Raleigh MSA AA	30.76	1	33.33	0.00	0.00	100.00	0.00	1	1	0	0	0	0	5.32	12.84	52.30	29.54
<b>Limited Review 2008-2009:</b>																	
Winston Salem MSA AA	100.00	1	100.00	0.00	0.00	100.00	0.00	0	0	0	0	+1	0	4.39	17.91	44.17	33.53

**Table 1. Lending Volume**

LENDING VOLUME		Geography: TEXAS				Evaluation Period: April 1, 2005 to March 1, 2008						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Dallas MD AA	58.63	5,935	1,014,403	231	32,773	0	0	0	0	6,166	1,047,176	64.21
<b>Limited Review:</b>												
Fort Worth MD AA	41.37	4,284	701,418	66	13,521	0	0	0	0	4,350	714,939	35.79

\* Loan Data as of December 31, 2008 Rated area refers to multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is April 1, 2005 to March 1, 2008  
 \*\*\* Deposit Data as of June 1, 2008. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TEXAS				Evaluation Period: April 1, 2005 to March 1, 2008						Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Dallas MD AA	4,740	57.45	2.75	1.41	19.11	6.88	33.31	30.70	44.84	61.01	0.68	0.84	0.39	0.69	0.73	
<b>Limited Review:</b>																
Fort Worth MD AA	3,511	42.55	3.85	0.37	19.76	4.64	36.11	28.05	40.28	66.93	1.01	0.25	0.44	0.75	1.35	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: TEXAS				Evaluation Period: April 1, 2005 to March 1, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Dallas MD AA	38	65.52	2.75	0.00	19.11	5.26	33.31	15.79	44.84	78.95	0.03	0.00	0.00	0.05	0.03	
<b>Limited Review:</b>																
Fort Worth MD AA	20	34.48	3.85	0.00	19.76	5.00	36.11	50.00	40.28	45.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: TEXAS				Evaluation Period: April 1, 2005 to March 1, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Dallas MD AA	1,157	60.58	2.75	1.47	19.11	9.08	33.31	28.00	44.84	61.45	0.57	0.21	0.22	0.51	0.68	
<b>Limited Review:</b>																
Fort Worth MD AA	753	39.42	3.85	0.80	19.76	9.03	36.11	31.47	40.28	58.70	0.87	0.00	0.40	0.99	0.89	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: TEXAS					Evaluation Period: April 1, 2005 to March 1, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Dallas MD AA	0	0.00	14.50	0.00	30.03	0.00	31.77	0.00	23.70	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Fort Worth MD AA	0	0.00	7.17	0.00	28.46	0.00	44.48	0.00	19.88	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXAS						Evaluation Period: April 1, 2005 to March 1, 2008							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Dallas MD AA	231	77.78	4.75	2.16	23.07	22.08	30.99	28.57	40.02	47.19	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Fort Worth MD AA	66	22.22	4.03	3.03	25.29	25.76	35.58	27.27	35.09	43.94	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2008).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: TEXAS					Evaluation Period: April 1, 2005 to March 1, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Dallas MD AA	0	0.00	2.84	0.00	18.29	0.00	37.52	0.00	40.95	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Fort Worth MD AA	0	0.00	2.47	0.00	19.05	0.00	39.42	0.00	39.05	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2008).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: TEXAS					Evaluation Period: April 1, 2005 to March 1, 2008					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Dallas MD AA	4,740	57.45	20.70	2.60	17.54	10.82	19.83	18.35	41.92	68.23	0.74	0.44	0.55	0.72	0.85	
<b>Limited Review:</b>																
Fort Worth MD AA	3,511	42.55	19.23	1.25	18.17	9.99	21.30	17.90	41.30	70.85	1.10	0.53	0.59	0.94	1.55	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 18.4% of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: TEXAS					Evaluation Period: April 1, 2005 to March 1, 2008					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Dallas MD AA	38	65.52	20.70	0.00	17.54	0.00	19.83	4.35	41.92	95.65	0.04	0.00	0.14	0.00	0.03	
<b>Limited Review:</b>																
Fort Worth MD AA	20	34.48	19.23	6.25	18.17	6.25	21.30	12.50	41.30	75.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 32.8% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: TEXAS					Evaluation Period: April 1, 2005 to March 1, 2008					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Dallas MD AA	1,157	60.58	20.70	2.55	17.54	10.22	19.83	19.46	41.92	67.76	0.64	0.17	0.52	0.60	0.71	
<b>Limited Review:</b>																
Fort Worth MD AA	753	39.42	19.23	2.56	18.17	10.06	21.30	17.75	41.30	69.63	1.03	1.00	0.74	1.04	1.11	

\* Based on 2008 Peer Mortgage Data: Western Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 30.4% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXAS			Evaluation Period: April 1, 2005 to March 1, 2008				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Dallas MD AA	231	77.78	67.49	48.92	73.16	10.82	16.02	0.00	0.00
<b>Limited Review:</b>									
Fort Worth MD AA	66	22.22	65.60	37.88	60.61	15.15	24.24	0.00	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2008).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 19.19% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: TEXAS				Evaluation Period: April 1, 2005 to March 1, 2008					
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Dallas MD AA	0	0.00	95.86	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Fort Worth MD AA	0	0.00	96.87	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2008).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: TEXAS		Evaluation Period: April 1, 2005 to March 1, 2008					
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Dallas MD AA	0	0	0	0	0	0	0.00	0	0
<b>Limited Review:</b>									
Fort Worth MD AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: TEXAS Evaluation Period: April 1, 2005 to March 1, 2008																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Dallas MD AA	64.21	7	58.33	0.00	0.00	42.86	57.14	7	7	0	0	0	0	8.11	26.73	31.58	33.58
<b>Limited Review:</b>																	
Fort Worth MD AA	35.79	5	41.67	0.00	40.00	0.00	60.00	5	5	0	0	0	0	6.03	26.43	35.26	32.28

**Table 1. Lending Volume**

LENDING VOLUME		Geography: VIRGINIA				Evaluation Period: December 1, 2005 to December 31, 2007						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Washington-Arlington-Alexand	100.00	6,239	1,638,692	111	25,523	0	0	0	0	6,350	1,664,215	100.00

\* Loan Data as of December 31, 2007. Rated area refers to multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is December 1, 2005 to December 31, 2007.  
 \*\*\* Deposit Data as of June 1, 2007. Rated Area refers to multi-state MA.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: VIRGINIA		Evaluation Period: December 1, 2005 to December 31, 2007											
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	3,684	100.00	0.24	0.11	7.46	10.88	35.49	34.50	56.80	54.51	1.80	0.58	2.28	1.68	1.80

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT      Geography: VIRGINIA      Evaluation Period: December 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	42	100.00	0.24	0.00	7.46	7.14	35.49	47.62	56.80	45.24	0.17	0.00	0.19	0.16	0.17

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: VIRGINIA						Evaluation Period: December 1, 2005 to December 31, 2007						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	2,513	100.00	0.24	0.16	7.46	8.04	35.49	38.24	56.80	53.56	1.31	0.61	1.30	1.25	1.36

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2000 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY      Geography: VIRGINIA      Evaluation Period: December 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	0	0.00	3.04	0.00	30.88	0.00	42.52	0.00	23.55	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: VIRGINIA					Evaluation Period: December 1, 2005 to December 31, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total*	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Washington-Arlington-Alexandria MD	111	100.00	0.76	0.00	9.29	5.41	36.81	33.33	53.14	61.26	0.03	0.00	0.02	0.03	0.04									

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS    Geography: VIRGINIA    Evaluation Period: December 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	0	0.00	0.14	0.00	6.14	0.00	38.66	0.00	55.06	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE      Geography: VIRGINIA      Evaluation Period: December 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	3,684	100.00	14.12	2.43	14.90	17.98	21.47	33.39	49.50	46.20	2.08	1.95	1.93	2.24	2.04

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 18.6 % of loans originated and purchased by Bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT    Geography: VIRGINIA    Evaluation Period: December 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	42	100.00	14.12	15.38	14.90	11.54	21.47	26.92	49.50	46.15	0.17	0.28	0.10	0.30	0.12

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 38.1% of loans originated and purchased by Bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: VIRGINIA Evaluation Period: December 1, 2005 to December 31, 2007															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Washington-Arlington-Alexandria MD	2,513	100.00	14.12	6.81	14.90	20.28	21.47	29.27	49.50	43.64	1.41	1.91	1.57	1.19	1.42

\* Based on 2007 Peer Mortgage Data: Eastern Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 25.2% of loans originated and purchased by Bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: VIRGINIA Evaluation Period: December 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Washington-Arlington-Alexandria MD	111	100.00	67.69	33.33	49.55	18.92	31.53	0.03	0.04

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 9.91% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS Geography: VIRGINIA Evaluation Period: December 1, 2005 to December 31, 2007									
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Washington-Arlington-Alexandria MD	0	0.00	92.60	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
		Geography: VIRGINIA		Evaluation Period: December 1, 2005 to December 31, 2007					
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Washington-Arlington-Alexandria MD	0	0	5	93	5	93	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: VIRGINIA Evaluation Period: December 1, 2005 to December 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Washington-Arlington-Alexandria MD	100.00	13	100.00	0.00	7.69	38.46	53.85	11	14	0	-1	-4	+2	1.07	13.89	36.99	48.05

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: WASHINGTON												
Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007												
Assessment Area (2009):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Seattle MD AA	100.00	5,228	1,448,877	7	620	0	0	0	0	5,235	1,449,497	100.00

\* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from December 01, 2006 to December 31, 2007.

\*\*\* Deposit Data as of June 01, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE															Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		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	Over all	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Seattle MD AA	2,952	100.00	0.49	1.46	15.58	19.11	55.45	55.01	28.48	24.42	3.07	3.12	2.93	3.14	3.05									

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: WASHINGTON				Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Seattle MD AA	23	100.00	0.49	0.00	15.58	8.70	55.45	65.22	28.48	26.09	0.29	0.00	0.16	0.32	0.32

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: WASHINGTON				Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Seattle MD AA	2,253	100.00	0.49	0.36	15.58	13.54	55.45	60.99	28.48	25.12	2.07	1.08	1.65	2.19	2.11	

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Seattle MD AA	0	0.00	3.72	0.00	36.96	0.00	43.29	0.00	16.04	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Seattle MD AA	7	100.00	2.55	0.00	23.79	14.29	47.30	85.71	26.35	0.00	0.00	0.00	0.00	0.01	0.00									

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Seattle MD AA	0	0.00	1.07	0.00	16.43	0.00	58.03	0.00	24.47	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007									
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families 6	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Seattle MD AA	2,952	100.00	18.50	5.24	18.70	19.70	24.54	31.40	38.26	43.66	3.45	4.00	3.63	3.65	3.27	

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 3.0% of loans originated and purchased by bank.

6 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families* **	% BANK Loans****	% Families <sup>7</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Seattle MD AA	23	100.00	18.50	8.70	18.70	13.04	24.54	21.74	38.26	56.52	0.30	0.38	0.23	0.13	0.43	

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

<sup>7</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: WASHINGTON					Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families**	% BANK Loans****	% Families <sup>8</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Seattle MD AA	2,253	100.00	18.50	5.58	18.70	22.08	24.54	32.70	38.26	39.64	2.25	2.23	2.23	2.30	2.22	

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 8.5% of loans originated and purchased by bank.

<sup>8</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES									
Geography: WASHINGTON									
Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007									
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Seattle MD AA	7	100.00	70.55	71.43	85.71	0.00	14.29	0.00	0.01

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: WASHINGTON			Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Seattle MD AA	0	0.00	94.77	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: WASHINGTON				Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Seattle MD AA	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: WASHINGTON				Evaluation Period: DECEMBER 1, 2006 TO DECEMBER 31, 2007									
MA/Assessment Area:	Deposits	Branches				Branch Openings/Closings				Population							
	% of Rated Area Deposits in AA	# of BANK Branches	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography				
			Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<b>Full Review:</b>																	
Seattle MD AA	100.00	2	100.00	0.00	0.00	50.00	50.00	2	2	0	0	0	0	1.93	21.89	52.39	23.79