



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

**Public Disclosure**

**December 04, 2006**

**Community Reinvestment Act**  
**Performance Evaluation**

**West Georgia National Bank**  
**Charter Number: 14599**

**201 Maple Street**  
**Carrollton, GA 30117**

**Office of the Comptroller of the Currency**

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**Atlanta, GA 30346**

*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.*

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## Overall CRA Rating

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

The following table indicates the performance level of **West Georgia National Bank (WGNB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	West Georgia National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory			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:

- Overall lending levels reflect excellent responsiveness to meeting the credit needs of the Assessment Area (AA).
- The geographic distribution of loans is excellent.
- The distribution of loans to borrowers of different income level is excellent.
- A high percentage of the bank’s loans are originated within its AA.
- The level of community development (CD) investments is good relative to the opportunities available in the AA.
- WGNB’s delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the AA, particularly to low- and moderate-income geographies and individuals.

## 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.

**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 additional 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 either secured by 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 more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

## Description of Institution

West Georgia National Bank (WGNB) is an intrastate financial institution headquartered in Carrollton, Georgia and is owned by WGNB Corporation. WGNB has one subsidiary, WGNB Investments, Inc., in Nevada, to manage and hold the bank's investments. No deposit or lending activities occur at this subsidiary. WGNB operates nine branches in Carroll and Douglas counties.

As of September 30, 2006, WGNB had total assets of \$557 million and Tier One Capital of \$46 million. Loans totaled \$442 million, accounting for 79 percent of WGNB's total assets. The bank's primary focus is commercial lending with a secondary focus in residential real estate lending. Loan portfolio composition includes 71 percent commercial real estate and commercial loans, 19 percent residential mortgage products, 8 percent other loans, and 2 percent agricultural loans.

Banking competition is aggressive in all of WGNB's markets and includes large national banking companies, regional and small community banks, credit unions, and non-bank financial service providers.

WGNB offers a variety of business deposit accounts, consumer deposit products, commercial lending, and cash management services. SBA guaranteed loans are also offered.

Since the prior evaluation, WGNB relocated an existing branch in Villa Rica, Georgia and opened two new branches, one in Douglasville, Georgia and one in Carrollton, Georgia.

No legal, financial or other factors impede WGNB's ability to help meet the credit needs in its assessment areas (AA).

WGNB was rated "Outstanding" at the prior CRA evaluation dated May 19, 2003.



## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment, and Service Tests. Lending data presented reflects the two previous calendar years to improve clarity in reading the lending tables; however, the evaluation period for the Lending Test was January 1, 2003 through December 31, 2005. Data for the prior two years is reflective of lending performance for the entire evaluation period. For community development (CD) loans, Investment Test, and Service Test, the evaluation period is May 21, 2003 through December 4, 2006.

In evaluating the bank's lending performance, we reviewed residential mortgage loans subject to filing under the Home Mortgage Disclosure Act (HMDA), small business loans, and qualified CD loans.

Investment Test conclusions were based on an evaluation of equity and debt investments, grants, and donations made during the evaluation period that met the definition of CD. The Service Test was evaluated based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial deposit and loan products and services, and CD services made during the evaluation period.

### Data Integrity

Prior to this examination, a sample of WGNB's HMDA and CRA loan data was tested for accuracy. The data was reliable and used for this evaluation.

Investments and services submitted by bank management were verified to ensure they met the regulatory definition for CD. Some items were excluded from this evaluation because they did not meet the definition or purpose of CD.

### Selection of Areas for Full-Scope Review

WGNB has one assessment area, which includes all of Carroll and Douglas Counties. The AA is located in Western Georgia and part of the Atlanta Metropolitan Statistical Area (MSA). The bank's AA received a full-scope review. Please see appendix A of this evaluation for more information on the scope of this review.

### Ratings

The overall rating is based on the bank's performance in the AA.

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

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

## Conclusions with Respect to Performance Tests

### LENDING TEST

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

The bank's performance under the lending test is rated "Outstanding." Based on the full-scope review of Carroll and Douglas Counties, the bank's performance is good.

The level of lending and geographic distribution of small business, small farm, and residential mortgage loans is excellent. Further, the distribution of these loan products based on income levels is also excellent.

#### Lending Activity

Refer to Table 1 in appendix C for the facts and data used to evaluate the bank's lending activity.

WGNB is primarily a commercial lender with commercial real estate and commercial loans accounting for approximately 71 percent of total loans according to Call Report data as of September 30, 2006. Nineteen percent of the loan portfolio includes HMDA-reportable loans. Agricultural lending represents 2 percent of the loan portfolio.

Overall lending levels reflect excellent responsiveness to meeting the small business and home mortgage credit needs of the AA. WGNB competes for deposits with 21 other small community commercial banks and larger institutions with branches in the bank's market area. Based on June 30, 2006 FDIC market data, WGNB ranked 1<sup>st</sup> among the 21 area institutions with a 14 percent deposit market share.

Small business lending reflects excellent responsiveness as the bank ranked 1<sup>st</sup> among 48 small business loan reporters by dollar volume of loans granted and ranked 6<sup>th</sup> by number of loans granted during the evaluation period. Similarly, WGNB's market share based on dollar amount and number of small business loans was 20 percent and 8 percent, respectively.

Home mortgage lending also reflects excellent responsiveness as WGNB ranked 27<sup>th</sup> by number of loans granted and 31<sup>st</sup> by dollar volume out of 479 mortgage lenders in the market. Although, these rankings only equate to a 1 percent market share for both categories, it is clear that strong competition for mortgage loans comes from bank and non-bank lenders that do not take deposits in the assessment area.

In addition, the bank had a good level of community development loans with 30 loans originated totaling \$14.5 million.

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

The geographic distribution of loans is excellent based on the distribution of home mortgage loans and small business loans.

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

Refer to Tables 2, 3 and 4 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The number and amount of home mortgage loans was good based on the number and geographic distribution of owner occupied units in the AA. Although a majority of owner occupied units were located in middle-income geographies a larger percentage of the bank's loans were originated in moderate-income geographies. For home purchase loans, 33 percent of owner occupied units are in moderate-income geographies and 64 percent of the bank's loans are in moderate-income geographies. Comparatively, 66 percent of owner occupied units are in middle-income geographies while 35 percent of the bank's loans are in middle-income geographies. Home improvement and refinanced loans have similar results as expressed in Tables 3 and 4.

The number and amount of multifamily loans originated in the AA were insignificant and a geographical analysis is not meaningful.

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

Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

WGNB's geographic distribution of small loans to businesses was excellent. The percentage of loans in low-income tracts matched the percentage of businesses located in these tracts. The bank's penetration of loans in moderate-income tracts exceeds the percentage of businesses located in moderate-income tracts.

### ***Small Loans to Farms***

Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

WGNB's geographic distribution of small loans to farms was good. The bank's penetration of loans in moderate-income tracts exceeds the percentage of businesses located in moderate-income tracts.

### ***Lending Gap Analysis***

The geographic distribution of small business loans was analyzed to determine if any unexplained conspicuous gaps existed. None were identified. This performance had a positive effect on the bank's overall geographic distribution analysis.

### ***Inside/Outside Ratio***

A high percentage of the bank's loans were originated within its AA. Seventy nine percent of WGNB's small loans to businesses and farms were inside the AA. Seventy three percent of home mortgage loans were inside the AA. This performance had a positive effect on the bank's overall geographic distribution analysis.

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

The distribution of loans to borrowers of different income levels is excellent based on home mortgage and small business lending performance.

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

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Distribution of home mortgage loans was excellent. The majority of the bank's home mortgage lending was to low- and moderate-income borrowers while a large percentage of families in the AA were middle-income. Despite strong competition for home mortgage loans in the bank's AA, the bank's market share for home purchase and home improvement loans in low- and moderate-income census tracts exceeded the bank's overall market share to borrowers of all income levels.

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

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WGNB's distribution of small loans to businesses was excellent. The percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) was considerably higher than the percentage of small businesses in the AA. The bank's market share of small loans to small businesses exceeded its overall market share of small loans to all businesses.

#### ***Small Loans to Farms***

Refer to Table 12 in the appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WGNB's distribution of small loans to farms was good. The percentage of small loans to small farms (farms with annual revenues of \$1 million or less) was 8 percent higher than the percentage of small farms in the AA. The bank's market share of small loans to farms is equal to its overall market share of small loans to all farms.

## **Community Development Lending**

Refer to Table 1 in appendix C for the facts and data used to evaluate the bank's level of community development lending.

The bank makes a good level of community development (CD) loans. During the evaluation period, WGNB originated 30 CD loans totaling \$14.5 million in the AA. This represented 33 percent of Tier One Capital as of September 30, 2006.

## **Product Innovation and Flexibility**

WGNB does not offer innovative or flexible lending products targeted to low- or moderate-income individuals in the AA. This factor had a neutral impact on the performance evaluation of the lending test.

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

WGNB's entire AA received a full-scope review; therefore, no limited-scope reviews were conducted.

## **INVESTMENT TEST**

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

The bank's performance under the investment test is rated "Low Satisfactory." Based on the full-scope review, the bank's performance in the AA is adequate.

Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Investments in Carroll and Douglas Counties are adequate considering the available CD investment opportunities in this AA. We determined through our internal research and community contact that there is limited opportunity for CD investments in the AA. The AA is part of the Atlanta-Sandy Springs-Marietta Metropolitan Statistical Area (ASSM-MSA) where qualified investments are available on a broader statewide or regional area that have the potential to benefit the AA.

As of our on-site examination, there were three investments totaling \$1.8 million: a low-income housing tax credit in the Atlanta MSA for \$500 thousand, a \$919 thousand equity investment in a joint limited partnership with SunTrust bank to build low-to-moderate income apartments in the AA area, and a \$382 thousand investment in a Small Business Investment Company.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the AA is good. Branches provide accessibility to all portions of the AA. The use of CD services is good.

### **Retail Banking Services**

Refer to Table 15 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

WGNB's service delivery systems are accessible to geographies and individuals of different income levels throughout the AA. The bank has nine branch offices, of which eight have a 24-hour Automated Teller Machine (ATM). Additionally, there are six stand-alone ATM locations. Five branch offices are in moderate-income census tracts and four offices are in middle-income geographies.

WGNB relocated a branch in a moderate-income geography in 2005 within the same census tract. During 2006, WGNB opened two branches in middle-income geographies. One of these branches, Banco de Progreso, serves the Hispanic community. There were no branch closings during the evaluation period. Branch openings did not adversely affect the accessibility of delivery systems, particularly in low- or moderate-income geographies.

WGNB's services and business hours do not vary in a way that inconveniences portions of the AA, particularly low- and moderate- income individuals or low- and moderate-income geographies. Banking hours are Monday through Friday from 9:00 AM to 4:00 PM at all branches; with seven branches open on Saturdays from 9:00 AM to 1:00 PM and one branch, Banco de Progreso, is open on Saturdays from 8:00 AM to 4:00 PM. The bank offers Internet and telephone banking services to all customers. These services are available twenty-four hours a day seven days a week and include account inquiry and funds transfer capabilities. The Internet banking service also offers a bill pay feature. WGNB offers traditional products and services that are responsive to the basic banking needs of the community.

### **Community Development Services**

Bank employees and Directors participate in community development services, such as providing technical assistance, educational assistance, and funding raising efforts to various local nonprofit and community development organizations. These efforts are responsive to the needs of the community and occasionally directly benefit low- and moderate- income individuals. The board is provided with information regarding the level and frequency of community development services provided by employees, which is also included as a performance element in senior management's evaluations.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan 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): (01/01/03 to 12/31/05) Investment and Service Tests and CD Loans: (05/21/03 to 12/04/06)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
West Georgia National Bank (WGNB) Carrollton, Georgia	HMDA loans, Small Business and Small Farm Loans, CD loans, CD investments, CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
WGNB Corp.	Holding Company	None
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Atlanta MSA #12060 (Carroll and Douglas Counties)	Full-Scope	None



## Appendix B: Market Profiles for Full-Scope Areas

### Carroll and Douglas Counties

Demographic Information for Full-Scope Area: Carroll and Douglas Counties						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	30	3.33	36.67	60.00	0.00	0.00
Population by Geography	179,442	1.98	33.03	64.99	0.00	0.00
Owner-Occupied Housing by Geography	46,814	0.69	32.93	66.38	0.00	0.00
Businesses by Geography	14,252	2.20	35.09	62.71	0.00	0.00
Farms by Geography	322	1.55	39.75	58.70	0.00	0.00
Family Distribution by Income Level	48,202	24.44	22.05	24.64	28.86	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	22,412	2.88	41.52	55.60	0.00	0.00
Median Family Income = \$58,537 HUD Adjusted Median Family Income for 2006 = \$69,300 Households Below the Poverty Level = 11%					Median Housing Value = \$96,674 Unemployment Rate = 2.20%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2005 HUD updated MFI.

WGNB's AA includes Carroll and Douglas Counties (West GA AA) and are two of the five counties known as The West Georgia Region. Each of these counties is contained in the twenty-eight county Atlanta-Marietta-Sandy Springs Metropolitan Statistical Area (MSA).

From 2000 to 2004, population in the West Georgia Region increased by 68 thousand, accounting for 11 percent of Georgia's growth. Carroll and Douglas Counties grew by more than double the state rate between 2000 and 2004. The single family housing market expanded rapidly in this region since 2000. Total construction permits increased from 6,053 in 2000 to 8,501 in 2004. In 2000, the West Georgia Region accounted for almost 13 percent of the permits issued in the Atlanta MSA. By 2004, the market share of the region increased to almost 15 percent. Housing prices in the region remain well below those in most Atlanta metro counties.

### Carroll County – Economic Conditions

According to the West Georgia Regional Outlook – 2005, after showing modest gains in 2002 and 2003, Carroll County's employment jumped 3.5 percent in 2004. Covered employment in Carroll County increased by 1,256 between first quarter of 2004 and first quarter of 2005. Growth was particularly strong in paper manufacturing, fabricated metal product manufacturing, and transportation equipment. While the service producing sector represents the largest source of employment at 17,097 in Carroll County, the goods producing sector

grew nearly 8 percent. The public sector grew a modest 2 percent in employment in the first quarter of 2005.

According to the Bureau of Labor Statistics, the unemployment rate of 4.7 percent for Carroll County decreased slightly from 2000 to 2004. This is comparable to the state rate of 4.6 percent and compares favorably to the national rate of 5.5 percent.

The five largest employers in Carroll County are Gold Kist, Inc., Southwire Company, Tanner Medical Center, Wal-Mart Associates, Inc., and West Georgia College.

### **Douglas County – Economic Conditions**

According to the West Georgia Regional Outlook – 2005, Douglas County has the largest population in the West Georgia Region. Covered employment increased by 1,580 between first quarter of 2004 and first quarter of 2005. More than 80 percent of new jobs were in the service sector. The greatest increase, 6 percent, occurred in the service industry, which represents the largest source of employment at 23,614. Within the service industry, wholesale distribution and accommodation/food services employment increased 11 percent. The goods producing and public sectors grew 3 percent.

According to the Bureau of Labor Statistics, the unemployment rate of 4.6 percent for Douglas County decreased slightly from 2000 to 2004. This is the same as the state unemployment rate and compares favorably to the national rate of 5.5 percent.

The five largest employers in Douglas County are Inner Harbor Hospitals, Kroger Co., Silver Line Building Product Corps, Wal-Mart Associates, Inc., and Wellstar Health System, Inc.

### **Community Development**

Community development opportunities for the bank are limited. Many large banks compete for community development investments, which reduce the opportunities available for WGNB.

### **Community Contact**

During our review, we contacted a regional organization that operates a loan consortium of Georgia area financial institutions. Participating institutions provide capital via membership pledges to fund permanent loans for multi-family housing developments. The organization indicated that housing is a primary credit need of the community.

## Appendix C: Tables of Performance Data

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### Content of Standardized 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. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- 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. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- 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 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 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. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

**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: CARROLL AND DOUGLAS COUNTIES						Evaluation Period: January 1, 2004 to December 31, 2005				
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>												
Carroll and Douglas Counties	100.00	670	50,959	879	65,227	77	3,855	30	14,590	1,656	134,631	100.00

\* Loan Data as of December 31, 2005. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is May 21, 2003 to December 4, 2006.

\*\*\* Deposit Data as of June 30, 2006. 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: CARROLL AND DOUGLAS COUNTIES						Evaluation Period: January 1, 2004 to December 31, 2005							
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>															
Carroll and Douglas Counties	138	100.00	.69	.72	32.93	63.77	66.38	35.51	0.00	0.00	.51	2.08	1.25	.22	0.00

\* Based on 2004 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: CARROLL AND DOUGLAS COUNTIES								Evaluation Period: January 1, 2004 to December 31, 2005					
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***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Carroll and Douglas Counties	227	100.00	.69	2.20	32.93	56.39	66.38	41.41	0.00	0.00	11.46	28.57	15.03	8.81	0.00

\* Based on 2004 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: CARROLL AND DOUGLAS COUNTIES    Evaluation Period: January 1, 2004 to December 31, 2005															
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>															
Carroll and Douglas Counties	301	100.00	.69	3.99	32.93	58.14	66.38	37.87	0.00	0.00	1.74	5.48	3.18	.99	0.00

\* Based on 2004 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 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES    Geography: CARROLL AND DOUGLAS COUNTIES    Evaluation Period: January 1, 2004 to December 31, 2005																
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
<b>Full Review:</b>																
Carroll and Douglas Counties	1,017	100.0	2.20	1.67	35.09	50.64	62.71	47.69	0.00	0.00	7.45	13.79	9.85	6.29	0.00	

\* Based on 2004 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 2004.

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS    Geography: CARROLL AND DOUGLAS COUNTIES    Evaluation Period: January 1, 2004 to December 31, 2005															
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>															
Carroll and Douglas Counties	79	100.00	1.55	0.00	39.75	77.22	58.70	22.78	0.00	0.00	29.23	0.00	29.00	36.00	0.00

\* Based on 2004 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 2004.

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: CARROLL AND DOUGLAS COUNTIES						Evaluation Period: January 1, 2004 to December 31, 2005							
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>															
Carroll and Douglas Counties	138	100.00	24.44	23.20	22.05	28.80	24.64	20.00	28.86	28.00	.59	.72	.65	.38	.68

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 8.77% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* 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.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: CARROLL AND DOUGLAS COUNTIES								Evaluation Period: January 1, 2004 to December 31, 2005					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Carroll and Douglas Counties	227	100.00	24.44	25.34	22.05	34.39	24.64	19.91	28.86	20.36	11.63	16.78	12.36	8.91	9.62

<sup>\*</sup> Based on 2004 Peer Mortgage Data: Eastern Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 2.02% of loans originated and purchased by Bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: CARROLL AND DOUGLAS COUNTIES					Evaluation Period: January 1, 2004 to December 31, 2005				
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****	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Carroll and Douglas Counties	301	100.00	24.44	11.02	22.05	28.16	24.64	24.08	28.86	36.73	1.89	1.39	1.69	1.75	2.39									

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 17.57% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* 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.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES    Geography: CARROLL AND DOUGLAS COUNTIES    Evaluation Period: January 1, 2004 to December 31, 2005									
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>									
Carroll and Douglas Counties	1,017	100.00	61.18	86.43	77.97	12.49	9.54	7.45	12.06

\* Based on 2004 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 - 2004).

\*\*\*\* 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 35% 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: CARROLL AND DOUGLAS COUNTIES			Evaluation Period: January 1, 2004 to December 31, 2005				
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>									
Carroll and Douglas Counties	79	100.00	88.51	97.47	83.54	12.66	3.80	29.23	30.89

\* Based on 2004 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 - 2004).

\*\*\*\* 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 8% of small loans to farms originated and purchased by Bank.



**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: CARROLL AND DOUGLAS COUNTIES				Evaluation Period: May 21, 2003 TO December 4, 2006			
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>									
Carroll and Douglas Counties	1	500	2	1,301	3	1,801	100	3	1,417

\* '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: CARROLL AND DOUGLAS COUNTIES																	
Evaluation Period: May 21, 2003 TO December 4, 2006																	
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>																	
Carroll and Douglas Counties	100.00	9	100.00	3.33	36.67	60.00	0.00	2	0	0	0	2	0	1.98	33.03	64.99	0.00