

# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

June 30, 2003

### Community Reinvestment Act Performance Evaluation

Wachovia Bank, National Association  
Charter Number: 1

301 South College Street  
Charlotte, NC 28288

Office of the Comptroller of the Currency

Large Bank Supervision  
250 E Street, SW  
Washington, DC 20219

**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 **Outstanding**.

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

| Performance Levels               | Wachovia Bank, National Association<br>Performance Tests |                 |              |
|----------------------------------|--|-----------------|--------------|
|                                  | Lending Test*  | Investment Test | Service Test |
| <b>Outstanding</b>               | X  | X               | X            |
| <b>High Satisfactory</b>         |  |                 |              |
| <b>Low Satisfactory</b>          |  |                 |              |
| <b>Needs to Improve</b>          |  |                 |              |
| <b>Substantial Noncompliance</b> |  |                 |              |

\* 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 adequate and good levels of lending activity and distribution
- Excellent levels of community development lending, investments, and services in most full-scope assessment areas
- Readily accessible retail services in most locations
- Creative and innovative investments, services, and loan products

## 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.

**Block Numbering Area (BNA):** A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan 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).

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

**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 primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

**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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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

Wachovia Bank, National Association (Wachovia), is an interstate bank with headquarters in Charlotte, North Carolina. Wachovia operates approximately 2,600 branches in ten eastern seaboard states and the District of Columbia.

Wachovia has total assets of approximately \$385 billion and total deposits of approximately \$236 billion. The bank is the primary subsidiary of Wachovia Corporation (WC), also in Charlotte, with total assets approximating \$400 billion. WC has one other commercial banking subsidiary, Wachovia Bank of Delaware, National Association, Wilmington, Delaware.

This evaluation includes consideration of lending by Wachovia's subsidiary, Wachovia Mortgage Corporation. Wachovia has a number of other operating subsidiaries with no impact upon this evaluation.

This evaluation considers activity by Wachovia resulting from the merger, in 2001, of the former Wachovia Bank, National Association, and First Union Bank, National Association. All activities have been considered in aggregate.

Wachovia is a large full-service bank offering consumer and business products through its domestic and foreign branches. Products and services considered in this evaluation are provided primarily through its general (consumer/retail) bank and its mortgage loan subsidiary. There are no legal, financial, or other impediments to Wachovia's ability to help meet credit needs in its assessment areas.

Wachovia's predecessor banks, Wachovia Bank and First Union Bank, were previously evaluated as of December 31, 2000, and September 30, 2000, respectively. Each received the rating of "Outstanding".

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation considered home mortgage loan products (home purchase, home improvement, and home refinance), small business lending, small farm lending (where applicable), retail services, and community development lending, investments, and services.

Conclusions drawn for this evaluation are based upon performance during the calendar years 2001 and 2002 for aggregated home mortgage, small business, and small farm lending. In addition, community development activities are considered during the first two quarters of 2003 and, for activities performed by legacy First Union National Bank, during the fourth quarter of 1999. Also of note, we used market share deposit data as of June 30, 2002, to evaluate the bank's lending activity. For the profiles contained in Appendix C, deposit market share data as of June 30, 2003, was used.

### Data Integrity

The OCC conducted independent testing of HMDA and small business data considered in this evaluation and a full review of all community development loans, investments, and services presented for consideration. The data and information were judged reliable.

### Selection of Areas for Full-Scope Review

Selection of areas for full-scope review gave consideration to coverage of the bank's activities within each rating area, information or concerns that may have been raised by public comment, and previous review on a full-scope basis.

### Ratings

Ratings are based primarily upon the performance within the full-scope assessment areas.

## Fair Lending Review

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

## Comments Applicable to All Rating Areas

### Lending Test

#### Products

A variety of flexible mortgage loan products that address the credit needs of low- and moderate-income geographies and individuals augment the bank's general mortgage lending program and contribute positively to Wachovia's overall lending test performance.

Wachovia offers numerous flexible mortgage products targeted to low- and moderate-income borrowers or to borrowers purchasing homes in low- and moderate-income geographies. While some flexible mortgage loan products are offered in conjunction with Fannie Mae, Wachovia developed three products. Those three products were the Affordable Home Mortgage, the Neighborhood Development (Target) Mortgage, and the Community Partnership Mortgage. Flexible mortgage loan products provide such features as discounted interest rates, lower down-payment requirements, waived private mortgage insurance, expanded income ratios, and higher loan-to-value requirements.

In addition, Wachovia enhances its flexible mortgage product program by partnering with approximately 170 not-for-profit community organizations throughout the various assessment areas to provide homebuyer counseling for low- and moderate-income loan applicants. Such educational programs assist participants in successfully completing the mortgage loan process.

While the majority of targeted lending programs are offered throughout all of the bank's assessment areas, some special programs have been developed to respond to unique assessment area needs or partnership opportunities. In the states of Florida, Georgia, North Carolina, South Carolina, and Virginia, Wachovia offers an innovative Down-Payment-Assistance Program (DAP) to increase home ownership among low-income applicants for whom home ownership is the most difficult. Under this program, Wachovia matches a low-income participant's down payment funds on a 3-to-1 basis. The DAP can be combined with the Federal Home Loan Bank of Atlanta's First-Time Homebuyer program in which Wachovia participates. During the evaluation period, the DAP extended assistance totaling \$288,084 to 102 families.

Also, during the evaluation period, Wachovia provided technical assistance to Fannie Mae to develop and pilot a new, innovative, mortgage program that accepts Department of Housing and Urban Development Section 8 housing assistance payments as mortgage payments. The program, piloted in portions of Florida, New York, North Carolina, and South Carolina, is designed as a way to help increase the level of home ownership among the low- and very-low-income segments of the population. The bank also provided such assistance in launching the Baltimore Closing Cost Loan Program and the Philadelphia Home Improvement Loan Program. Both of these offer flexible loans to low- and moderate-income borrowers or borrowers with homes in low- and moderate-income geographies.

## **In/Out Ratio**

During the assessment period, Wachovia originated and purchased a majority of its home mortgage loans within its various assessment areas. In addition, the significant majority of its small business loans were originated within its assessment areas.

## **Lending Gap Analysis**

We evaluated Wachovia's lending distribution in its full-scope assessment areas to determine if any unexplained conspicuous gaps existed. We reviewed lending reports detailing the volume of home mortgage and small business loans in the various assessment areas. No unexplained conspicuous gaps were identified.

## **Lending Activity**

Analysis of the bank's lending activity in its various assessment areas was primarily based upon the market rank for its home mortgage and small business products. However, we also reviewed the bank's market shares for the aforementioned products. In essentially all instances, conclusions regarding the market share matched the conclusion using market rank.

## **Investment Test**

Low Income Housing Tax Credits (LIHTCs) have been an integral part of Wachovia's investment program in most of its assessment areas. These investments provide long-term debt and equity financing for affordable housing projects. The bank makes these investments directly, rather than through third party intermediaries. Management reports this enables them to be directly involved with the projects, providing insight into community development and credit needs. LIHTCs are complex investments that require specialized expertise due to the large number of parties involved in each project, extensive paperwork requirements, and complex tax-related issues.

## **Service Test**

### **Retail Banking Services**

#### ***Alternative Delivery Systems***

Wachovia offers an alternative delivery system known as Wachovia-at-Work. This worksite banking program provides access in the workplace and includes the option for employees to perform personal banking on computers at their worksites through the banking website provided by Wachovia. This program also provides financial literacy education and special banking offers. The program can provide a free PayAccess card that employees can use to obtain money from paychecks at any ATM. Over 3,000 (27%) worksites are in low- and moderate-income geographies, and majority of

employees using this program are low- or moderate-income individuals. This creates banking opportunities for companies with large numbers of low- and moderate-income employees.

Full-service banking for all products and services is also available through the Internet and Wachovia Direct Access, the bank's toll-free telephone banking service, available 24 hours per day, seven days per week.

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

Wachovia offers a full range of loan and deposit products to its commercial, residential, and consumer loan customers. There is a flexible group of low-cost or no-cost deposit products, designed primarily for the benefit of low- and moderate-income customers. These products include Free Checking, Free Student Checking, Express Access Checking, College Access Checking, Access Fifty Checking, and the PayAccess ATM Card. These accounts have no monthly maintenance fees, although the Express Access requires direct deposit, as does the Access Fifty account. Wachovia also offers the Basic Checking account, with no minimum balance requirement, and a low monthly service charge, but with a limited number of transactions per month. In all assessment areas, the bank has 1,255,791 Free Checking accounts with 19.6% of the \$1.6 billion in deposits in low- and moderate-income geographies and 1,363,148 Free Student Checking accounts with 19.8% of the \$1.7 billion in total deposits in low- and moderate-income geographies.

Wachovia also offers NonProfit Checking to community organizations that serve primarily low- and moderate-income persons. This account is designed to meet a not-for-profit organization's typical banking needs, has no minimum balance requirements and no monthly maintenance fees.

### **Money Smart**

Wachovia partnered with a number of organizations to provide MoneySmart training in English and Spanish for low- and moderate-income individuals. MoneySmart is a basic financial literacy course, developed by the Federal Deposit Insurance Corporation (FDIC). Wachovia was the first large bank in the nation to partner with the FDIC to provide this program. Wachovia developed a train-the-trainer video that is provided to community organizations in its assessment area at no charge, allowing those organizations to provide this training directly to their clients. The bank's staff has also provided this training using its own in-house network to deliver the training via satellite to its not-for-profit partners and their low- and moderate-income clients. This has been done thirteen times. Locations where the bank has installed satellite equipment include Charlotte, NC; Atlanta, GA; Roanoke, VA; and Camden, NJ.

### **Section 8 Rent Housing Choice Voucher Program**

Wachovia has pioneered and coordinated an innovative process for accepting Housing and Urban Development Section 8 rent vouchers as mortgage payments. The program applies Section 8 rental vouchers toward mortgage payments for up to fifteen years. Two bank officers spent two years getting this program underway by coordinating



discussions among state leaders, housing authorities, and the Federal National Mortgage Association. Wachovia was the first large east coast financial institution to pilot this labor-intensive program that is targeted to increase home ownership among the low-income population. As a result of the bank's technical financial assistance, the program exists in thirteen markets: Atlantic City and Perth Amboy, NJ; New Haven, CT; Monroe and Newburgh, NY; Philadelphia and Norristown, PA; Durham and Gastonia, NC; Columbia and Spartanburg, SC; and Largo and Orlando, FL. Other markets have been introduced to the program, including Tampa, FL; Atlanta, GA; Raleigh, NC; Harrisburg, Lancaster, and Reading, PA; Roanoke, VA; and the Southwest VA area.

### **Individual Development Account (IDA) Program**

Wachovia has taken on a leadership role in helping set up IDA programs for community organizations that serve primarily low- and moderate-income persons. The bank partnered with the New Jersey Department of Community Affairs to set up a statewide IDA program to be used for education, affordable housing, or small business development. IDA programs have been founded in Philadelphia, PA; Jacksonville, FL; Hartford, CT; New York, NY; and Roanoke, VA.

### **eCommunities*first***

Wachovia has developed this innovative community service program to increase access to technology and improve overall financial literacy through computer training for low- or moderate-income clients of qualifying community development service organizations. The program includes "Introduction to PCs", "Internet Basics", and "Basic Money Management". It began with a partnership between the bank and the Atlanta-Fulton County Public Library System to bring the program to greater Atlanta through the creation of two mobile computer technology labs. The success of this project has inspired the bank to create five other eCommunities*first* labs in Charlotte, NC; Tallahassee and Miami, FL; Perth Amboy, NJ; and Philadelphia, PA. To date, over 500 participants have been trained, the majority of whom have been low- or moderate-income persons.

### **BorrowSmart**

Wachovia helped to found BorrowSmart, an online financial tool that provides information on home equity borrowing, money management, and detecting and avoiding abusive lending practices. Founded in 2001, the BorrowSmart Public Education Foundation provides free financial information primarily to not-for-profit affordable housing organizations across the nation. Its founding was inspired by unmet affordable housing needs for low- and moderate-income persons. Wachovia has continued to support this organization by helping organize events in several cities to create awareness for this initiative and through the presence of a Wachovia community development officer on its board of directors.

## Multistate Metropolitan Area Rating

### Augusta-Aiken (GA-SC) Multistate Metropolitan Area

#### CRA rating for the Augusta-Aiken (GA-SC) Multistate Metropolitan Area<sup>1</sup>:

**The lending test is rated:** Outstanding

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

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by Wachovia to the credit needs of the MSA
- Good distribution of Wachovia's loans among geographies and borrowers of different income levels throughout the MSA
- Community development lending levels that had a significant positive impact on the performance within the MSA
- Good levels of qualified community development investments that addressed the needs of the community
- Service delivery systems that are readily accessible to geographies and individuals of different income levels

### Description of Institution's Operations in Augusta-Aiken

Refer to the market profile for the Augusta-Aiken multistate metropolitan area in Appendix C for detailed demographics and other performance context information.

## LENDING TEST

### Lending Activity

Refer to Table 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.

The bank's lending activity in the Augusta-Aiken (Augusta) MSA is good. In the MSA, Wachovia has a deposit market share of 24.96% that ranks first among deposit taking institutions. The bank has the fourth, fifth, and fourth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively. In

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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.

addition, the bank has the fifth market rank for the number of small business loans and the fourth market rank for dollar volume of those loans.

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

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

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Area(s)" 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 evaluation is influenced by the significant poverty level in the MSA.

Home purchase geographic distribution within the Augusta MSA is adequate. The percentage of loans made in low- and moderate-income geographies is significantly below the percentage of owner-occupied housing units in those geographies. In addition, the market share of home purchase loans in low- and moderate-income geographies exceeds the bank's overall market share within the MSA.

Home improvement loan geographic distribution within the MSA is excellent. The percentage of loans made in low-income geographies is near to the percentage of owner-occupied housing units in those geographies. The percentage of loans originated in moderate-income geographies is near to the percentage of owner-occupied units in those geographies. The bank's market share of loans in low-income and moderate-income geographies, respectively, is near to and exceeds the bank's overall market share for this type of loan within the MSA.

Home refinance geographic distribution is adequate. The percentage of loans originated in low-income and moderate-income geographies is well below and significantly below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of home refinance loans in low-income and moderate-income geographies exceeds and is near to the bank's overall market share for those loans, respectively.

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

Refer to Table 6 in the "Multistate Metropolitan Area(s)" 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 overall geographic distribution of small loans to businesses in the Augusta MSA is excellent. The percentage of small loans to businesses in low-income and moderate-income geographies exceeds and is near to, respectively, the percentages of businesses in those geographies. The market share of small loans to businesses in low-income and moderate-income geographies exceeds and is equal to, respectively, the bank's overall market share of small loans to businesses in the MSA.

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

Refer to Table 7 in the Multistate Metropolitan Area(s) 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 farms.

Due to the minimal number of small loans to farms originated during the assessment period, there is no analysis of the bank's performance for this product.

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

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

Refer to Tables 8, 9, and 10 in the "Multistate Metropolitan Area(s)" 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. The evaluation was influenced by the significant poverty level noted in the assessment area.

Home purchase loan borrower distribution in the Augusta MSA is good. The portion of loans made to low-income borrowers is well below the percentage of low-income families in the assessment area. However, the portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The market share of loans made to low-income and moderate-income borrowers is below and near to, respectively, the bank's overall market share for this type of loan.

Home improvement loan borrower distribution is excellent. The portion of loans made to low-income borrowers is below the percentage of low-income families in the MSA. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the MSA. The market share of loans made to low-income and moderate-income borrowers exceeds and is near to, respectively, the bank's overall market share for home improvement loans in the assessment area.

Home refinance loan borrower distribution is good. The portion of loans made to low-income borrowers is well below the percentage of low-income families in the MSA. The portion of loans originated to moderate-income borrowers is near to the percentage of moderate-income families in the assessment area. The market share of loans to low-income and moderate-income borrowers is below and near to, respectively, the bank's overall market share of home refinance loans in the MSA.

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

Refer to Table 11 in the "Multistate Metropolitan Area(s)" 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 small businesses in the Augusta MSA is good. The percentage of loans to small businesses is near to the percentage of small businesses in the assessment area. The market share of small loans to businesses is near to the bank's overall market share of small loans to businesses.

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

Refer to Table 12 in the "Multistate Metropolitan Area(s)" 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 farms.

Due to the minimal number of small loans to farms originated during the assessment period, this analysis was not performed for this product.

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

Refer to Table 1 Lending Volume in the "Multistate Metropolitan Area(s)" 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 multi-family 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 significant positive impact on the bank's lending performance in the Augusta MSA during the evaluation period. The bank originated eleven qualified community development loans totaling almost \$27 million. A large number of these loans were for affordable housing, creating 428 units of affordable housing within the assessment area. Of note, the bank demonstrated significant innovation and flexibility in underwriting a neighborhood of 29 affordable single-family homes to be rented to low-income families. The families will have the option to purchase the homes after fifteen years.

## **INVESTMENT TEST**

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

The bank's performance under the Investment Test in the Augusta MSA is rated "High Satisfactory."

The volume of qualified investments is good. This region is predominantly rural and approximately 16% of families residing within this assessment area have incomes below the poverty level. Wachovia demonstrated leadership through one investment that made a significant impact on meeting community credit needs within the assessment area. Approximately 99% of the dollar amount of investments was for affordable housing and 1% revitalizes and stabilizes low- and moderate-income geographies.

During the evaluation period, Wachovia invested \$3.4 million in Low Income Housing Tax Credits (LIHTCs), which developed 56 affordable housing units.

Wachovia made the following investment in a LIHTC project during the evaluation period that had a significant impact on meeting community development and credit needs:

- **Glen Arbor of Carolina** – Wachovia provided significant leadership in the form of LIHTCs and interim construction financing to build this much needed 56-unit, six-building apartment development for low-income families in Aiken, South Carolina. The project is a partnership among the for-profit developer, Wachovia, and another commercial bank. This project has significant impact as 100% of the units are for low-income families. The development includes a community building, tot lot, walking path, gazebo, and picnic area. In addition, programs are provided to residents for employment training and placement, educational and cultural enhancement, health services, social services, resident watch, first-time home ownership, and parent-child communication.

Also noteworthy is that Wachovia made grants and in-kind donations totaling \$18 thousand, helping to meet community development needs within the assessment area. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. An example is Wachovia-funded operating costs, in the form of grants, to the East Augusta Community Development Corporation that is engaged in affordable housing commercial development in the blighted east Augusta area. The organization has constructed and rehabilitated a number of local housing units and is currently working on the development of a commercial strip mall, Hope Plaza, which will create approximately 40 full-time jobs in the community.

## **SERVICE TEST**

Refer to Table 15 in the “Multistate Metropolitan Area(s)” 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 bank’s performance under the service test in the Augusta-Aiken (Augusta) Multistate MSA is rated “Outstanding”.

## **Retail Banking Services**

In the Augusta MSA, delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies exceeds the percentage of individuals living in those geographies. The percentage of branches in moderate-income geographies is lower than the percentage

of individuals residing in those geographies. However, there are three branches in adjacent middle- and upper-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches mitigate the low distribution of branches in moderate-income geographies.

Hours and services do not vary in a way that inconveniences individuals living in the MSA. Branch openings and closings in the Augusta MSA have not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia closed three branches, none of which was in a low- or moderate-income geography, during the evaluation period. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular, those in low- and moderate-income geographies. The distribution of automatic teller machines in low-income geographies of 7.5% exceeds the percentage of persons residing in those geographies. The distribution of ATMs in moderate-income geographies of 10% is somewhat lower than the percentage of individuals residing in those geographies. However, there are three ATMs that are easily accessible by persons in low- and moderate-income geographies, enhancing service to those areas.

### **Community Development Services**

Community development services are good in the Augusta MSA. Wachovia provides a relatively high level of services. The bank provided some workshops and seminars relating to small business technical assistance, basic financial literacy, and homebuyer education. Bank officers serve in leadership positions as board members for organizations that provide affordable housing or assistance to small businesses. In addition, one bank officer helped a local organization develop a micro-enterprise loan program.

## Multistate Metropolitan Area Rating

### Charlotte-Gastonia-Rock Hill (NC-SC) Multistate Metropolitan Area

#### CRA rating for the Charlotte-Gastonia-Rock Hill (NC-SC) Multistate Metropolitan Area<sup>2</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by Wachovia to the credit needs of the MSA
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout the MSA
- Community development lending levels that had a significant positive impact on the performance within the MSA
- An excellent level of qualified community development investments that addressed the needs of the assessment area
- Service delivery systems that are readily accessible to geographies and individuals of different income levels

### Description of Institution's Operations in Charlotte-Gastonia-Rock Hill

Refer to the market profile for the Charlotte-Gastonia-Rock Hill Multistate Metropolitan Area in Appendix C for detailed demographics and other performance context information.

## LENDING TEST

### Lending Activity

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

The bank's lending activity in the Charlotte-Gastonia-Rock Hill (Charlotte) MSA is good. In the MSA, Wachovia has a deposit market share of 32.07% that ranks second among

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<sup>2</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.



deposit-taking institutions. The bank has the third, fifth, and second market ranks for the number of home purchase, home improvement, and home refinance loans, respectively. In terms of dollars, the bank has the second, fourth, and first market ranks for home purchase, home improvement, and home refinance loans, respectively. In addition, the bank has the third market rank for the number of small business loans and the second market rank for dollar volume of those loans.

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

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

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Area(s)" 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.

Home purchase loan geographic distribution within the Charlotte MSA is good. The portion of loans made in low-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The portion of loans made in moderate-income geographies is significantly below the percentage of owner-occupied housing units in those geographies. In addition, the market share of home purchase loans in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share in the assessment area.

Home improvement geographic distribution within the MSA is good. The portion of loans originated in low- and moderate-income geographies is near to the percentage of owner-occupied housing units in those geographies. The market share of home improvement loans in low-income geographies is zero and well below the bank's overall market share within the MSA. The market share of home improvement loans in moderate-income geographies is near to the bank's overall market share in the MSA.

Home refinance geographic distribution is good. The portion of loans made in low-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The portion of loans originated in moderate-income geographies is significantly below the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is near to, respectively, the bank's overall market share for home refinance loans in the assessment area.

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

Refer to Table 6 in the "Multistate Metropolitan Area(s)" 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 overall geographic distribution of small loans to businesses in the Charlotte MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of businesses

in those geographies. The market share of small loans to small businesses in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share of small loans to small businesses within the MSA.

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

Refer to Table 7 in the Multistate Metropolitan Area(s) 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 farms.

Due to the minimal number of small loans to farms originated during the assessment period, this analysis was not performed for this product.

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

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

Refer to Tables 8, 9, and 10 in the "Multistate Metropolitan Area(s)" 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.

Home purchase loan borrower distribution in the Charlotte MSA is good. The portion of loans made to low-income borrowers is below the percentage of low-income families in the MSA. The portion of loans made to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The market share of loans to low-income and moderate-income borrowers is near to and below, respectively, the bank's overall market share of these loans in the assessment area.

Home improvement loan borrower distribution is excellent. The portion of loans originated to low- and moderate-income borrowers is near to the percentage of low- and moderate-income families within the MSA. The market share of loans to low-income and moderate-income borrowers exceeds and is below, respectively, the bank's overall market share of these loans in the assessment area.

Home refinance loan borrower distribution is adequate. The portion of loans to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans to moderate-income borrowers substantially meets the percentage of moderate-income families in the assessment area. The market share of loans to both low- and moderate-income borrowers is below the bank's overall market share for these loans in the MSA.

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

Refer to Table 11 in the "Multistate Metropolitan Area(s)" 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 in the Charlotte MSA is good. The percentage of small loans to small businesses is below the percentage of small businesses in the assessment area. The market share of small loans to businesses is near to the bank's overall market share of small loans to businesses. Also, the bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 in the "Multistate Metropolitan Area(s)" 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 farms.

Due to the minimal number of small loans to farms originated during the assessment period, this analysis was not performed.

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

Refer to Table 1 Lending Volume in the "Multistate Metropolitan Area(s)" 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 multi-family 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 significant positive impact on the bank's lending performance in the Charlotte MSA during the evaluation period. The bank originated 133 qualified community development loans totaling \$181 million. A large portion of these loans was for affordable housing and created 1,714 units of affordable housing within the assessment area. The bank's large volume of loans included many loans that exhibited complex and innovative features.

## **INVESTMENT TEST**

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

The bank's performance under the Investment Test in the Charlotte-Gastonia-Rock Hill (Charlotte) Multistate MSA is rated "Outstanding".

The volume of qualified investments is excellent. Wachovia's investments met a variety of credit and community development needs. Approximately 94% of the dollar amount of investments was for affordable housing, 1% promotes economic development through financing small businesses, 4% was directed towards organizations that provided services to low- and moderate-income people, and 1% was targeted towards

revitalizing and stabilizing low- and moderate-income geographies. In addition, Wachovia has seven prior-period investments totaling \$38 million that continue to have a positive impact on the community and upon the bank's CRA performance.

During the evaluation period, Wachovia invested \$22 million in Low Income Housing Tax Credits (LIHTCs), which developed 396 affordable housing units. The bank continues to be invested in \$21 million in prior-period LIHTCs that support 543 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues.

Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs is as follows:

- **Fairview Homes** – Wachovia supplemented a HUD HOPE VI grant by providing tax credit equity investments to transform Fairview Homes, a distressed public housing development, into a mixed-income neighborhood called the The Park at Oaklawn. In addition, to facilitate construction, Wachovia provided interim construction financing on the project until the funding of federal and state tax credits was received. This project was a public/private partnership and will serve families earning up to 60 per cent of median income and provide public housing units. A family resource center will offer recreational and learning opportunities for residents. The site is in a low-income census tract.
- **Arbor Glenn Senior Cottages** – Wachovia played a key role and demonstrated leadership through its equity investment in a HOPE VI project that was the first project under the HUD redevelopment program and included large state and federal equity investments. Wachovia provided a LIHTC investment to the Charlotte Housing Authority for the development of Arbor Glenn. The first phase consists of 144 units of affordable senior cottages and apartments. Later phases will include single-family residences, rental units, a recreation center, two clubhouses, and retail shops.

Also noteworthy is that Wachovia made substantial grants and in-kind donations totaling over \$1.2 million, which meet significant credit and community development needs within the AA. In addition to providing funds to these organizations through the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples follow:

- **Charlotte-Mecklenburg Housing Partnership** – Wachovia extended a grant to this organization to further its affordable home loan program offerings. The investment in this Charlotte not-for-profit organization was selected for a Bank Enterprise Award. The Partnership is the top-producing not-for-profit builder and developer in the Charlotte region and provides home ownership services to low- and moderate-income families. It has revitalized three inner-city neighborhoods, constructed or rehabilitated and sold 152 new homes, and built and rented 47

apartments using tax credits. It has also renovated and sold 100 units of housing in other neighborhoods. A Wachovia senior lender is the Chairman of the Partnership and provides ongoing technical expertise and leadership. Also, Wachovia relationship managers and underwriters provide technical assistance on many of its affordable housing developments.

- **Charlotte Neighborhood Fund** – Wachovia has made contributions to this partnership among the city, the Enterprise Foundation, financial institutions, and Fannie Mae to improve the capacity of not-for-profit groups to build affordable housing. Six community development corporations have received grants, loans, and technical assistance from the fund. Over 524 units of affordable housing have been developed since the fund started in 1997. Wachovia has supported the fund since 1997 and provides technical assistance by serving on the advisory committee.
- **A Child's Place** – Wachovia has made contributions to support education to homeless children from low-income families.

## SERVICE TEST

Refer to Table 15 in the "Multistate Metropolitan Area(s)" 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 bank's performance under the service test in the Charlotte Multistate MSA is rated "Outstanding".

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

In the Charlotte MSA, service delivery systems are readily accessible to geographies and individuals of different income levels. There are no branches in low-income geographies. However, there are two branches in moderate-income tracts, which are easily accessible by persons in neighboring low-income tracts. These branches and the low percentage of the population residing in low-income geographies mitigate the low distribution of branches in low-income geographies. The percentage of branches in moderate-income geographies exceeds the percentage of individuals residing in those geographies. There are four branches in middle-income tracts that are easily accessible by people who live in adjacent low- and moderate-income geographies, further enhancing accessibility.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. The record of branch openings and closings has not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia opened two branches during the evaluation period; neither is in or near a low- or moderate-income tract. Wachovia closed five branches in moderate-income areas because of overlapping coverage from other branches after merging with First Union Bank. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular, those in low- and moderate-income

geographies. The distribution of ATMs in low-income geographies of 1.61% is below the percentage of the population that resides in those geographies, and the distribution of ATMs in moderate-income geographies of 22.04% exceeds the percentage of the population that resides in those geographies. Four easily accessible ATMs in adjacent middle- or upper-income tracts also enhance accessibility.

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

Community development service performance is excellent in the Charlotte MSA. Wachovia is a leader in providing community development services, primarily with regard to affordable housing, financial literacy information, and job training skills for low- and moderate-income persons. Examples include the Cabarrus County CDC, the Charlotte-Mecklenburg Housing Partnership, Charlotte Enterprise Community, Charlotte Housing Authority, and three Habitat for Humanity offices. A banker has provided financial technical advice during service as Vice Chair of the Board of Community Investment Corporations of North Carolina, which has committed to or funded \$93 million for 102 affordable housing developments and created of 5,000 low-income housing units since its inception in 1991. A large number of workshops and seminars relating the homebuyer education and small business technical assistance were also provided. These events were highly responsive to identified needs within the MSA.

## Multistate Metropolitan Area Rating

### Newburgh (NY-PA) Multistate Metropolitan Area

#### CRA rating for the Newburgh (NY-PA) Multistate Metropolitan Area<sup>3</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Needs to Improve

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

The major factors that support this rating include:

- Lending levels that reflect an excellent responsiveness by Wachovia to the credit needs of the MSA
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout the MSA
- Community development lending levels that had a significantly positive impact on the performance within the MSA
- A poor level of qualified community development investments
- Delivery systems that are accessible to geographies and borrowers of different income levels

### Description of Institution's Operations in Newburgh

Refer to the market profile for the Newburgh Multistate MSA in Appendix C for detailed demographics and other performance context information.

### LENDING TEST

#### Lending Activity

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

The bank's lending activity in the Newburgh MSA is excellent. In the MSA, Wachovia has a deposit market share of 3.13%, ranking twelfth among deposit-taking institutions. The bank has the seventeenth, fourth, and sixth in market share for home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions in the assessment area. In dollars, it has the seventeenth, third and ninth

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<sup>3</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.

market shares, respectively, for these products. In addition, the bank has the tenth market rank for the number of small business loans, with the seventh market rank for dollars.

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

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

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Area(s)" 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. This evaluation took into consideration the minimal number of owner-occupied housing units in low-income geographies.

Home purchase geographic distribution within the Newburgh MSA is excellent. The portion of loans originated in low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of home purchase loans in low-income and moderate-income geographies exceeds and substantially meets, respectively, the bank's overall market share of these loans within the assessment area.

Home improvement geographic distribution within the MSA is adequate. The portion of loans originated in low-income geographies is well below the percentage of owner-occupied units in those geographies. The portion of loans made in moderate-income geographies, however, exceeds the percentage of owner-occupied units in those geographies. Also, the market share for low-income and moderate-income geographies is well below and exceeds, respectively, the bank's overall market share for home improvement loans within the assessment area.

Home refinance loan geographic distribution is excellent. The portion of loans originated in low-income geographies is near to the percentage of owner-occupied housing units in those geographies. In addition, the portion of loans originated in moderate-income geographies exceeds the percentage of owner-occupied units in those geographies. The market share of home refinance loans in low-income and moderate-income geographies is near to and exceeds, respectively, the bank overall market share of these loans in the assessment area.

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

Refer to Table 6 in the "Multistate Metropolitan Area(s)" 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 overall geographic distribution of small loans to businesses in the Newburgh MSA is adequate. The distribution of these loans in low-income and moderate-income geographies is well below and below, respectively, the percentage of businesses in those geographies. The market share of small loans to businesses in low-income and



moderate-income geographies is below and equal to, respectively, the bank's overall market share of these loans in the assessment area.

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

Refer to Table 7 in the Multistate Metropolitan Area(s) 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 farms.

The bank did not originate any small loans to farms in the assessment area during the evaluation period.

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

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

Refer to Tables 8, 9, and 10 in the "Multistate Metropolitan Area(s)" 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.

Home purchase loan borrower distribution in the Newburgh MSA is adequate. The portion of loans originated to low-income borrowers is well below the percentage of low-income families in the assessment area. In addition, the portion of loans made to moderate-income borrowers is near to the percentage of moderate-income families in the assessment area. Also, the market share of loans to low-income and moderate-income borrowers is below and near to, respectively, the bank's overall market share of home purchase loans in the assessment area.

Home improvement loan borrower distribution is excellent. The portion of loans originated to low-income and moderate-income borrowers is below and near to, respectively, the percentages of low- and moderate-income families within the assessment area. In addition, the market share of loans to low- and moderate-income borrowers exceeds the bank's overall market share for home improvement loans within the assessment area.

Home refinance loan borrower distribution is adequate. The portion of loans to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans to moderate-income borrowers is near to the percentage of moderate-income families within the assessment area. The market share of loans to low- and moderate-income borrowers exceeds the bank's overall market share for home refinance loans within the assessment area.

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

Refer to Table 11 in the “Multistate Metropolitan Area(s)” 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 in the Newburgh MSA is excellent. The percentage of small loans to businesses exceeds the percentage of small businesses in the MSA. The market share of small loans to businesses is near to the bank’s overall market share of loans to businesses. Also, the bank makes a substantial majority of these loans in smaller amounts.

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

Refer to Table 12 in the “Multistate Metropolitan Area(s)” 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 farms.

The bank did not originate any small loans to farms in the assessment area during the evaluation period.

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

Refer to Table 1 Lending Volume in the “Multistate Metropolitan Area(s)” 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 multi-family 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 significantly positive impact on the bank’s lending performance in the Newburgh MSA during the evaluation period. The bank originated a \$9 million community development loan that funded 132 units of affordable rental housing in the assessment area.

## **INVESTMENT TEST**

Refer to Table 14 in the “Multistate Metropolitan Area(s)” section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

The bank’s performance under the Investment Test in the Newburgh Multistate MSA is rated “Needs to Improve”.

The volume of qualified investments is poor even though there is a limited level of investment opportunities and the bank’s presence is small within the Newburgh MSA.

The local government and not-for-profit organizations lack the necessary coordinated efforts and capacity to support the creation of sound investments within the assessment area. Approximately 43% of the dollar amount of investments was for affordable housing, 47% was directed toward organizations that provide services to low- and moderate-income people, and 10% was targeted toward revitalizing and stabilizing low- and moderate-income geographies.

Wachovia investments included only grants and in-kind donations totaling \$52 thousand. An example is Wachovia-funded grants to Habitat for Humanity to enable it to continue its rehabilitation efforts in the historic section of downtown Newburgh. Wachovia's support has allowed Habitat to rehabilitate old brick three-family row houses into single-family homes for low- and moderate-income citizens residing in the local community. An example of an in-kind donation, which met a community development need, is that Wachovia donated ten computers and monitors to enable the Newburgh Housing Authority to establish a much-needed Family Resource Center. The center serves very-low-income families and children residing in the housing authority with morning, afternoon, and evening sessions. Children received help with homework and families may utilize the center to get Internet access. The center was the first of its kind in Newburgh and met a critical need in a distressed area that is plagued with high unemployment, a low homeownership rate, and a poverty rate of 46%.

Wachovia also directed \$604 thousand of a bank-wide Small Business Investment Company investment made in a prior period to the Newburgh MSA. Although this amount is included in the outstanding balance of investments allocated to this assessment area, this investment has made no positive impact on the Newburgh assessment area. Therefore, this investment did not receive any qualitative credit within the scope of this evaluation.

## **SERVICE TEST**

Refer to Table 15 in the "Multistate Metropolitan Area(s)" 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 bank's performance under the service test in the Newburgh Multistate MSA is rated "High Satisfactory".

## **Retail Banking Services**

In the Newburgh Multistate MSA, service delivery systems are accessible to geographies and individuals of different income levels. There are no branches in low-income geographies. The percentage of branches in moderate-income geographies exceeds the percentage of individuals residing in those geographies. However, there is one branch in an adjacent middle-income tract that is easily accessible by people who live in low- and moderate-income geographies.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. The record of branch openings and closings has not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia did not open or close any branches in low- or moderate-income geographies in the MSA during the evaluation period. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular, those in low- and moderate-income geographies. The distribution of ATMs is the same as the branch distribution and is enhanced somewhat by an easily accessible ATM in an adjacent middle-income geography.

### **Community Development Services**

Community development service performance is good in the Newburgh MSA. Wachovia has provided leadership in efforts to revitalize the poorest part of the city of Newburgh through its relationship with New Communities Improvement Corporation. The organization's primary purpose is to rehabilitate the downtown area by renovating and converting old buildings into affordable housing. In addition, bank officers taught workshops related to homebuyer education, small business technical information and general financial literacy. These events were responsive primarily to identified affordable housing needs within the MSA.

## Multistate Metropolitan Area Rating

### Philadelphia (PA-NJ) Multistate Metropolitan Area

#### CRA rating for the Philadelphia Multistate Metropolitan Area<sup>4</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

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

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of the MSA
- Good distribution of Wachovia's loans among geographies and good distribution among borrowers of different income levels throughout the MSA
- Community development lending levels that had a significant positive impact on performance within the MSA
- An excellent level of qualified community development investments that addressed the needs of the assessment area
- Service delivery systems that are accessible to geographies and individuals of different income levels

### Description of Institution's Operations in Philadelphia

Refer to the market profile for the Philadelphia (PA-NJ) Multistate Metropolitan Area in Appendix C for detailed demographics and other performance context information.

## LENDING TEST

### Lending Activity

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

Lending activity in the Philadelphia MSA is good. Wachovia has a deposit market share of 21.82%, ranking first among deposit-taking institutions. The bank has the eighth, fifth, and seventh market ranks for both the number and dollars of home purchase, home improvement, and home refinance loans, respectively, for deposit taking

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<sup>4</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.

institutions. In addition, the bank has the second market rank for the number of small loans to businesses and ranks first in the dollar volume of those loans.

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

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

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Area(s)" 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.

Home purchase loan geographic distribution within the Philadelphia MSA is excellent. The evaluation was influenced by the significant poverty level in the MSA. The portion of home purchase loans made in low-income and moderate-income geographies is near to and exceeds, respectively, the percentage of owner-occupied housing units in those geographies. The market share of home purchase loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the MSA is excellent. The portion of loans made in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The bank's market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for home improvement loans in the assessment area.

Home refinance loan geographic distribution is adequate. The portion of loans originated in low-income and moderate-income geographies is significantly below and below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of home refinance loans in both low- and moderate-income geographies exceeds the bank's overall market share of home refinance loans.

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

Refer to Table 6 in the "Multistate Metropolitan Area(s)" 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 overall geographic distribution of small loans to businesses in the Philadelphia MSA is good. The distribution of these loans in both low- and moderate-income geographies is below the percentage of businesses in those geographies. The market share of small loans to businesses in both low- and moderate-income geographies exceeds the bank's overall market share of small loans to businesses in the assessment area.

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

Refer to Table 7 in the Multistate Metropolitan Area(s) 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 farms.

The geographic distribution of small loans to farms is excellent. The portion of loans made in both low- and moderate-income geographies exceeds the percentage of farms in those geographies. In addition, the market share of loans in low-income and moderate-income geographies is well below (zero) and exceeds, respectively, the bank's overall market share of small loans to farms in the MSA.

### ***Multifamily Loans***

The geographic distribution of multifamily loans in the Philadelphia MSA is good. The portion of loans originated in low-income geographies is below the percentage of multifamily units in those geographies. The portion of loans originated in moderate-income geographies exceeds the percentage of multifamily units in those geographies. The market share of loans originated in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share of multifamily loans in the MSA.

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

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

Refer to Tables 8, 9, and 10 in the "Multistate Metropolitan Area(s)" 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.

Home purchase loan borrower distribution in the Philadelphia MSA is good. The portion of loans made to low-income borrowers is near to the percentage of low-income families in the assessment area. In addition, the portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The market share of loans made to low-income and moderate-income borrowers is near to and substantially meets, respectively, the bank's overall market share for this type of loan.

Home improvement loan borrower distribution is good. The portion of loans made to low-income borrowers is near to the percentage of low-income families in the MSA. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families. The market share of loans to both low- and moderate-income borrowers exceeds the bank's overall market share for home refinance loans in the assessment area.

Home refinance loan borrower distribution is good. The portion of loans made to low-income borrowers is significantly below the percentage of low-income families in the MSA. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The market share of loans to both low- and moderate-income borrowers exceeds the bank's overall market share of home refinance loans in the MSA.

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

Refer to Table 11 in the "Multistate Metropolitan Area(s)" 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 small businesses in the Philadelphia MSA is adequate. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The market share of small loans to businesses is below the bank's overall market share of small loans to businesses. In addition, the bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 in the "Multistate Metropolitan Area(s)" 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 farms.

The borrower distribution of small loans to farms is poor. The percentage of loans to small farms is significantly below the percentage of small farms in the assessment area. The market share of small loans to farms is significantly below the bank's overall market share of this type of loan. The bank makes a significant majority of these loans in smaller amounts.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the "Multistate Metropolitan Area(s)" 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 multi-family 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 bank's lending performance in the Philadelphia MSA during the evaluation period. The bank originated 47 qualified community development loans totaling \$154 million. A large portion of these loans created 1,467 units of affordable housing within the assessment area. Wachovia used complex and innovative financing to help fund the Downtown Revival



Project in Coatesville. In conjunction with bank financing, sources of funds included HOPE VI funds, LIHTCs, Federal Home Loan Bank funds, and other government and private funds.

## INVESTMENT TEST

Refer to Table 14 in the “Multistate Metropolitan Area(s)” section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

The bank’s performance under the Investment Test in the Philadelphia Multistate MSA is rated “Outstanding”.

The volume of qualified investments is excellent. These investments were very responsive to credit and community development needs within the assessment area. Approximately 28% of the dollar amount of investments was for affordable housing, 10% promote economic development by financing small businesses, 15% was directed toward organizations that provide services to low- and moderate-income people, and 47% was targeted toward revitalizing and stabilizing low- and moderate-income geographies. In addition, Wachovia has prior- period investments that continue to have a positive impact upon the community and upon the bank’s CRA performance.

During the evaluation period, Wachovia invested \$2.2 million in Low Income Housing Tax Credits (LIHTCs), which developed twenty-two affordable housing units. Wachovia continues to be invested in \$37 million in prior-period LIHTCs that support 785 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank’s overall evaluation, as these investments meet critical needs which tie up the bank’s capital for a long period of time.

An example of a LIHTC project during the evaluation period that had a significant impact on meeting community development and credit needs is as follows:

- **Coatesville Downtown Revitalization** – Wachovia took a leadership role in providing \$2.2 million in LIHTCs for the Downtown Revival Project in Coatesville, Pennsylvania. Wachovia demonstrated leadership by providing the necessary funding for the project when the original tax syndicator encountered financial difficulties and backed out of the project. The project is designed to serve as a powerful catalyst to revitalize the distressed downtown area of Coatesville by helping to leverage funds from private developers and public entities. Its concentration is on the revitalization of six mixed-use buildings with commercial space on the first floors and residential space on the second and third floors. In addition to providing affordable homes, some of the buildings will become affordable rental housing complexes under the Self-Sufficiency and Community Building Plan established by the city.

Wachovia purchased \$11.5 million in Qualified Zone Academy Bonds (QZAB) in the Philadelphia MSA during the evaluation period. QZABs are flexible bond instruments that allow school districts to significantly reduce their costs of renovating schools. This program helps school districts fund some of the costs of renovation and/or modernization of existing public schools through the issuance of tax-exempt bonds. Investors are provided a tax credit for investing in the bonds in lieu of interest, which basically provides the school district with interest-free debt. The QZAB program was created, in cooperation with business, with the express purpose of increasing graduation and employment rates, and of better preparing students for the rigors of college and the workforce, in areas designated by government entities for economic development or revitalization or for schools that have at least 35% of students eligible for free or reduced-price school lunch. The two alternative criteria allow both rural and urban schools serving poor children to benefit from QZABs.

Wachovia has made other investments that have a significant positive impact in meeting critical community credit needs such as affordable housing and venture capital for small businesses that create jobs for low- and moderate-income people. Examples of these investments include:

- **CharterMac** – Wachovia invested \$5 million in this real estate finance company that invests in tax-exempt bonds secured by affordable (low- and moderate-income) multi-family projects. CharterMac focuses on financing the development of LIHTC properties. Wachovia’s investment funds were directed to benefit two affordable housing projects in the Philadelphia MSA.
- **TRF Urban Growth Partners (UGP)** – Wachovia invested \$3 million, of which \$2 million was directed to the Philadelphia MSA, in the Reinvestment Fund’s UGP. UGP is a socially responsible venture capital fund that is unique because of its focus on small companies capable of generating both strong financial returns and significant low- and moderate-income job opportunities. Currently, there are four companies in the portfolio, creating 27 new jobs, mostly in the Philadelphia or Baltimore empowerment zones. UGP serves urban markets in the Mid-Atlantic region including Pennsylvania, New Jersey, Delaware, Maryland, and the District of Columbia. In addition to capital, the fund provides its portfolio companies with significant value through advice, workforce development, and a network of partners and resources that help companies achieve success.
- **Delaware Valley Community Reinvestment Fund** – Wachovia invested \$150 thousand in this Pennsylvania limited partnership targeted to investing in new and expanding small businesses, which will provide employment to low-income people in the greater Philadelphia region. To date, this organization has created or retained 18,000 jobs, and financed more than 200 businesses.

Also noteworthy is that Wachovia has made substantial grants and in-kind donations totaling over \$7 million, which meet significant credit and community development needs within the assessment area. In addition to providing funds to these organizations through the form of grants, Wachovia employees are actively involved with many of the organizations by providing financial management expertise. Examples are as follows:

- **Philadelphia Development Plans** – Wachovia provided leadership through significant grant commitments to the Women’s Community Revitalization Project (WCRP) and to the Hispanic Association of Contractors and Enterprises (HACE) under the Philadelphia Plan over a ten-year period. During the evaluation period, Wachovia contributed \$280 thousand jointly to these organizations. In addition, the Wachovia Foundation provided a \$375 thousand grant to WCRP for its Families Facilities Development Project. The Families Facilities Development Project is a new program that provides training, technical assistance, and grants to not-for-profit organizations to assist them in developing the facilities they need to serve families in their communities. The Philadelphia Plan is an innovative ten-year commitment to provide beneficiary organizations with funding for operational support and community/economic development projects in low- and moderate-income communities. The significant ten-year commitment provides stable funding and allows each organization to continue its community revitalization programs with the flexibility to determine which programs have the most need. To date, WCRP has developed over 130 affordable housing units, provided technical assistance to 26 organizations, delivered employment and housing counseling to 300 community residents, and converted 45 industrial lots to green spaces. HACE is a community development corporation that is successful in both affordable housing and economic development. The organization has developed more that 23,000 square feet of office and retail space and has newly constructed or rehabilitated over 300 affordable housing units for low- and moderate-income people.
- **Philadelphia Urban Affairs Coalition (GPUAC)** – Wachovia made contributions for general operating expenses and other programs. GPUAC manages more than 30 programs and services to support the region’s many low- and moderate-income communities in the areas of workforce development, health services, neighborhood community services, and economic and business development and education services. Wachovia also provides GPUAC with active leadership and technical assistance with banking officers serving on the GPUAC board, the Community and Economic Development Committee, the Workforce Development Committee, and the Small Business Task Force Committee.
- **Women’s Business Development Center** – Wachovia contributed money in the form of grants to this organization for business programs that target low- and moderate-income women in need of economic empowerment.
- **Nueva Esperanza, Inc.** – Wachovia made donations to the not-for-profit corporation to complete the rehabilitation of three properties for rental purposes to low-income families who wish to purchase a home, but do not yet qualify for a mortgage. The rehabilitation includes conversion of single-family residences into duplexes, which will help single parents with one or two children who cannot afford the high cost of utilities for a whole house. Wachovia’s contribution helped five families in this regard.

## **SERVICE TEST**

Refer to Table 15 in the “Multistate Metropolitan Area(s)” 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 bank’s performance under the service test in the Philadelphia Multistate MSA is rated “High Satisfactory”.

### **Retail Banking Services**

In the Philadelphia Multistate MSA, service delivery systems are accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is significantly below the percentages of individuals residing in those geographies, and the percentage of branches in moderate-income geographies is near to the percentage of individuals residing in those geographies. However, there are four branches in adjacent middle-income tracts that are easily accessible by people who live in low- and moderate-income geographies.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. The record of branch openings and closings has not adversely affected the accessibility of the bank’s delivery systems, particularly in low- and moderate-income geographies. In the same month during the evaluation period, Wachovia opened one branch in a moderate-income area and closed one branch in an adjacent moderate-income geography in the MSA. Alternate delivery systems are accessible by essentially all geographies and persons of different income levels, in particular, those in low- and moderate-income geographies. The distributions of automatic teller machines in low- and moderate-income geographies are 8.02% and 15.51%, respectively, which are near to the percentages of low- and moderate-income individuals residing in those geographies. Accessibility is enhanced by four easily accessible ATMs in adjacent middle- or upper-income geographies.

### **Community Development Services**

Community development service performance is excellent in the Philadelphia MSA. Wachovia is a leader in providing services, particularly for homebuyer counseling in this MSA. Examples include Wachovia’s partnerships with New Jersey Citizens Action and with the Homeownership Counseling Association of Delaware Valley (HCA). Wachovia provided a large amount of homebuyer education, which was targeted to low- and moderate-income women in the Women’s Housing Initiative. With HCA, the bank developed an innovative homebuyer counseling program where graduates are given financial assistance that can be used only toward closing costs for an affordable home. A large number of other workshops and seminars relating to financial literacy and small business technical assistance were also provided.

## Multistate Metropolitan Area Rating

### Washington (DC-MD-VA-WV) Multistate Metropolitan Area

CRA rating for the Washington (DC-MD-VA-WV) Multistate Metropolitan Area<sup>5</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of the MSA
- Excellent distribution of Wachovia's loans among geographies and good distribution among borrowers of different income levels in the MSA
- Community development lending levels that had a positive impact on the performance within the MSA
- An excellent level of qualified community development investments that addressed the needs of the assessment area
- Service delivery systems that are readily accessible to geographies and individuals of different income levels

### Description of Institution's Operations in Washington

Refer to the market profile for the Washington (DC-MD-VA-WV) Multistate Metropolitan Area in Appendix C for detailed demographics and other performance context information.

## LENDING TEST

### Lending Activity

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

Wachovia's lending activity in the Washington MSA is good. In the MSA, Wachovia has a deposit market share of 11.9%, ranking first among deposit-taking institutions. The

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<sup>5</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.

bank has the twelfth, sixth, and eleventh market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions. In dollar volume, it ranks tenth, fourth, and tenth for these respective types of loans. The bank has the third market rank for the number of loans to small businesses and ranks first in dollar volume.

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

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

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Area(s)" 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.

Home purchase loan geographic distribution within the Washington MSA is excellent. Housing affordability issues for low-income residents in the assessment area influenced the evaluation. The portion of loans made in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of home purchase loans exceeds the bank's overall market share in the assessment area in both low- and moderate-income geographies.

Home improvement loan geographic distribution within the Washington MSA is excellent. The portion of loans made in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The bank's market share of home improvement loans in low-income and moderate-income geographies is near to and exceeds the bank's overall market share for home improvement loans within the assessment area.

Home refinance loan geographic distribution is excellent. The portion of these loans originated in both low- and moderate-income geographies is near to the percentage of owner-occupied housing units in those geographies. The market share of home refinance loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans in the assessment area.

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

Refer to Table 6 in the "Multistate Metropolitan Area(s)" 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 overall geographic distribution of small loans to businesses in the Washington MSA is good. The distribution of these loans in low-income geographies is below the percentage of businesses in those geographies. The distribution of small loans to businesses in moderate-income geographies is near to the percentage of businesses in those geographies. The market share of small loans to businesses in low-income and

moderate-income geographies is near to and equals, respectively, the bank's overall market share of small loans to businesses in the MSA.

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

Refer to Table 7 in the Multistate Metropolitan Area(s) 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 farms.

The geographic distribution of small loans to farms is excellent. The portion of loans made in both low- and moderate-income geographies exceeds the percentages of farms in those geographies. In addition, the market share of loans in low-income and moderate-income geographies exceeds and is near to, respectively, the bank's overall market share of small loans to farms in the assessment area.

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

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

Refer to Tables 8, 9, and 10 in the "Multistate Metropolitan Area(s)" 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 distribution of loans by borrower income level consideration was given to the affordability issues related to home ownership in the assessment area.

Home purchase loan borrower distribution in the Washington MSA is excellent. The portion of loans made to low-income and moderate-income borrowers is near to and exceeds, respectively, the percentage of low-income and moderate-income families in the assessment area. The market share of loans made to both low- and moderate-income borrowers exceeds the bank's overall market share for this type of loan in the assessment area.

Home improvement loan borrower distribution is good. The portion of loans made to low-income borrowers is near to the percentage of low-income families in the MSA, after consideration of affordability issues. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The market share of loans made to low-income and moderate-income borrowers is below and exceeds, respectively, the bank's overall market share for home improvement loans in the assessment area.

Home refinance loan borrower distribution is excellent. The portion of loans made to low-income borrowers is below the percentage of low-income families in the MSA. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The market share of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share of home refinance loans in the MSA.

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

Refer to Table 11 in the “Multistate Metropolitan Area(s)” 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 in the Washington MSA is good. The percentage of loans to small businesses is below the percentage of small businesses in the MSA. The market share of small loans to businesses is near to the bank’s overall market share of small loans to businesses. The bank makes a majority of these loans in smaller amounts.

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

Refer to Table 12 in the “Multistate Metropolitan Area(s)” 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 farms.

The borrower distribution of small loans to farms is poor. The percentage of loans to small farms is well below the percentage of small farms in the MSA. The market share of small loans to farms is also well below the bank’s overall market share of this type of loan. The bank makes a significant majority of these loans in smaller amounts.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the “Multistate Metropolitan Area(s)” 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 multi-family 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 bank’s lending performance in the Washington MSA during the evaluation period. Wachovia originated 41 qualified community development loans totaling \$113 million. A large portion of these loans was for affordable housing and created 2,074 units of new affordable housing within the MSA. Wachovia provided complex and innovative financing on a number of projects including projects that supplied affordable housing for low- and moderate-income elderly and disabled residents.



## INVESTMENT TEST

Refer to Table 14 in the “Multistate Metropolitan Area(s)” section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

The bank’s performance under the Investment Test in the Washington Multistate MSA is rated “Outstanding”.

The volume of qualified investments is excellent. These investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. These investments met a variety of credit and community development needs within the assessment area. Approximately 87% of the dollar amount of investments was for affordable housing, 11% promote economic development by financing small businesses, 1% was directed toward organizations that provide services to low- and moderate-income people, and 1% was targeted toward revitalizing and stabilizing low- and moderate-income geographies. In addition, Wachovia has prior-period investments, which continue to have a positive impact on the community and on the bank’s CRA performance.

During the evaluation period, Wachovia invested \$27 million in LIHTCs, which developed 476 affordable housing units. The bank continues to be invested in \$42 million in prior-period LIHTCs that account for 2,041 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank’s overall evaluation, as these investments meet critical credit needs which tie up the bank’s capital for a long period of time.

Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs are as follows:

- **Warder Mansion** – Wachovia funded tax-credit investments for the historic rehabilitation of the dilapidated Warder Mansion and the construction of the new 80-unit affordable housing Totten Towers, in Washington. This building was once a private residence and the site of a failed law school and is located in a low-income census tract. The Warder Mansion had been on the National Register of Historic Places since 1972, and in 1996 the District of Columbia Preservation League included the mansion on its list of most endangered properties. Newly constructed Totten Towers is a nine-story building for low- and moderate-income residents, echoing the architecture and distinctive characteristics of the former Warder Mansion. Wachovia also funded construction and mini-permanent loans in conjunction with this project.
- **Gramax Heliport Building** – Wachovia completed a LIHTC transaction, which will help fund the rehabilitation of the Gramax Heliport Building, providing 180 units of affordable housing. The 15-story, 130,000 square foot building is located in Silver Spring, Maryland, in a moderate-income census tract. The Gramax Heliport Building has been unoccupied since its anchor tenant departed over ten

years ago. Seventy per cent of the apartments are priced to be affordable to those who make 60 per cent of the region's median income.

- **Stewartown Homes** – Wachovia invested in Stewartown Homes, a 94-unit townhouse development located in Gaithersburg, Montgomery County, Maryland. The property was originally developed in 1975 under the HUD 236 program. The overall condition of the property gradually deteriorated, with 30% of the units uninhabitable. Wachovia's investment funds were used to renovate 14 two-bedroom units, 66 three-bedroom units, and 14 four-bedroom units. This is a high-impact project as all apartment rents are affordable for low- and moderate-income residents.

Wachovia has made equity investments in Small Business Investment Companies (SBICs) that play a critical role in providing equity and loans to small companies so they can grow. The companies receiving assistance from the SBICs are not able to obtain capital and loans through traditional financing avenues such as banks. Therefore, Wachovia's investments in these companies are crucial to meeting small business financing needs within its assessment areas. Also, investment funds in SBICs may be leveraged with funds provided by the SBA. Examples of equity investments within the Washington MSA are as follows:

- **Early Stage Enterprises LP (ESE)** – Wachovia invested a total of \$250 thousand in this SBIC, which is a source of venture capital for early stage businesses in the mid-Atlantic region from Connecticut to Virginia. ESE is unique in that it primarily focuses on companies requiring less than \$2 million in capital, and it will consider investing as little as \$250 thousand in companies that have exceptional growth potential. To date, it has provided 18 companies with their first equity investment. Wachovia has directed its investments in this company to be split between the Washington MSA and the Middlesex-Somerset-Hunterdon MSA. To date, approximately 11% of the partnership's funds (\$28 million) have been invested in the Washington MSA and approximately 6% (\$16 million) in the Middlesex-Somerset-Hunterdon MSA. Approximately \$17 million of the \$44 million fund has been used to date.
- **Quad Ventures Partners LP** – Wachovia has invested \$2 million in this SBIC that has a \$100 million private equity fund that invests in education, training, and related media companies. This company focuses exclusively on the education industry, and it targets mid-size education and related media companies whose growth can be significantly enhanced with equity capital and management talent. Approximately half of Quad Ventures investments are within Wachovia's assessment areas that include Florida, Georgia, New Jersey, and New York. The bank has invested approximately \$58 thousand to the Washington MSA. Of the \$100 million fund, approximately 5% has been funded to date.
- **Anthem Capital LLC** – Wachovia invested funds in this licensed SBIC that invests exclusively in the mid-Atlantic region and fills a critical small business need, focusing on early to expansion stage opportunities. Anthem targets IT/telecom and healthcare/life sciences industries that comprise the core entrepreneurial and emerging growth opportunities in this region. Wachovia has directed that its investment funds be directed to the Washington MSA.

Approximately 32% of outstanding invested funds have been invested in the Washington MSA. Approximately \$5 million of the \$60 million fund has been expended to date.

Wachovia has also made substantial grants and in-kind donations totaling over \$826 thousand, which meet significant credit and community development needs within the assessment area. In addition to providing funds to these organizations through the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples are as follows:

- **District of Columbia’s College Access Program (DC-CAP)** – Wachovia has donated funds to this program that provides opportunities for higher education to financially disadvantaged individuals and their families in the DC public high school system. Working in partnership with public schools, the agency provides counseling and financial assistance to students that might otherwise never have the opportunity to attend college, as two-thirds of DC public high school students live in poverty and in single-parent households. DC-CAP currently provides services to more than 12,000 public high school students and 3,200 college students, the majority of whom are from low-income families.
- **Community Development Support Collaborative (CDSC)** – Wachovia provided grants to this organization, which represents a coalition of more than 140 private and corporate philanthropies. The Local Initiatives Support Corporation manages CDSC. Wachovia’s grant funds are used to provide capacity-building grants, technical assistance, and training over a three-year period to selected neighborhood-based, community development corporations that are engaged in bringing affordable housing, commercial development, and social services to their neighborhoods. Additionally, a Wachovia officer has provided technical assistance by serving as chairman of the program steering committee.
- **Good Shepherd Housing and Family Services** – Wachovia provided a grant to support this organization’s A-B-C program to prevent homelessness, especially for the working poor, the disabled, and the elderly. This program rents homes to families who are rejected by other landlords due to low income, poor credit, or no credit history. Although these are working families, or those with income from disability or retirement pay, they face homelessness without help from this agency. During any year, approximately 90 low-income families, who otherwise would be homeless, obtain safe, affordable rental housing.

## SERVICE TEST

Refer to Table 15 in the “Multistate Metropolitan Area(s)” 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 bank’s performance under the service test in the Washington Multistate MSA is rated “Outstanding”.

## **Retail Banking Services**

In the Washington Multistate MSA, service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies exceeds the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies is somewhat lower than the percentage of individuals residing in those geographies. However, there are thirteen branches in adjacent middle-income or upper-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches mitigate the somewhat lower distribution of branches in moderate-income geographies and enhance overall accessibility.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. The record of branch openings and closings has not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia closed two branches in moderate-income geographies in the MSA during the evaluation period, in one case due to the expiration of a lease that had no option for renewal. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular, those in low- and moderate-income geographies. The distribution of automatic teller machines in low-income geographies of 9.21% significantly exceeds the percentage of low-income individuals residing in those geographies, and the distribution of ATMs in moderate-income geographies of 20.5% is near to the percentage of the population living in those geographies. In addition, there are fifteen easily accessible ATMs in adjacent middle- or upper-income geographies, enhancing overall accessibility.

## **Community Development Services**

Community development service performance is excellent in the Washington MSA. Wachovia is a leader in providing community development services, primarily with regard to affordable housing and financial literacy information. A banker conducted a seminar regarding the federal government's New Markets Tax Credit program. A large number of workshops and seminars relating to homebuyer education and small business technical assistance were provided. These events were responsive to identified needs within the MSA.

## State Rating

### State of Connecticut

#### CRA Rating for Connecticut<sup>6</sup>:

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

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

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of the assessment areas within the state
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a neutral impact on the performance within the state
- A good level of qualified community development investments that addressed the needs of the state
- Service delivery systems that are readily accessible to geographies and individuals of different income levels

### Description of Institution's Operations in Connecticut

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

### Scope of Evaluation in Connecticut

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Connecticut is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the New Haven-

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<sup>6</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.

Meriden (New Haven) MSA is good. Performance in the limited-scope assessment areas had a neutral impact on the lending test rating for Connecticut.

## **Lending Activity**

Refer to Table 1 in the state of Connecticut section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's lending activity in the New Haven MSA is adequate. In the New Haven MSA, Wachovia has a deposit market share of 15.01%, ranking third among deposit-taking institutions. The bank has eighth, ninth, and eighth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among the deposit-taking institutions. The bank has comparable rankings for these products when measured by dollar volume. The bank has the fourth market rank for the number of small business loans, ranking first in dollar volume.

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

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

Refer to Tables 2, 3, 4, and 5 in the state of Connecticut section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases. Housing affordability issues for low- and moderate-income residents in the MSA influenced this evaluation for all home mortgage products.

Home purchase loan geographic distribution within the New Haven MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the New Haven MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the New Haven MSA is good. The percentage of loans originated in both low- and moderate-income geographies is below the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is below and exceeds, respectively, the bank's overall market share within the assessment area.

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

Refer to Table 6 in the state of Connecticut 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 overall geographic distribution of small loans to businesses in the New Haven MSA is adequate. The distribution of small loans to businesses in both low- and moderate-income geographies is below the percentage of businesses in those geographies. The market share of loans in low-income and moderate-income geographies is near to and is below, respectively, the bank's overall market share of small loans to businesses in the assessment area.

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

Refer to Table 7 in the state of Connecticut 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 farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

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

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

Refer to Tables 8, 9 and 10 in the state of Connecticut 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. Significant affordability issues for housing in the MSA influenced this analysis.

Home purchase loan borrower distribution in the New Haven MSA is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The percentage of home purchase loans to both low- and moderate-income borrowers is near to the bank's overall market share for these loans within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The market share of home improvement loans to both low- and moderate-income borrowers exceeds the bank's overall market share for this type of loan.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income families is near to the percentage of moderate-income families within the MSA. The market share of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans within the assessment area.

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

Refer to Table 11 in the state of Connecticut 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 is good in the New Haven MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The market share of small loans to businesses is near to its overall business loan market share. The bank also makes a significant majority of those loans in smaller amounts.

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

Refer to Table 12 in the state of Connecticut 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 farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

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

Refer to Table 1 Lending Volume in the state of Connecticut 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 multi-family 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 bank's lending performance in the New Haven MSA during the evaluation period. The bank originated three qualified community development loans totaling \$8.5 million.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Bridgeport MSA, Hartford MSA, New London-Norwich MSA, Stamford-Norwalk MSA,



and Waterbury MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in Connecticut. In the Danbury MSA the bank's performance is stronger than the bank's overall performance in the state. Stronger performance is due to a higher level of community development lending.

Refer to the Tables 1 through 13 in the state of Connecticut 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 Connecticut is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the New Haven-Meriden (New Haven) MSA is excellent. Weaker performance in five limited-scope assessment areas comprising approximately 65% of the bank's deposit base had a negative impact upon Wachovia's performance in Connecticut.

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

#### **New Haven MSA**

The volume of qualified investments is excellent. Current period investments include grants, in-kind donations, and Qualified Zone Academy Bonds (QZABs). These investments met a variety of credit and community development needs. Approximately 99% of the dollar amount of investments was targeted toward revitalizing and stabilizing low- and moderate-income geographies. Approximately 1% was targeted toward both affordable housing and providing services to low- and moderate-income people. In addition, prior-period investments continue to have a positive impact on the community and on the bank's CRA performance.

Wachovia purchased \$9.4 million in QZABs in the New Haven MSA during the evaluation period. QZABs are flexible bond instruments that allow school districts to significantly reduce their costs of renovating schools. This program helps school districts fund some of the costs of renovation and/or modernization of existing public schools through the issuance of tax-exempt bonds. Investors are provided a tax credit for investing in the bonds in lieu of interest, which basically provides the school district with interest-free debt. The QZAB program was created, in cooperation with business, with the express purpose of increasing graduation and employment rates and of better preparing students for the rigors of college and the workforce, in areas designated by government entities for economic development or revitalization or for schools that have at least 35% of students eligible for free or reduced-price school lunch. The two alternative criteria allow both rural and urban schools serving poor children to benefit from QZABs.

Also noteworthy that Wachovia funded grants and in-kind donations totaling approximately \$127 thousand, which meet significant credit and community development needs within the New Haven MSA. In addition to providing funds to these organizations through the form of grants, Wachovia employees are actively involved with many of the organizations by providing financial management expertise. Examples are as follows:

- **Greater New Haven Community Loan Fund** – Wachovia provided grant support to this Community Development Financial Institution that provides a diverse line of financial services for community development. It makes short- and medium-term loans at low interest rates to community-based agencies and affordable housing developers. The fund also provides cash flow loans to agencies that service the same population and originates all of the city of New Haven’s homeownership loan programs. In addition to financial support, a Wachovia officer sits on the organizations’ lending committee and provides ongoing technical assistance.
- **Mutual Housing Association of South Central Connecticut (MHA)** – Wachovia provided financial support through grants to this not-for-profit organization that engages in the development, ownership, and operation of affordable housing in low-income neighborhoods in greater New Haven. Currently, MHA oversees approximately 128 units of affordable housing and has a pipeline of six affordable housing developments targeting low-income neighborhoods throughout greater New Haven. In addition to Wachovia’s ongoing financial assistance, a banking officer provides ongoing technical assistance by serving on the board of MHA.
- **Connecticut IDA Program** – Wachovia assumed a leadership role by being one of the first banks to support the State of Connecticut’s Individual Development Account (IDA) initiative to help low-income families overcome barriers to self-sufficiency and allow for savings toward the purchase of a home, small business, or post-secondary education. This initiative is a five-year project to bring 180 new IDA opportunities to recipients of temporary assistance for needy families and other low-income families and encourage savings by providing the participants with a 2-to-1 match. Wachovia provided grant funds to this program and also provides technical assistance and counseling to program participants. Furthermore, Wachovia created an IDA product to help meet the needs of the counseling agencies and the individuals in the program. Thus far, Wachovia manages approximately 31 IDA accounts under the program. In addition, Wachovia and other private donor funds were leveraged with a matching federal grant in the amount of \$400 thousand.

## Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Investment Test in the Danbury MSA is stronger than the bank’s overall “High Satisfactory” performance under the investment test in Connecticut. In the Bridgeport MSA, Hartford MSA, Stamford-Norwalk MSA, Waterbury MSA, and New London-Norwich MSA the bank’s performance is not inconsistent with the bank’s overall performance in the state.

Performance in these areas is weaker than in the full-scope area, primarily attributed to lower levels of new qualified investments made during the evaluation period. The blending of performance in assessment areas receiving limited-scope reviews had a negative impact on the overall Investment Test rating.

Refer to the Table 14 in the state of Connecticut 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 Connecticut is rated "Outstanding". Based on full-scope reviews, the bank's performance in New Haven-Meriden (New Haven) MSA is good. Performance in the limited-scope areas had a significant positive impact upon the rating.

### **New Haven MSA**

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

Refer to Table 15 in the state of Connecticut 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.

In the New Haven MSA, service delivery systems are accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is lower than the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies exceeds the percentage of population in those geographies. There are two branches in adjacent middle-income tracts that are easily accessible by persons in neighboring low- and moderate-income tracts and enhance accessibility.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. The record of branch openings and closings has not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia did not open or close any branches in low- or moderate-income geographies in the MSA during the evaluation period. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 3.45% is less than the percentage of low-income individuals residing in those geographies while ATM distribution in moderate-income geographies of 33.45% significantly exceeds the percentage of the population that resides in those geographies. Accessibility is enhanced somewhat by three ATMs in adjacent middle-income geographies.

## ***Community Development Services***

Community development service performance is good in the New Haven MSA. Wachovia provides a relatively high level of qualified services to organizations with an emphasis on affordable housing and community services for the low-income elderly. A banker serves on the Executive and Real Estate Development Committees and on the board of the Mutual Housing Association of South Central Connecticut. The organization's primary purpose is to create and provide affordable housing in the low- and moderate-income neighborhoods of greater New Haven. It also provides homebuyer education and counseling services. In addition, bank officers were instrumental in obtaining computers and related software to enhance the homeownership education process. A number of workshops and seminars relating the homebuyer education and small business technical assistance were provided. These events were responsive to identified needs within the MSA.

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

Based on limited-scope reviews, the bank's performance under the service test in the Danbury MSA, Hartford MSA, Stamford-Norwalk MSA, and Waterbury MSA is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Connecticut due to superior branch distribution. Performance in these assessment areas had a significant positive impact upon the overall rating. Performance in the Bridgeport MSA, where there are no branches in low- or moderate-income geographies, is weaker than overall performance. Analysis of the New London-Norwich MSA is not meaningful because there are no low- or moderate-income geographies in the assessment area.

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

## State Rating

### State of Florida

#### CRA Rating for Florida<sup>7</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a positive impact on the performance within the state
- A significant level of qualified community development investments in the Fort Lauderdale MSA and an excellent level of investments in the Tampa-St. Petersburg-Clearwater MSA
- Service delivery systems that are readily accessible to geographies and individuals of different income levels throughout the state

### Description of Institution's Operations in Florida

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.

### Scope of Evaluation in Florida

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Florida is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Fort Lauderdale MSA and the

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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.

Tampa-St. Petersburg-Clearwater (Tampa) MSA is excellent. Performance in the limited-scope assessment areas supports the overall rating for the lending test in Florida.

## **Lending Activity**

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

### **Fort Lauderdale MSA**

The bank's lending activity in the Fort Lauderdale MSA is good. Wachovia has a deposit market share of 16.54%, ranking second among deposit-taking institutions. The bank has the tenth, second, and sixth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among the deposit-taking institutions. When measured in dollar volume for the three products, Wachovia ranks seventh, second, and sixth, respectively. The bank has the third market rank for the number of small business loans and ranks first in dollar volume.

### **Tampa MSA**

The bank's lending activity in the Tampa MSA is adequate. Wachovia has a 13.13% market share that ranks second among deposit-taking institutions. The bank has the seventh, fifth, and seventh market ranks among deposit-taking institutions for home purchase, home improvement, and home refinance loans, respectively. Dollar volume rankings are eighth, fifth, and seventh for the respective three products. Wachovia has the fourth market rank for the number of small business loans, and ranks third in dollar volume.

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

### ***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. Significant poverty levels were considered, as appropriate, in this evaluation.

### **Fort Lauderdale MSA**

Home purchase loan geographic distribution within the Fort Lauderdale MSA is good. The percentage of loans originated in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Fort Lauderdale MSA is excellent. The percentage of loans originated in low-income and moderate-income geographies exceeds and is near to, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home refinance geographic distribution within the Fort Lauderdale MSA is adequate. The evaluation considered housing affordability issues within the MSA. The percentage of loans originated in low-income and moderate-income geographies is below and significantly below the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is below and exceeds, respectively, the bank's overall market share within the assessment area.

### **Tampa MSA**

Home purchase geographic distribution within the Tampa MSA is good. This MSA contains a very high percentage of families below the poverty level and a large number of retirees, especially in moderate-income geographies. The percentage of loans originated in low-income and moderate-income geographies is significantly below and is near to, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below and exceeds, respectively, the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Tampa MSA is good. The percentage of loans originated in low-income and moderate-income geographies is near to and below the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below and exceeds, respectively, the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Tampa MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies is near to the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is near to and exceeds, respectively, the bank's overall market share within the assessment area.

### ***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. Significant poverty levels were considered, as appropriate, in this evaluation.

**Fort Lauderdale MSA**

The overall geographic distribution of small loans to businesses in the Fort Lauderdale MSA is excellent. The distribution of small loans to businesses in both low- and moderate-income geographies exceeds the percentage of businesses in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share of small loans to businesses in the MSA.

**Tampa MSA**

The overall geographic distribution of small loans to businesses in the Tampa MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies is near to the percentages of businesses in those geographies. The market share of loans in low-income and moderate-income geographies exceeds, and is below, respectively, the bank's overall market share of small loans to businesses in the MSA.

***Small Loans to Farms***

Refer to Table 7 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 farms.

**Fort Lauderdale MSA**

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

**Tampa MSA**

The geographic distribution of small loans to farms is good. The evaluation took into account the minimal number of farms in low-income geographies in the assessment area, and distribution in those geographies was not analyzed. The portion of loans made in moderate-income geographies exceeds the percentage of farms in those geographies. The market share of loans in moderate-income geographies is below the bank's overall market share for these loans in the assessment area.

***Multifamily Loans*****Fort Lauderdale MSA**

The geographic distribution of multifamily loans in the Fort Lauderdale MSA is adequate. The portion of loans originated in low-income geographies is well below (zero) the percentage of multifamily units in those geographies. The portion of loans originated in moderate-income geographies exceeds the percentage of multifamily units



in those geographies. The market share of loans originated in low-income and moderate-income geographies is well below and near to, respectively, the bank's overall market share of multifamily loans in the MSA.

### **Tampa MSA**

The geographic distribution of multifamily loans in the Tampa MSA is adequate. The portion of loans originated in low-income geographies is well below (zero) the percentage of multifamily units in those geographies. The portion of loans originated in moderate-income geographies exceeds the percentage of multifamily units in those geographies. The market share of loans originated in low-income and moderate-income geographies is well below and below, respectively, the bank's overall market share of multifamily loans in the MSA.

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

### ***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. The evaluation considered housing affordability issues within the Fort Lauderdale MSA.

### **Fort Lauderdale MSA**

Home purchase loan borrower distribution in the Fort Lauderdale MSA is excellent. The evaluation considered housing affordability issues within the MSA. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to low-income and moderate-income borrowers exceed and are near to, respectively, the bank's overall market share for these loans within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to low-income and moderate-income borrowers is significantly below and exceeds the bank's overall market share for these loans in the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home refinance loans to both low- and moderate-income

borrowers exceeds the bank's overall market share for these loans within the assessment area.

### **Tampa MSA**

Home purchase loan borrower distribution in the Tampa MSA is good. The evaluation considered the poverty level in the MSA. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans within the assessment area.

Home improvement borrower loans distribution is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers is near to the percentage of moderate-income families in the assessment area. The market share of home improvement loans to low-income and moderate-income borrowers exceeds and substantially meets, respectively, the bank's overall market share for these loans within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers is near to the percentage of moderate-income families within the assessment area. The market share of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans within the assessment area.

### ***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.

### **Fort Lauderdale MSA**

The borrower distribution of small loans to small businesses is excellent in the Fort Lauderdale MSA. The percentage of loans to small businesses exceeds the percentage of small businesses in the assessment area. The market share of small loans to businesses is near to its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

### **Tampa MSA**

The borrower distribution of small loans to small businesses is good in the Tampa MSA. The percentage of loans to small businesses exceeds the percentage of small businesses in the assessment area. The bank's market share of small loans to small

businesses is below its overall business loans market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 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/purchase of small loans to farms.

#### **Fort Lauderdale MSA**

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

#### **Tampa MSA**

The borrower distribution of small loans to farms is poor. The percentage of loans to small farms is well below the percentage of small farms in the assessment area. The market share of small loans to farms is significantly below the bank's overall market share for this type of loans. The bank makes a substantial majority of these loans in smaller amounts.

### **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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a positive impact on the bank's lending performance in the Fort Lauderdale MSA and a significant positive impact on lending performance in the Tampa MSA during the evaluation period. In the Fort Lauderdale MSA, the bank originated nine qualified community development loans totaling \$48 million. In the Tampa MSA, the bank originated 31 qualified community development loans totaling \$137 million. A large portion of these loans was for affordable housing and created 511 units of affordable housing in the Fort Lauderdale MSA and over 3,000 units in the Tampa MSA. One notable project included the bank's assistance in the financing of construction and rehabilitation of affordable assisted living facilities in the Tampa MSA through the Pinellas County Housing Authority.

Although not located within a full-scope assessment area, financing of the rehabilitation of an abandoned motel into the Little Haiti Gateway housing development in the Miami MSA is a noteworthy example of community development lending. This project now provides good quality affordable housing for very-low-income individuals and families.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Daytona Beach MSA, Fort Pierce-Port St. Lucie MSA, Gainesville MSA, Jacksonville MSA, Melbourne-Titusville-Palm Bay MSA, Miami MSA, Naples MSA, Orlando MSA, Sarasota-Bradenton MSA, Tallahassee MSA, and West Palm Beach-Boca Raton MSA is not inconsistent with the bank's overall "Outstanding" performance under the lending test in Florida. In the Fort Myers-Cape Coral MSA, Lakeland-Winter Haven MSA, Ocala MSA, Pensacola MSA, and Punta Gorda MSA and in the Florida Keys, Highlands County, Indian River, Madison-Taylor, and Walton County non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. Weaker performance in these areas is due to generally less favorable distribution of loans.

Refer to the Tables 1 through 13 in the state of Florida 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 Florida is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Fort Lauderdale MSA is good and its performance in the Tampa-St. Petersburg (Tampa) MSA is excellent. Strong performance in some limited-scope assessment areas also supports this rating.

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.

#### **Fort Lauderdale MSA**

The volume of qualified investments is good. The banks' investment performance was evaluated in light of the City of Fort Lauderdale's tight financial position, which has caused its bond rating to be lowered. There are limited funds available for economic development or affordable housing. Also, there are very few CDCs in Broward County that have the capacity to build housing. The few that have capacity either build a home very infrequently or manage health/human services. However, a group called BAND was recently formed by various small CDCs that have come together to begin housing projects. Wachovia is a member of BAND and provides technical assistance to help begin creating opportunities within the Fort Lauderdale assessment area.

Wachovia's current period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), equity investments, and Qualified Zone Academy Bonds. Wachovia's investments met a variety of credit and community development needs. Approximately 62% of the dollar amount of investments was targeted toward affordable housing, 37% toward revitalizing and stabilizing low- and moderate-income geographies, and 1% toward economic development and providing services to low- and

moderate-income people. In addition, Wachovia has five prior-period investments totaling \$17 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$7.2 million in LIHTCs, developing 188 affordable housing units. An example of a LIHTC project during the evaluation period that had a significant impact on meeting community development and credit needs is as follows:

- **Laguna Pointe Apartments** – Wachovia purchased \$7.2 million LIHTCs to build 188 apartment units in four, five-story buildings located in Pompano Beach, Florida. Site amenities include a clubhouse building, a swimming pool, and a picnic area and playground. This is a high impact project as all 188 units will be occupied by families with incomes of 60% or less than the area median income.

Wachovia purchased \$4.4 million in Qualified Zone Academy Bonds (QZABs) in the Fort Lauderdale MSA during the evaluation period. QZABs are flexible bond instruments that allow school districts to significantly reduce their costs of renovating schools. This program helps school districts fund some of the costs of renovation and/or modernization of existing public schools through the issuance of tax-exempt bonds. Investors are provided a tax credit for investing in the bonds in lieu of interest, which basically provides the school district with interest-free debt. The QZAB program was created, in cooperation with business, with the express purpose of increasing graduation and employment rates and of better preparing students for the rigors of college and the workforce, in areas designated by government entities for economic development or revitalization or for schools that have at least 35% of students eligible for free or reduced-price school lunch. The two alternative criteria allow both rural and urban schools serving poor children to benefit from QZABs.

Wachovia also funded grants and in-kind donations totaling over \$128 thousand, which meet significant credit and community development needs within the Fort Lauderdale MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with many of the organizations by providing financial management expertise. Examples are as follows:

- **Urban League** – Wachovia provided grant support to the Urban League of Broward County and its affordable housing program targeted to individuals residing in zip code 33311, which has extremely low household income. The program assists low- and moderate-income families through homebuyer seminars and credit repair consultations. The Urban League currently serves more than 6,500 residents annually.
- **Broward Community Foundation for Broward Partnership for Homeless** – Wachovia provided financial support through grants to this not-for-profit organization's program fund to build a new homeless shelter providing housing to low- and moderate-income clients. The foundation offers a combination of education, personal development, and family services for area homeless residents. In 2003, the foundation served 257,062 meals, helped more than 550

residents move to transitional or permanent housing, assisted nearly 850 residents with job training and certification courses, and helped over 50 families with childcare.

- **NIA Housing Group** – Wachovia provided grants to this organization, which addresses education and credit issues of low- and moderate-income communities of Broward County. Approximately 400 people per year utilize the services of the NIA Group.

## Tampa MSA

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, LIHTCs, and equity investments. Wachovia's investments met a variety of credit and community development needs. Over 99% of the investments were target to affordable housing. In addition, Wachovia has ten prior-period investments totaling \$87 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$47.2 million in LIHTCs, developing 1,470 affordable housing units. In addition, Wachovia continues to be invested in \$65 million in prior-period LIHTCs, supporting 1,696 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues. Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs are as follows:

- **Wyngate Equity Investment** – Wachovia made an equity investment of \$10.5 million in LIHTCs to build the Wyngate apartment community. The affordable, 264-unit, garden apartment development is located in St. Petersburg. Located on 20 acres, the complex will have a community building, laundry facilities, fitness center, computer lab, and gated entry.
- **Westminster Apartments** – These apartments will be built with a Wachovia LIHTC of \$6.5 million. The complex will consist of eleven three-story buildings containing 270 units and a clubhouse. Located in Pinellas County, the project is targeted to the low- and moderate-income community.

Also noteworthy is that Wachovia funded grants and in-kind donations totaling over \$179 thousand, which meet significant credit and community development needs within the Tampa MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with many of the organizations by providing financial management expertise. Examples are as follows:

- **St. Petersburg Neighborhood Housing Services** - Wachovia has contributed funds to this organization for the purpose of homebuyer counseling for low- and moderate-income families. The goal of the organization is to expand its

homebuyer assistance program and increase penetration of the low- and moderate-income housing market, as well as to continue the growth of services provided and the number of families assisted. This organization has had a significant impact on meeting the needs of low- and moderate-income families in St. Petersburg. Over 500 people have graduated from its homebuyer classes and the organization helps approximately 85 families achieve homeownership each year.

- **Black Business Investment Corporation** – Wachovia has provided grants to this organization that provides financial and technical support to small businesses in Tampa and St. Petersburg. The organization has programs to assist small businesses with loans that are less than \$5,000 and to provide loans to some businesses that cannot obtain traditional financing. This organization has helped to create and maintain more than 250 jobs. Additionally, they have provided technical assistance to 2,616 small businesses and provided over \$8 million in loans. In addition to financial assistance, a Wachovia officer provides leadership and technical assistance as chairperson of the board.
- **Tampa United Methodist Centers (TUMC)** – Wachovia provides financial and technical support to this organization for the purpose of providing consumer education. Wachovia's support enabled TUMC to implement a comprehensive adult educational program in financial literacy, allowing the organization to reach approximately 100 low- and moderate-income individuals annually.

## Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Daytona Beach MSA, Fort Myers-Cape Coral MSA, Jacksonville MSA, Lakeland-Winter Haven MSA, Miami MSA, Ocala MSA, Orlando MSA, Sarasota-Bradenton MSA, and Tallahassee MSA is not inconsistent with the bank's overall "Outstanding" performance under the investment test in Florida. In the Fort Pierce-Port St. Lucie MSA, Gainesville MSA, Melbourne-Titusville-Palm Bay MSA, Naples MSA, Pensacola MSA, Punta Gorda MSA, and West Palm Beach-Boca Raton MSA and in the Florida Keys, Highlands County, Indian River, Madison-Taylor, and Walton County non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. The weaker performance is primarily attributable to lower levels of new investments made during the evaluation period. The blending of performance in assessment areas receiving limited scope reviews resulted in no impact to the overall Investment Test rating.

Refer to the Table 14 in the state of Florida 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 Florida is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Fort Lauderdale MSA and in the Tampa-St. Petersburg (Tampa) MSA is excellent.

#### ***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.

#### **Fort Lauderdale MSA**

In the Fort Lauderdale MSA, Wachovia's service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is near to the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies is also near to the percentage of individuals residing in those geographies. However, there are six branches in adjacent middle- and upper-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches enhance overall accessibility.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Branch openings and closings in the Fort Lauderdale MSA have not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia closed one branch in a moderate-income geography during the evaluation period due to market overlap that resulted from the merger with First Union Bank. No branches were opened during the evaluation period. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of automatic teller machines in low-income geographies of 1.83% is below the percentage of the population residing in those geographies, and the percentage of ATMs in moderate-income geographies of 24.77% is somewhat lower than the percentage of individuals residing in those geographies. Eleven easily accessible ATMs in adjacent middle- or upper-income geographies enhance overall accessibility.

#### **Tampa MSA**

In the Tampa MSA, Wachovia's service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is near to the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies exceeds the percentage of individuals residing in those geographies.



Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Branch openings and closings in the Tampa MSA have not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Wachovia closed two branches in moderate-income geographies during the evaluation period. One was closed due to market overlap resulting from the merger with First Union Bank, the other due to the withdrawal of corporate sponsorship of a professional sports team. One branch was opened in a moderate-income geography during the evaluation period. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 3.39% exceeds the percentage of the population residing in those geographies, and the percentage of ATMs in moderate-income geographies of 22.88% is near to the percentage of moderate-income individuals residing in those geographies.

## **Community Development Services**

### **Fort Lauderdale MSA**

Community development service performance is excellent in the Fort Lauderdale MSA. Wachovia is a leader in providing community development services, primarily in the affordable housing area. A prime example is the partnership with the NIA Group to provide homebuyer education and general financial literacy and to help prepare loan applications through eight homebuyer seminars throughout the MSA for low- and moderate-income persons. Wachovia held homebuyer education workshops and basic banking education seminars for other areas in partnership with the Broward County Housing Authority and the Local Initiatives Support Corporation (LISC). As first vice president, loan committee chair, and board member of the Metro Broward Capital Corporation, an officer provides financial technical assistance to this organization that provides capital to small businesses and low- and moderate-income persons to start, operate, or expand their businesses.

### **Tampa MSA**

Community development service performance is excellent in the Tampa MSA. Wachovia provides community development services with an emphasis on small business, community services, and affordable housing. Wachovia has conducted small business financial workshops in partnership with the Small Business Development Center of the University of South Florida and provided fund-raising, operations, and investment advice to the Florida Community Loan Fund. A banker serves on the finance committee and on the board of Catholic Charities, a multi-service organization targeted to the low- and moderate-income population. Wachovia officers have provided many homebuyer education classes and technical financial assistance to qualifying organizations such as the Florida Housing Coalition, Tampa Housing Authority, LISC of Tampa Bay, and the Tampa Community Development Corporation.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Daytona Beach MSA, Fort Myers-Cape Coral MSA, Fort Pierce-Port St. Lucie MSA, Gainesville MSA, Jacksonville MSA, Lakeland-Winter Haven MSA, Melbourne-Titusville -Palm Bay MSA, Miami MSA, Naples MSA, Ocala MSA, Orlando MSA, Pensacola MSA, Sarasota-Bradenton MSA, Tallahassee MSA, and West Palm Beach-Boca Raton MSA and in the Florida Keys, Highlands County, Madison-Taylor, and Walton County non-metropolitan assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the service test in Florida. In all cases except two where a branch distribution was less than the comparable population demographic, there were easily accessible locations in adjacent middle- or upper-income geographies that mitigated the differences. Performance in the Punta Gorda MSA and in the Indian River non-metropolitan assessment area is weaker than the bank's overall performance under the service test in Florida. Weaker performance is primarily due to a less favorable branch distribution. The weaker performance in these two assessment areas had a neutral impact on the overall rating.

## State Rating

### State of Georgia

#### CRA Rating for Georgia<sup>8</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of its assessment within the state
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a significant positive impact on the performance within the state
- An excellent level of qualified community development investments throughout the state
- Service delivery systems that are readily accessible to individuals and geographies of different income levels throughout the state

### Description of Institution's Operations in Georgia

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.

### Scope of Evaluation in Georgia

#### LENDING TEST

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

The bank's performance under the lending test in Georgia is rated "Outstanding". Based on a full-scope review, the bank's performance in the Atlanta MSA is excellent.

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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.

Performance in the limited-scope areas had a neutral impact on the lending test rating for Georgia.

## **Lending Activity**

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

Lending activity in the Atlanta MSA is good. In the MSA, Wachovia has a deposit market share of 23.63%, ranking first among deposit-taking institutions. The bank has the seventh, second, and seventh market ranks for the number of home purchase, home improvement, and home refinance loans, respectively. Measured in dollar volume, the bank ranks fourth, second, and sixth, respectively, for the three loan types. The bank has the third market rank for the number of small business loans and ranks first in dollar volume.

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

### ***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.

Home purchase loan geographic distribution within the Atlanta MSA is good. The percentage of loans originated in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans in the assessment area.

Home improvement loan geographic distribution within the Atlanta MSA is good. The percentage of loans originated in low-income and moderate-income geographies is near to and is below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Atlanta MSA is adequate. The percentage of loans originated in both low- and moderate-income geographies is below the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies substantially meets the bank's overall market share within the assessment area.

### ***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 overall geographic distribution of small loans to small businesses in the Atlanta MSA is good. The distribution of small loans to small businesses in low-income and moderate-income geographies is near to and below, respectively, the percentage of businesses in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share of small loans to businesses in the MSA.

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

Refer to Table 7 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 farms.

The geographic distribution of small loans to farms is adequate. The evaluation considered the minimal number of farms in low-income geographies. The portion of loans made in low-income and moderate-income geographies is well below (zero) and near to, respectively, the percentage of farms in those geographies. The market share of loans in low-income and moderate-income geographies is well below (zero) and significantly below, respectively, the bank's overall market share of small loans to farms in the assessment area.

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

### ***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.

Home purchase loan borrower distribution in the Atlanta MSA is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to low-income and moderate-income borrowers exceeds and is near to the bank's overall market share for these loans within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers

exceeds the percentage of moderate-income families within the assessment area. The market share of home improvement loans to low-income and moderate-income borrowers is below and near to, respectively, the bank's overall market share for these loans within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income families exceeds the percentage of moderate-income families within the assessment area. The market share of home refinance loans to low-income and moderate-income borrowers exceed and is near to, respectively, the bank's overall market share for these loans.

### ***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 is excellent in the Atlanta MSA. The percentage of loans to small businesses exceeds the percentage of small businesses in the assessment area. The market share of small loans to businesses exceeds its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 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/purchase of small loans to farms.

The borrower distribution of small loans to farms is good. The percentage of loans to small farms is below the percentage of small farms in the assessment area. The market share of small loans to farms exceeds the bank's overall market share of farm loans. The bank makes a significant majority of these loans in smaller amounts.

## **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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a significant positive impact on the bank's lending performance in the Atlanta MSA during the evaluation period. Wachovia originated 359

qualified community development loans totaling \$880 million. A large portion of these loans was for affordable housing, creating over 8,600 units of affordable housing within the assessment area. One noteworthy loan was the financing of a new clinic and administrative center for a major provider of health services to low- and moderate-income residents on the south side of Atlanta.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Macon MSA and in the Bulloch County non-metropolitan assessment area is not inconsistent with the bank's overall "Outstanding" performance under the lending test in Georgia. In the Athens MSA, Columbus MSA, and Savannah MSA and in the Dalton-Rome-Calhoun, Hall-Lumpkin, Hinesville, and Sumter County non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. Weaker performance is due to less favorable distribution of loans and in some cases a lack of community development lending.

Refer to the Tables 1 through 13 in the state of Georgia 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 Georgia is rated "Outstanding". Based on a full-scope review, the bank's performance in the Atlanta MSA is excellent. Performance in most limited-scope areas supports the rating, as well.

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.

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. These investments met a variety of credit and community development needs. Over 98% of the investments were targeted to affordable housing. The remainder was split among providing services to low- and moderate-income people, promoting economic development by financing small businesses, and revitalizing and stabilizing low- and moderate-income geographies. In addition, Wachovia has 21 prior-period investments totaling \$98 million that continue to have a positive impact upon the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$60 million in LIHTCs, developing 2,524 affordable housing units. In addition, Wachovia continues to be invested in \$56 million in prior-period LIHTCs, supporting 3,092 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due

to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues. Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs are as follows:

- **Magnolia Circle** – Wachovia invested in LIHTCs to construct 84 senior-citizen housing units in Decatur. Wachovia also provided loans for this project, which were considered in the lending test. This project helps address the critical need of affordable, decent housing for seniors. The newly constructed community includes a gated entrance, picnic area, walking trails, and resident vegetable and flower gardens. Senior Connections is providing support services including transportation, wellness and health care, leisure activities, and recreation.
- **Spaulding County Project** – Wachovia invested in a LIHTC for 143 affordable housing units in Spaulding County. The St. Phillips Villas will encompass 25 single-family homes, 48 units for senior citizens, and a 20-unit development for persons with physical disabilities. The property was built in an area in need of affordable housing. It is accessible to employment opportunities, health care services, retail and social services, and schools, vital because low-income residents often have limited transportation options.

Also noteworthy is that Wachovia funded grants and in-kind donations totaling over \$1 million, which meet significant credit and community development needs within the Atlanta MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with many of the organizations by providing financial management expertise. Examples are as follows:

- **Atlanta Neighborhood Development Partnership** – Wachovia provided grants to this organization that encompasses a network of for-profit and not-for-profit developers, public and private agencies, foundations and community development corporations working to improve low-income housing. The organization has been responsible for building or renovating more than 7,800 housing units in Atlanta.
- **Community Housing Resource Center (CHRC)** – Wachovia contributed funds to this organization to help it provide direct assistance and emergency repairs to homes of low-income seniors residing in inner-city Atlanta. The CHRC provides a quick and effective response to hazardous conditions immediately threatening the health and safety of low- and very-low-income homeowners in Atlanta. Its direct service programs are aimed at impacting deteriorating housing, building the leadership and capacity of start-up community organizations and public policy work.
- **Atlanta Union Mission** – Wachovia provides financial support to this organization that has provided meals and shelter to over 50,000 homeless men, women, and children.



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

Based on limited-scope reviews, the bank's performance under the Investment Test in the Columbus MSA, Macon MSA, and Savannah MSA and in the Bulloch County and Hall-Lumpkin non-metropolitan assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the investment test in Georgia. In the Athens MSA and in the Dalton-Rome-Calhoun, Hinesville, and Sumter County non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. The weaker performance is primarily attributable to lower levels of new investments made during the evaluation period. The blending of performance in assessment areas receiving limited scope reviews had a neutral impact on the overall Investment Test rating.

Refer to the Table 14 in the state of Georgia 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 Georgia is rated "Outstanding". Based on a full-scope review, the bank's performance in the Atlanta MSA is excellent.

### **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.

Service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is lower than the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies is near to the percentage of individuals residing in those geographies. There are five branches in adjacent middle-income tracts and one branch in an adjacent upper-income tract that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches mitigate the lower distribution of branches in low-income geographies.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Wachovia's record of opening and closing branches in the Atlanta MSA has not adversely affected the delivery systems in low- and moderate-income geographies. During the evaluation period, Wachovia closed one branch in a low-income geography and four branches in moderate-income geographies. However, all were tied to the merger with First Union Bank and reduced market overlap. Wachovia opened five branches, one of which is in a moderate-income tract. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular

those in low- and moderate-income geographies. The distribution of ATMs in low- and moderate-income geographies of 8.53% and 23.03%, respectively, exceeds the percentage of low- and moderate-income individuals residing in those geographies. There are seven easily accessible ATMs in adjacent middle- or upper-income geographies that enhance accessibility.

## **Community Development Services**

Community development service performance is excellent in the Atlanta MSA. Wachovia is a leader in providing community development services. Bank officers were instrumental in helping raise funds during the capital campaign for the Latin American Association's new building. The association provides a substantial amount of homebuyer and other financial counseling predominantly to low- and moderate-income individuals. In addition, Wachovia provided significant leadership and guidance to the Community Housing Resource Center to raise funds, to develop strategies to provide emergency home repair, and to create low-income housing for its targeted low-income elderly. Wachovia held a large number of seminars and workshops for consumers and small businesses regarding credit education and technical assistance.

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

Based on limited-scope reviews, the bank's performance under the service test in all limited-scope assessment areas except the Bulloch County non-metropolitan area is not inconsistent with the bank's overall "Outstanding" performance under the service test in Georgia. In the Hinesville MSA, the only branch location is in an adjacent middle-income tract that is easily accessible by the MSA's low- and moderate-income population. Analysis of the Bulloch County non-metropolitan area is not meaningful because there are no low- or moderate-income geographies in this assessment area.

## State Rating

### State of Maryland

#### CRA Rating for Maryland<sup>9</sup>:

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

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness to the credit needs of the Baltimore MSA
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels in the Baltimore MSA
- Community development lending levels that had a significant positive impact upon the performance within the Baltimore MSA
- An excellent level of qualified community development investments in the Baltimore MSA
- Service delivery systems that are accessible to individuals and geographies of different income levels throughout the state

### Description of Institution's Operations in Maryland

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.

### Scope of Evaluation in Maryland

#### LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Maryland is rated "Outstanding". Based on a full-scope review, the bank's performance in the Baltimore MSA is excellent. There are no limited-scope assessment areas in Maryland.

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<sup>9</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.

## **Lending Activity**

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

The bank's lending activity in the Baltimore MSA is good. In the Baltimore MSA, Wachovia has a deposit market share of 6.45%, ranking fifth among deposit-taking institutions. The bank has the eighteenth, eighteenth, and eleventh market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions. Dollar volume market ranks are comparable for all home loan products. The bank has the fourth market rank for the number of small business loans and was the leading lender in dollar volume for these loans.

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

#### ***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.

Home purchase loan geographic distribution within the Baltimore MSA is excellent. The percentage of loans originated in low-income and moderate-income geographies is near to and exceeds, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Baltimore MSA is good. The percentage of loans originated in low-income and moderate-income geographies is near to and is below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is near to, respectively, the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Baltimore MSA is adequate. The percentage of loans originated in both low- and moderate-income geographies is significantly below the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

#### ***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.

The overall geographic distribution of small loans to businesses in the Baltimore MSA is good. The distribution of these loans in both low- and moderate-income geographies is near to the percentage of businesses in those geographies. The bank's market share of loans in low-income and moderate-income geographies is equal to and exceeds, respectively, the bank's overall market share of small loans to businesses in the assessment area.

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

Refer to Table 7 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 farms.

The geographic distribution of small loans to farms is excellent. This conclusion is based upon analysis of lending in moderate-income geographies, as the number of farms in low-income geographies is minimal. The portion of loans made in moderate-income geographies exceeds the percentage of farms in those geographies. The market share of loans in moderate-income geographies also exceeds the bank's overall market share for small loans to farms in the assessment area.

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

### ***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.

Home purchase loan borrower distribution in the Baltimore MSA is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers exceeds the bank's overall market share for this type of loans within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home improvement loans to low-income and moderate-income borrowers exceed and are below, respectively, the bank's overall market share for these loans.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income

borrowers exceeds the percentage of moderate-income families within the assessment area. The market share for home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans.

### ***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 small businesses is adequate in the Baltimore MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The market share of small loans to businesses is below its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 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/purchase of small loans to farms.

The borrower distribution of small loans to small farms is adequate. The percentage of loans to small farms is below the percentage of small farms in the assessment area. The market share of small loans to small farms is below the bank's overall market share of this type of loan. The bank makes a significant majority of these loans in smaller amounts.

## **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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a significant positive impact on the bank's lending performance in the Baltimore MSA during the evaluation period. The bank originated ten qualified community development loans totaling \$91 million. A large portion of these loans was for affordable housing and created 1,406 units of affordable housing within the assessment area. Of these loans, the bank participated in a line of credit to a community development corporation that uses the funds for acquisition, development, and rehabilitation of affordable housing. Wachovia also provided funding for the purchase and rehabilitation of a 791-unit affordable housing complex. Both of these loans met an identified pressing need within the assessment area.

## Conclusions for Areas Receiving Limited-Scope Reviews

There are no limited-scope assessment areas in Maryland.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Maryland is rated "Outstanding". Based on a full-scope review, the bank's performance in the Baltimore MSA is excellent.

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.

#### Baltimore MSA

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. Wachovia's investments met a variety of credit and community development needs. Approximately 87% of the investments were targeted toward affordable housing, 9% were targeted to promoting economic development by financing small businesses, and the remainder were split between revitalizing and stabilizing low- and moderate-income geographies and providing services to low- and moderate-income people. In addition, Wachovia has thirteen prior-period investments totaling \$28 million that continue to have positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$9.8 million in LIHTCs that support 139 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues. Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs are as follows:

- **Carroll County Affordable Housing for Seniors** – Wachovia provided an equity investment utilizing state of Maryland LIHTCs in a 75-unit apartment complex located very close to the city limits of Westminster. This is a high impact project as it targets senior households at 30%, 40%, and 50% of the area median income. This project is meeting a critical need as there is only one other LIHTC/senior development in Carroll County, and it has a three-year waiting list. Onsite amenities of the project include a community area with full kitchen, mailroom, manager's office, computer room, fitness center, beauty parlor, and party room. In addition to its equity investment, Wachovia provided two letters of

credit for the benefit of Public Works Agreements for water and sewer lines, considered under the Lending Test.

- **Bishop Francis Murphy** – Wachovia provided a direct tax credit equity investment in a 64-unit apartment complex located in Hagerstown. The project was developed by Interfaith Housing of Western Maryland, a not-for-profit organization whose mission is to strengthen families, build communities, and promote human dignity and economic justice by providing decent, affordable housing for those with lower incomes. Over the last twelve years, this organization produced 1,135 units of housing in 14 communities in western Maryland.

Wachovia also made an investment in The Reinvestment Fund's Urban Growth Partners (UGP) in 2001. This is a regional venture capital fund that invests in small businesses that generate strong financial returns and create low- and moderate-income job opportunities. UGP serves urban markets in the mid-Atlantic region including Pennsylvania, New Jersey, Delaware, Maryland, and the District of Columbia. Of Wachovia's \$3 million investment in the fund, \$1 million was invested to the Baltimore MSA. The bank's investment has helped create jobs in Baltimore empowerment zones.

Also of note is that Wachovia funded grants and in-kind donations totaling approximately \$507 thousand, which meet significant credit and community development needs within the Baltimore MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples are as follows:

- **St. Ambrose Housing Aid Center, Inc.** – Wachovia has contributed funds to this organization whose primary mission is to create, preserve, and maintain equal housing opportunities, primarily for low- and moderate-income families in inner-city Baltimore. Over the years, St. Ambrose has prepared 1,455 households to become homeowners through counseling services. Also, the agency has completed a number of community development projects including a 70-unit assisted living senior building and a 23-unit rental project to provide both transitional and permanent housing for homeless women, and has renovated and sold numerous vacant home sites in various Baltimore communities. The organization also manages over 145 properties representing 350 rental units, for very-low-income families.
- **Druid Heights Community Center** – Wachovia made contributions to support this organization's housing counseling program for low- and moderate-income first time homebuyers in the city of Baltimore.
- **Mercy Medical Center, Inc.** – Wachovia provided grants to this organization that gives assistance to the poor and under-served of Baltimore by providing access to health care and education services and permanent housing.

## Conclusions for Area Receiving Limited-Scope Reviews

There are no limited-scope assessment areas in Maryland.



## **SERVICE TEST**

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

The bank's performance under the service test in Maryland is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Baltimore MSA is good.

### **Baltimore MSA**

#### **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.

In the Baltimore MSA, Wachovia's service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is near to the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies is also near to the percentage of individuals residing in those geographies. However, there are six branches in adjacent middle-income tracts that are easily accessible by people who live low- or moderate-income geographies. These nearby branches mitigate the somewhat lower distribution of branches in moderate-income geographies.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. No branches were opened or closed during the evaluation period. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 8.97% is near to the percentage of the population that resides in these geographies, and the percentage of ATMs in moderate-income geographies of 19.22% is near to the percentage of moderate-income individuals residing in those geographies. Eight easily accessible ATMs in adjacent middle-income geographies enhance accessibility.

#### **Community Development Services**

Community development service performance is good in the Baltimore MSA. Wachovia provides a significant level of community development services primarily for the benefit of affordable housing and small business initiatives. Services for affordable housing organizations include, but are not limited to, providing homebuyer counseling workshops for first-time low- and moderate-income persons in partnership with Comprehensive Housing Alliance, Inc., Govan Economic Management Senate, Harel Housing Partnership, and Neighborhood Housing Services of Maryland. Services that have been targeted for small businesses include, but are not limited to, serving on the

micro-enterprise loan committee of the Community Lending Group and providing management and financial education for clients of the Small Business Development Center of the University of Maryland and Women Entrepreneurs of Baltimore, Inc.

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

There are no limited-scope assessment areas in Maryland.

## State Rating

### State of New Jersey

#### CRA Rating for New Jersey<sup>10</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

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

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Excellent distribution of Wachovia's loans among geographies and good distribution among borrowers of different income levels throughout the state
- Community development lending levels that had a positive impact on the performance within the state
- An excellent overall level of investments
- Service delivery systems that are accessible to geographies and individuals of different income levels throughout the state

### Description of Institution's Operations in New Jersey

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

### Scope of Evaluation in New Jersey

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New Jersey is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Newark MSA is excellent

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<sup>10</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.

and in the Monmouth-Ocean (Monmouth) MSA is good. Performance in limited-scope areas supports the lending test rating in New Jersey.

## **Lending Activity**

Refer to Table 1 in the state of New Jersey section of Appendix D for the facts and data used to evaluate the bank's lending activity.

### **Monmouth MSA**

The bank's lending activity in the Monmouth MSA is good. Wachovia has a deposit market share of 14.46%, ranking second among deposit-taking institutions. The bank has the third, sixth, and fourth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among the deposit-taking institutions. Dollar volume for the home loans rank comparably. Wachovia has the third market rank for the number of small business loans, ranking first in dollar volume.

### **Newark MSA**

The bank's lending activity in the Newark MSA is good. Wachovia has an 18.39% market share, ranking first among deposit-taking institutions. The bank has the sixth, fourth, and fourth market ranks among these institutions for home purchase, home improvement, and home refinance loans, respectively. Wachovia has the third, third, and fourth ranks, respectively, in dollar volume for the home loans. The bank has the second market rank for the number of small business loans and ranks first in dollar volume.

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

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

Refer to Tables 2, 3, 4, and 5 in the state of New Jersey section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases. Significant housing affordability issues noted in both MSAs influenced this evaluation.

### **Monmouth MSA**

Home purchase loan geographic distribution within the Monmouth MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans within the assessment area.

Home improvement loan geographic distribution within the Monmouth MSA is good. The percentage of loans originated in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of owner-occupied housing units in

those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans within the assessment area.

Home refinance loan geographic distribution within the Monmouth MSA is excellent. The percentage of loans originated in low-income and moderate-income geographies is near to and below the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans within the assessment area.

### **Newark MSA**

Home purchase loan geographic distribution within the Newark MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans within the assessment area.

Home improvement geographic distribution within the Newark MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. In addition, the market share of loans in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share for these loans within the assessment area.

Home refinance loan geographic distribution within the Newark MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share for these loans within the assessment area.

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

Refer to Table 6 in the state of New Jersey 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.

### **Monmouth MSA**

The overall geographic distribution of small loans to businesses in the Monmouth MSA is adequate. The distribution of these loans in both low- and moderate-income geographies is below the percentage of businesses in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is below, respectively, the overall market share of these loans in the assessment area.

**Newark MSA**

The overall geographic distribution of small loans to businesses in the Newark MSA is good. The distribution of these loans in low-income and moderate-income geographies is near to and below, respectively, the percentage of businesses in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share of these loans in the assessment area.

***Small Loans to Farms***

Refer to Table 7 in the state of New Jersey 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 farms.

**Monmouth MSA**

The geographic distribution of small loans to farms is good. The evaluation took into account the minimal number of farms in low-income geographies and evaluated distribution in moderate-income geographies. The portion of loans made in moderate-income geographies is below the percentage of farms in those geographies. The market share of loans in moderate-income geographies exceeds the overall market share of these loans in the assessment area.

**Newark MSA**

Due to the minimal number of loans originated, no analysis was performed.

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

Refer to Tables 8, 9 and 10 in the state of New Jersey 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. Significant housing affordability issues in both MSAs influenced this evaluation.

**Monmouth MSA**

Home purchase loan borrower distribution in the Monmouth MSA is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The market share of home improvement loans to both low- and moderate-income borrowers exceeds the bank's overall market share for this type of loans within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers is near the percentage of moderate-income families within the MSA. The percentage of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share for this type of loan within the assessment area.

### **Newark MSA**

Home purchase loan borrower distribution in the Newark MSA is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families. The market share of home improvement loans to low-income and moderate-income borrowers exceeds and is below, respectively, the bank's overall market share for these loans within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the MSA. The market share of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share for these loans within the assessment area.

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

Refer to Table 11 in the state of New Jersey 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.

**Monmouth MSA**

The borrower distribution of small loans to businesses is adequate in the Monmouth MSA. The percentage of loans to small businesses is significantly below the percentage of small businesses in the assessment area. The market share of small loans to businesses is below the bank's overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

**Newark MSA**

The borrower distribution of small loans to businesses is adequate in the Newark MSA. The percentage of loans to small businesses is significantly below the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses is below its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

***Small Loans to Farms***

Refer to Table 12 in the state of New Jersey 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 farms.

**Monmouth MSA**

The borrower distribution of small loans to farms is adequate. The percentage of loans to small farms is significantly below the percentage of small farms in the assessment area. The market share of small loans to farms is near to the bank's overall market share of this type of loan. The bank makes a significant majority of these loans in smaller amounts.

**Newark MSA**

Due to the minimal number of loans originated, no analysis was performed.

**Community Development Lending**

Refer to Table 1 Lending Volume in the state of New Jersey 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 multi-family 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 bank's lending performance in the Monmouth MSA and a significantly positive impact in the Newark MSA during the evaluation period. The bank originated three qualified community development loans totaling \$8 million in the Monmouth MSA. In the Newark MSA, the



bank originated 16 qualified community development loans totaling \$101 million. A large portion of these loans was for affordable housing, creating 162 units within the Monmouth MSA and 563 units within the Newark MSA. Various of the affordable housing endeavors financed in the Newark MSA included complex financing involving participation from local and state government agencies.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Atlantic-Cape May MSA, Bergen-Passaic MSA, Middlesex-Somerset-Hunterdon MSA, and Jersey City MSA is not inconsistent with the bank's overall "Outstanding" performance under the lending test in New Jersey. In the Trenton MSA the bank's performance is weaker than the bank's overall performance in the state. Weaker performance is due to a less favorable distribution of the size of loans to small businesses.

Refer to the Tables 1 through 13 in the state of New Jersey 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 New Jersey is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Monmouth-Ocean (Monmouth) MSA is good and its performance in the Newark MSA is excellent. The bank's strong current period performance in the Trenton and Middlesex-Somerset-Hunterdon limited-scope assessment areas also support this rating.

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

### **Monmouth MSA**

The bank has a good level of qualified investments. Current-period investments include grants, in-kind donations, and equity investments. Wachovia's investments met a variety of credit and community development needs. Approximately 5% of the investments were targeted toward affordable housing, 18% were directed toward revitalizing and stabilizing low- and moderate-income geographies, 72% promote economic development by financing small businesses, and 5% provided services targeted to low- and moderate-income people. In addition Wachovia has five prior-period investments totaling \$20 million that continue to have a positive impact on the community and on the bank's CRA performance.

Wachovia has \$18.7 million outstanding in prior-period LIHTC investments that support 217 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which

tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues.

Wachovia has made other investments that have had a positive impact in meeting community credit needs within the assessment area that include:

- **NJ Housing Opportunity Fund III** – Wachovia has an investment of \$3 million in this limited liability company that was formed to invest as a limited partner in local limited partnerships or similar vehicles owning LIHTC properties in New Jersey. Garden State Affordable Housing, Inc., manages the fund. Garden State was organized exclusively for charitable purposes, including the provision of decent, safe, and affordable housing to moderate-, low-, and very-low-income individuals and families in New Jersey. Approximately \$1.4 million of Wachovia's \$3 million investment is made in the Monmouth MSA.
- **Quad Venture Partners LP** – Refer to the Washington Multistate MSA section of this document for details on this investment. The bank has allocated approximately \$58 thousand of this regional investment to the Monmouth MSA.

Also noteworthy is that Wachovia funded grants and in-kind donations totaling approximately \$605 thousand, which meet significant credit and community development needs within the Monmouth MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples are as follows:

- **Monmouth Housing Alliance** – Wachovia contributed grant funds to this organization whose primary mission is to expand affordable housing resources for Monmouth County residents who need it. This is accomplished through interagency cooperation and partnerships, and includes all facets of real estate development, from acquisition and construction or renovation to management and consultation.
- **Epiphany House** – Wachovia contributed funds to this organization located in Asbury Park and Long Branch. The purpose of the organization is to provide transitional housing and a continuum of health and social services to homeless women with children who seek to recover from addiction to alcohol and/or other drugs. Approximately 80% of the women who complete treatment at Epiphany House stay drug-free and employed. In addition to financial assistance, Wachovia employees also serve on the board of Epiphany House and provide technical assistance, financial literacy, and other supportive services to the families.
- **Ocean County Personnel and Guidance Association** – Wachovia has made grants to this organization whose mission is to meet the scholarship needs of low-income students in Ocean County communities.

## Newark MSA

The volume of qualified investments is excellent given a high level of investment opportunities and strong competition for these investments within the Newark MSA. The bank's performance is excellent based on a large volume of qualified prior-period investments combined with a strong level of current-period donations that had a significant impact on meeting credit and community development needs. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. These investments met a variety of credit and community development needs. Approximately 75% of the investments were targeted toward affordable housing, 12% were directed toward revitalizing and stabilizing low- and moderate-income geographies, 4% promote economic development by financing small businesses, and 9% were for services targeted to low- and moderate-income people. In addition, Wachovia has nine prior-period investments totaling \$26 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$5.4 million in LIHTCs, developing 58 affordable housing units. Wachovia continues to be invested in \$24 million in prior-period LIHTCs that account for 211 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues. The New Jersey market is very competitive in the bidding for LIHTCs. Prices paid per tax credit dollar in the state of New Jersey are among the highest in the country (along with California and New York City). Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs are as follows:

- **Wynona Lipman Arms** – This LIHTC project included renovating three formerly abandoned apartment buildings on three scattered sites located in the Clinton Hill and Weequahic sections of Newark. The project includes 58 newly constructed affordable housing units.
- **NJ Housing Opportunity Fund III, LLC** – Wachovia made a private placement investment within this housing fund. Wachovia partnered with Garden State Affordable Housing, Inc., of New Jersey for the purpose of investing in LIHTC, state, and historic tax credits in the state of New Jersey. As a part of the agreement, projects must contain ten dwelling units, should permit multi-family rental projects, and must be located in an area that reasonably can provide qualified low- and moderate-income tenants.

Wachovia also funded a strong level of grants and in-kind donations totaling approximately \$1.9 million, meeting significant credit and community development needs within the Newark MSA. Wachovia provides leadership in supporting and growing affordable housing and community development organizations throughout New

Jersey. In addition to financial contributions, Wachovia serves as strategic partner with these organizations. Examples follow:

- **Housing and Community Development Network of NJ (HCDN)** – During the evaluation period, Wachovia provided technical assistance and significant grants to this organization to support its community and housing development initiatives throughout the low- and moderate -income communities across the state of New Jersey. This organization’s program is designed to organize residents to address neighborhood issues, to fully engage them in developing a neighborhood plan, and to build the not-for-profit’s capacity to execute on the community plan. Through this initiative the HCDN has helped numerous not-for-profit organizations build their capacity, and seven of the organizations that went through the program have received planning grants from the regional foundation.
- **New Jersey Department of Community Affairs (DCA)** – Wachovia assumed a leadership role with the DCA by being the sole investor in the Housing Scholars Program. The Housing Scholars Program is a public/private partnership between Wachovia and the DCA. This program places college students in paid summer internships with not-for-profit housing developers throughout the state. The program is designed to positively influence the creation of affordable housing by introducing students to the issues and policies surrounding the development of affordable housing in New Jersey. As a part of the program, scholars take on a major project to create and they present an urban redevelopment strategy, focusing on the design of a livable and sustainable neighborhood plan. Wachovia and DCA subsidize the program, with the not-for-profit organizations funding a small part of each scholar’s stipend for summer placement. Phase II of the Housing Scholars Program, called “The Housing Scholar Graduate Program”, will place scholars into full-time, permanent positions with not-for-profit organizations.
- **Greater Newark Business Development Consortium (GNBDC)** – Wachovia contributed grants to this not-for-profit 501(c)(3) non-bank lender that participates in the SBA Micro-Loan and Women’s, Minority, and Veterans Pre-qualification Loan Program. The organization’s goal is to assist with financing arrangements for entrepreneurs, start-ups, and existing small businesses. GNBDC has approved 215 loans totaling \$3.4 million in amounts ranging from \$2 thousand to \$35 thousand. These loans were given to small businesses that could not qualify under regular banking underwriting requirements and resulted in 155 new small businesses operating in New Jersey.
- **New Jersey Community Loan Fund (NJCLF)** – Wachovia contributed funds to this fund to help accomplish its mission servicing the needs of low-income residents and communities of New Jersey. In addition to continued financial support, Wachovia provides ongoing technical assistance to the NJCLF and a Wachovia employee serves on the organization’s board. The NJCLF is a community-based, private not-for-profit organization with a thirteen-year track record in providing financing linked with creative technical assistance to projects that benefit low- and moderate -income individuals, families, and communities. The NJCLF works to increase the flow of capital into community development projects and to fill the gaps that are not addressed by conventional lenders

because the projects are too small or complex, or the borrower cannot meet standard criteria and collateral requirements. The social and economic benefits of this loan fund have been reduced homelessness, reduced unemployment, an increase in high quality, affordable childcare services, and greater opportunities for economic self-sufficiency.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Trenton MSA and the Middlesex-Somerset-Hunterdon MSA is not inconsistent with the bank's overall "Outstanding" performance under the investment test in New Jersey. In the Atlantic-Cape May MSA, Jersey City MSA, and Bergen-Passaic MSA, the bank's performance is weaker than the bank's overall performance in the state. The weaker performance is primarily attributable to lower levels of new investments made during the evaluation period. The weaker performance in these markets did not adversely affect the bank's investment test rating based on its overall strong level of current-period investments for the state as a whole.

Refer to the Table 14 in the state of New Jersey 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 New Jersey is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Monmouth-Ocean (Monmouth) MSA and the Newark MSA is good.

## **Retail Banking Services**

Refer to Table 15 in the state of New Jersey 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.

### **Monmouth MSA**

Service delivery systems are accessible to essentially all geographies and individuals of different income levels. The percentage of branches in low-income geographies exceeds the percentage of individuals living in those geographies. The percentage of branches in moderate-income geographies is somewhat lower than the percentage of individuals residing in those geographies. However, there are three branches in neighboring middle-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches enhance the distribution of branches in moderate-income geographies.

Wachovia's record of opening and closing offices has not materially affected the accessibility of service delivery systems, particularly in low- and moderate-income geographies. One branch that was located in a moderate-income geography was closed. Two branches in neighboring moderate-income tracts continue to serve the area.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Branch openings and closings have not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. Alternate delivery systems are accessible by essentially all geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of automatic teller machines in low-income geographies of 5.26% exceeds the percentage of the population that resides in these geographies and the percentage of ATMs in moderate-income geographies of 13.16% is somewhat lower than the percentage of individuals residing in those geographies.

### **Newark MSA**

Service delivery systems are accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is somewhat lower than the percentage of individuals residing in those geographies. The percentage of branches in moderate-income geographies is near to the percentage of individuals residing in moderate-income geographies. However, there are three branches in neighboring middle-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches enhance somewhat the distributions of branches in low- and moderate-income geographies. Wachovia's record of opening and closing offices has not materially affected the accessibility of service delivery systems, particularly in low- and moderate-income geographies. One branch that was located in a moderate-income geography was closed for business reasons. Two branches in neighboring moderate-income tracts are within one mile and continue to serve the area.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Alternate delivery systems are readily accessible by all geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of automatic teller machines in low- and moderate-income geographies of 13.64% and 25.76%, respectively, exceeds the percentage of the population that reside in these geographies.

### **Community Development Services**

#### **Monmouth MSA**

Community development service performance is good in the MSA. Wachovia has provided services that emphasize affordable housing. One example is the Women's Housing Initiative (WHI), a program that provides homebuyer education and other affordable housing information to low- and moderate-income women heads of

households that rent. WHI is a product of a partnership between Wachovia and New Jersey Citizen Action (NJCA). The bank partnered with NJCA and other affordable housing organizations such as Neptune Township Economic Development Corporation, Midtown Empowerment Council, and New Jersey Housing Mortgage and Finance Agency to design and hold the “Home Buyers and Home Owners Information Fair”. Over 80% of the persons who attended were low- or moderate-income individuals. The bank, again in partnership with NJCA, designed and hosted a seminar in Lakewood that was targeted to small businesses. Wachovia’s Community Development Group provided financial technical advice and education at this seminar.

### **Newark MSA**

Community development service performance is excellent in the MSA. Wachovia is a leader in providing community development services for organizations whose primary purpose is affordable housing, economic development, and/or community services. A bank officer has provided leadership and sustained financial technical assistance to New Brunswick Tomorrow, as a chair of the Adult Task Force, a member of the executive committee, and as a member of this organization’s board of directors. This organization targets its community services to the area’s low-income population. Several officers of the bank have provided extensive financial technical advice, education, and information to La Casa de Don Pedro, Inc., a not-for-profit group that targets the MSA’s low- and moderate-income persons. La Casa develops affordable housing, provides childcare programs, and offers job training through its Welfare-to-Work program, an individual development account program, and basic financial services through a credit union. The bank has continued its partnership with NJCA in the MSA by designing and holding a small business forum to provide technical financial information to beginning and existing small business entrepreneurs. This program was shared with NJCA, which in turn offered it during other small business seminars throughout the state.

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

Based on limited-scope reviews, the bank’s performance under the service test in the Atlantic-Cape May MSA, Bergen-Passaic MSA, Jersey City MSA, Middlesex-Somerset-Hunterdon MSA, and Trenton MSA is not inconsistent with the bank’s overall “High Satisfactory” performance under the service test in New Jersey.

## State Rating

### State of New York

#### CRA Rating for New York<sup>11</sup>:

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

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Good distribution of Wachovia's loans among geographies and good distribution among borrowers of different income levels
- Community development lending levels that had a significantly positive impact on the performance within the MSA
- An excellent level of qualified community development investments in the state
- Service delivery systems are accessible to individuals and geographies of different levels throughout the state

### Description of Institution's Operations in New York

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

### Scope of Evaluation in New York

#### LENDING TEST

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

The bank's performance under the lending test in New York is rated "Outstanding". Based on full-scope reviews, the bank's performance in the New York MSA is excellent.

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<sup>11</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.



## **Lending Activity**

Refer to Table 1 in the state of New York section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's lending activity in the New York MSA is good, especially noting Wachovia's relatively minor presence in the New York MSA. Wachovia has a deposit market share of 1.94%, ranking sixth among deposit-taking institutions. The bank has the seventeenth, third, and twelfth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively. Measured by dollar volume, market rankings for the three products are comparable. The bank has the eleventh market rank for the number of small business loans, third in dollar volume.

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

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

Refer to Tables 2, 3, 4, and 5 in the state of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases. Because of the very small number of owner-occupied housing units in low-income geographies in the assessment area, this analysis was based upon distribution in moderate-income geographies. The significant housing affordability issues in the MSA also influenced the analysis.

Home purchase loan geographic distribution within the New York MSA is excellent. The percentage of loans originated in moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the New York MSA is excellent. The percentage of loans originated in moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the New York MSA is good. The percentage of loans originated in moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in moderate-income geographies is below the bank's overall market share within the assessment area.

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

Refer to Table 6 in the state of New York 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 overall geographic distribution of small loans to businesses in the New York MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies is below and exceeds, respectively, the percentage of businesses in those geographies. The bank's market share of loans in low-income and moderate-income geographies exceeds and is equal to, respectively, the bank's overall market share of small loans to businesses in the MSA.

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

Refer to Table 7 in the state of New York 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 farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

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

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

Refer to Tables 8, 9 and 10 in the state of New York 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. Consideration was given in this analysis to significant housing affordability issues in the MSA.

Home purchase loan borrower distribution in the New York MSA is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers is below the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers is near to the bank's overall market share within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the MSA. The market share of home improvement loans to low-income and moderate-income borrowers are significantly below and exceed, respectively, the bank's overall market share within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income families is

significantly below the percentage of moderate-income families within the MSA. The market share of home refinance loans to low-income and moderate-income borrowers is near to and exceeds the bank's overall market share within the assessment area.

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

Refer to Table 11 in the state of New York 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 is adequate in the New York MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses is significantly below its overall business loan market share. The bank makes a significant majority of these loans in small amounts.

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

Refer to Table 12 in the state of New York 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 farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of New York 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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a significant positive impact on the bank's lending performance in the New York MSA during the evaluation period. The bank originated ten qualified community development loans totaling \$42 million. A large portion of these loans was for affordable housing and created 593 units of affordable housing within the assessment area. Of note, Wachovia originated a \$6 million loan to a developer to rehabilitate five multifamily projects totaling 206 units. The properties are available for lease through the New York Housing Authority Section 8 tenant-based voucher program.

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

Based on limited-scope reviews, the bank's performance under the lending test in Dutchess County MSA and in the Ulster County non-metropolitan assessment area is

weaker than the bank's overall "Outstanding" performance under the lending test in New York. Weaker performance is due to less favorable distribution of loans and a lack of community development lending.

Refer to the Tables 1 through 13 in the state of New York 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 New York is rated "Outstanding". Based on full-scope reviews, the bank's performance in the New York MSA is excellent.

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

#### New York MSA

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. Wachovia's investments met a variety of credit and community development needs. Approximately 37% of the investments were targeted toward affordable housing, 62% were directed toward revitalizing and stabilizing low- and moderate-income geographies, and 1% was for services targeted to low- and moderate-income people. In addition, Wachovia has thirteen prior-period investments totaling \$50.5 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$18.6 million in LIHTCs, developing 296 affordable housing units. Wachovia continues to be invested in \$40 million in prior-period LIHTCs that support 649 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues. Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs are as follows:

- **Harlem Project** – Wachovia invested \$2.4 million in a LIHTC transaction to fund the rehabilitation of five vacant and uninhabitable buildings into 41 apartments and six commercial storefronts. Over the past five years, the Harlem community has experienced an economic resurgence, creating a need for affordable housing. Wachovia's investment helps meet this need as rents for apartments in this project will target residents at 60% of the area median income.

- **Crown Heights Community** – Wachovia invested \$1.6 million in a 24-unit affordable housing project, utilizing LIHTCs. The project consists of two vacant and uninhabitable four-story walkup buildings in Brooklyn. Slated for renovation, the project will provide 24 units of affordable housing consisting of three one-bedroom units and 21 two-bedroom units. Amenities will include elevators.

Wachovia purchased \$31.4 million in Qualified Zone Academy Bonds (QZABs) in the New York MSA during the evaluation period. QZABs are flexible bond instruments that allow school districts to significantly reduce the costs of renovating schools. This program helps school districts fund some of the costs of renovation and/or modernization of existing public schools through the issuance of tax-exempt bonds. Investors are provided a tax credit for investing in the bonds in lieu of interest, which basically provides the school district with interest-free debt. The QZAB program was created, in cooperation with business, with the express purpose of increasing graduation and employment rates, and better preparing students for the rigors of college and the workforce, in areas designated by government entities for economic development or revitalization or for schools that have at least 35% of students eligible for free or reduced-price lunch. The two alternative criteria allow both rural and urban schools serving poor children to benefit from QZABs.

Also noteworthy is that Wachovia funded grants and in-kind donations totaling approximately \$472 thousand, which meet significant credit and community development needs within the New York MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples follow:

- **New York Mortgage Coalition (NYMC)** – Wachovia provided grants to this coalition to implement a two-year pilot project targeted to low- and moderate-income New York City homeowners to provide predatory lending seminars, workshops, and town hall meetings that were attended by 4,394 people. In addition, approximately 450 homeowners and first-time homebuyers in low- and moderate-income neighborhoods have received assistance and loans through counseling agencies partnering with this project. The NYMC was created in 1992 by a consortium of banks whose purpose was to increase homeownership, meet community needs, and explore methods of increasing lending to low- and moderate-income neighborhoods. Since its inception, the coalition has been involved in various initiatives to promote and increase home ownership for lower-income New Yorkers.
- **Westchester Housing Fund (WHF)** – Wachovia contributed funds to this Community Development Financial Institution to support its Individual Development Account (IDA) program. Wachovia's funds enabled WHF to continue the financial education, outreach, and technical assistance to its low- and moderate-income program participants. The IDA program was established to promote financial education and to provide a 3-to-1 grant match for home ownership, education, and small business entrepreneurship for low- and moderate-income residents of Westchester County. In addition, Wachovia

supplied technical assistance directly to the program participants by conducting financial literacy training. In addition to its focus on the IDA program, WHF is very active in the development of affordable housing. To promote affordable housing, the WHF operates a pre-development loan pool that provides loans to affordable housing developers. The fund has helped create over 700 units of affordable housing.

- **Accion New York (ANY)** – Wachovia has made contributions to this organization that was founded in 1991 in response to an increasing need for innovative economic development strategies. Its mission is to provide credit and other support services to self-employed individuals without access to traditional forms of credit. It seeks to increase business and family incomes, create jobs, and revitalize disenfranchised neighborhoods. While the current national employment rate is fairly low, in many of the neighborhoods ANY serves, the rate is in excess of 20%. Through innovative programs like Street Reach, ANY places community loan officers in disenfranchised neighborhoods where they provide loans to micro-entrepreneurs. As of October 2003, ANY has provided over 5,276 loans to more than 4,100 clients.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Dutchess County MSA and in the Ulster County non-metropolitan assessment area is weaker than the bank's overall "Outstanding" performance in the state of New York. The weaker performance is primarily attributable to a lower level of investments during the evaluation period and in prior periods. The weaker performance did not adversely affect the bank's investment test rating since these areas account for a small portion of the bank's total deposits in New York.

Refer to the Table 14 in the state of New York 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 New York is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the New York MSA is good.

## **New York MSA**

### **Retail Banking Services**

Refer to Table 15 in the state of New York 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.

Service delivery systems are accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies is somewhat lower than the percentage of individuals living in those geographies. The percentage of branches in moderate-income geographies is lower than the percentage of individuals residing in those geographies. However, there are two branches in adjacent middle-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These branches enhance accessibility slightly.

Wachovia's hours and services do not vary in a way that inconveniences individuals throughout the MSA. Wachovia's record of opening and closing branches did not have an adverse effect on the accessibility of delivery systems in low- and moderate-income geographies. Wachovia closed three branches and opened one branch during the evaluation period. None was in a low- or moderate-income geography. Alternate delivery systems are reasonably accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs shows none in low-income geographies and 7.58% in moderate-income geographies, lower than the percentage of population that reside in those geographies. However, accessibility is enhanced by four easily accessible ATMs in adjacent middle- or upper-income geographies.

## **Community Development Services**

Community development service performance is excellent in the New York MSA. Wachovia is a leader in providing services in the MSA, with an emphasis on financial literacy, technical financial assistance for small businesses and community service organizations, and homebuyer education. The last has been provided in cooperation with the New York State Empire Zone, Yonkers Empowerment Zone, and Downtown Yonkers Improvement District. Wachovia has provided many seminars regarding credit education and technical assistance for both consumers and small businesses. One bank officer serves on the board of WestHab, Inc., a not-for-profit organization that rehabilitates projects for the low- and moderate-income community of Westchester. This organization moves over 300 families annually into permanent affordable housing.

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

Based on limited-scope reviews, the bank's performance under the service test in the Dutchess County MSA and in the Ulster County non-metropolitan assessment area is stronger than the bank's overall "High Satisfactory" performance under the service test in New York. In both of these assessment areas, there are easily accessible locations in neighboring middle- or upper-income geographies that mitigate the low distribution of branches relative to the percentage of population residing in the low- and moderate-income geographies. This stronger performance had a positive effect on the overall rating as the adjusted combined branch distributions of 33.33% in the Dutchess County and 50% in Ulster County significantly exceed the combined percentage of the population that resides in low- and moderate-income areas.

## State Rating

### State of North Carolina

#### CRA Rating for North Carolina<sup>12</sup>:

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

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Adequate distribution of Wachovia's loans among geographies and good distribution among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a positive impact on the performance within the MSA
- An excellent level of qualified community development investments that met the needs within the state
- Service delivery systems that are readily accessible to all geographies and individuals of different income levels throughout the state

### Description of Institution's Operations in North Carolina

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.

### Scope of Evaluation in North Carolina

#### LENDING TEST

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

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<sup>12</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.



The bank's performance under the lending test in North Carolina is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Greensboro-Winston-Salem-High Point (Greensboro) MSA and in the Raleigh-Durham-Chapel Hill (Raleigh) MSA is excellent. Performance in the limited-scope assessment areas negatively impacted the overall rating for the lending test in North Carolina.

## **Lending Activity**

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

### **Greensboro MSA**

The bank's lending activity in the Greensboro MSA is adequate. Wachovia has a deposit market share of 27.03%, ranking second among deposit-taking institutions. The bank has the fifth, seventh, and fifth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions. Measured by dollar volume, market ranks are comparable. The bank has the third market rank for the number of small business loans and ranks second as measured by dollar volume.

### **Raleigh MSA**

The bank's lending activity in the Raleigh MSA is adequate. Wachovia has a 28.94% deposit market share, ranking it first among deposit-taking institutions. The bank has the sixth, fifth, and sixth market ranks among deposit-taking institutions for home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions. In dollar volume, these rankings are third, fifth, and fifth, respectively. The bank has the fourth market rank for the number of small business loans, ranking second in dollar volume.

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

### ***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.

### **Greensboro MSA**

Home purchase loan geographic distribution within the Greensboro MSA is good. The percentage of loans originated in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is near to the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Greensboro MSA is poor. The percentage of loans originated in low-income and moderate-income geographies is well below (zero) and significantly below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below and below, respectively, the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Greensboro MSA is adequate. The percentage of loans originated in low-income and moderate-income geographies is near to and significantly below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is near to and below, respectively, the bank's overall market share within the assessment area.

### **Raleigh MSA**

Home purchase loan geographic distribution within the Raleigh MSA is adequate. The percentage of loans originated in low-income and moderate-income geographies exceeds and is well below the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is near to and significantly below the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Raleigh MSA is adequate. The percentage of loans originated in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below and significantly below the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Raleigh MSA is adequate. The percentage of loans originated in low-income and moderate-income geographies is below and significantly below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is near to the bank's overall market share within the assessment area.

### ***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.

**Greensboro MSA**

The overall geographic distribution of small loans to businesses in the Greensboro MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies is below and near to the percentage of businesses in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is near to, respectively, the bank's overall market share of small loans to businesses in the assessment area.

**Raleigh MSA**

The overall geographic distribution of small loans to businesses in the Raleigh MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of businesses in those geographies. Market share of loans in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share of small loans to businesses in the MSA.

***Small Loans to Farms***

Refer to Table 7 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 farms.

**Greensboro MSA**

The geographic distribution of small loans to farms is excellent. The evaluation considered the minimal number of small farms in low-income geographies in the assessment area and is based upon an analysis of distribution in moderate-income geographies. The portion of loans made in moderate-income geographies exceeds the percentage of farms in those geographies. The market share of loans in moderate-income geographies is near to the bank's overall market share of small loans to farms in the assessment area.

**Raleigh MSA**

The geographic distribution of small loans to farms is good. The evaluation considered the minimal number of small farms in low-income geographies in the assessment area and is based upon an analysis of distribution in moderate-income geographies. The portion of loans made in moderate-income geographies exceeds the percentage of farms in those geographies. The market share of loans in moderate-income geographies is significantly below the bank's overall market share of small loans to farms in the assessment area.

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

### ***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.

#### **Greensboro MSA**

Home purchase loan borrower distribution in the Greensboro MSA is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to low-income and moderate-income borrowers exceeds and is near to the bank's overall market share within the assessment area.

Home improvement borrower loan distribution is good. The portion of loans originated to low-income borrowers is near to the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The market share of home improvement loans to both low- and moderate-income borrowers is below the bank's overall market share within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income families exceeds the percentage of moderate-income families within the MSA. The market share of home refinance loans to low-income and moderate-income borrowers exceed and is near to, respectively, the bank's overall market share within the assessment area.

#### **Raleigh MSA**

Home purchase loan borrower distribution in the Raleigh MSA is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers is near to the bank's overall market share within the assessment area.

Home improvement loan borrower distribution is excellent. The portion of loans originated to low-income borrowers is near to the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the MSA. The

market share of home improvement loans to low-income and moderate-income borrowers exceeds and is near to the bank's overall market share within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the MSA. The market share of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share within the assessment area.

### ***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.

#### **Greensboro MSA**

The borrower distribution of small loans to businesses is good in the Greensboro MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses substantially meets its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

#### **Raleigh MSA**

The borrower distribution of small loans to businesses is good in the Raleigh MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses exceeds its overall business loans market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 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/purchase of small loans to farms.

#### **Greensboro MSA**

The borrower distribution of small loans to farms is adequate in the Greensboro MSA. The percentage of loans to small farms is below the percentage of small farms in the assessment area. The market share of small loans to farms is below the bank's overall market share of this type of loan. The bank makes a significant majority of these loans in smaller amounts.

## **Raleigh MSA**

The borrower distribution of small loans to farms is good in the Raleigh MSA. The percentage of loans to small farms is near to the percentage of small farms in the assessment area. The market share of small loans to farms is near to the bank's overall market share of this type of loan. The bank makes a significant majority of these loans in smaller amounts.

## **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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a significant positive impact on the bank's lending performance in the Greensboro and Raleigh MSAs during the evaluation period. The bank originated seventy qualified community development loans totaling \$79 million in the Greensboro assessment area. A large portion of these loans was for affordable housing and created 1,902 units of affordable housing within the assessment area. In the Raleigh MSA, the bank originated 119 qualified community development loans totaling \$145 million during the evaluation period. A large portion of these loans was for affordable housing and created 1,389 units of affordable housing within the assessment area. The bank demonstrated significant innovation and flexibility in dealing with a low-income individual over a ten-year period. As a result of this flexibility, the bank was able to aid this individual in developing three affordable single-family residences in the Greensboro MSA. In addition, in the Raleigh MSA, Wachovia exhibited significant flexibility in providing financing for a shopping center that is integral to revitalizing and stabilizing a low-income community.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Asheville MSA, Fayetteville MSA, Greenville MSA, Hickory-Morganton-Lenoir MSA, Jacksonville MSA, and Rocky Mount MSA and in the Eastern NC and Northwestern NC non-metropolitan assessment areas is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in North Carolina. In the Goldsboro MSA and in the Rockingham County, Sampson County, and Western NC non-metropolitan assessment areas the bank's performance is stronger than the bank's overall performance in the state. The stronger performance is due primarily to a more favorable geographic distribution of loans to borrowers and businesses in low- and moderate-income geographies. In the Wilmington MSA and in the Albemarle, Northeastern NC, Lee-Moore, Person County, Southern NC, Statesville, and Wilson non-metropolitan assessment areas the bank's performance is weaker than the bank's

overall performance in the state. Weaker performance is due primarily to less favorable loan distribution in those areas.

Refer to the Tables 1 through 13 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 "Outstanding". Based on full-scope reviews, the bank's performance in both the Greensboro-Winston-Salem-High Point (Greensboro) MSA and the Raleigh-Durham-Chapel Hill (Raleigh) MSA is excellent. A strong level of donations and in-kind contributions that meet critical credit needs in both Greensboro and Raleigh supports this rating.

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.

#### Greensboro MSA

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. Wachovia's investments met a variety of credit and community development needs. Approximately 40% of the investments were targeted toward affordable housing, 34% were directed toward revitalizing and stabilizing low- and moderate-income geographies, 14% promote economic development by financing small businesses, and 12% provided services targeted to low- and moderate-income people. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. In addition, Wachovia has seven prior-period investments totaling \$21.7 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$2.8 million in LIHTCs, developing 160 affordable housing units. Wachovia continues to be invested in \$10.8 million in prior-period LIHTCs that account for 313 affordable housing units. An example of an LIHTC project during the evaluation period that had a significant impact on meeting community development and credit needs is as follows:

- **Springfield Townhomes in High Point** – Wachovia invested \$2.8 million in LIHTCs to redevelop a distressed public housing development into a thriving mixed-income neighborhood. This development will serve families earning 35% to 80% of median income and provide units for public housing. The development will be renamed Spring Brook Meadows and will have 44 rental homes for seniors and 116 single-family homes. A golf training facility and a family

resource community center are planned for recreational and learning opportunities.

Wachovia has made other investments that have had a positive impact in meeting community credit needs within the assessment area that include:

- **NC Minority Support Center** – Wachovia increased its investment to \$1.2 million in this Certified Development Financial Institution, a statewide entity that works with North Carolina's community development credit unions (CDCUs) to relieve poverty, combat community deterioration, create jobs, and build homeownership among low- and moderate-income families throughout North Carolina. Wachovia's investment is in response to identified needs and opportunities in under-served rural and urban markets of North Carolina. Approximately \$175 thousand of this statewide fund is invested by Wachovia in the Greensboro MSA. Wachovia's investment funds will be used to help build deposits and capitalize CDCUs throughout the state. Funds are invested as certificates of deposit in these member institutions. In addition to financial support Wachovia employees actively provide financial technical assistance to the Support Center on matters relating to real estate, mortgage origination strategies and organizational development.
- **NC Economic Opportunity Fund** – Wachovia is investing \$6.1 million in this fund, which was established with the support of a number of the state's banks to help finance small but rapidly growing entrepreneurial companies located in 85 rural counties in North Carolina. The investment helps meet an identified credit need to provide equity financing for companies located in rural areas. Approximately \$472 thousand of the investment funds are in the Greensboro MSA. The total fund size is \$111 million of which \$105 million is unused as of June 30, 2003.

Also noteworthy is that Wachovia funded a significant level of grants and in-kind donations totaling approximately \$3.4 million. These investments met significant credit and community development needs within the Greensboro MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples follow:

- **Millennium Fund** – Wachovia provided leadership through committing to a \$10 million gift to the Winston-Salem Millennium Fund. Wachovia's commitment has substantial impact as it represents 25% of the \$40 million fund and 40% of the \$25 million raised by the business community. During the evaluation period, Wachovia disbursed \$2.2 million of its commitment, most of which was used for land control. The land control funds are vital to the development of Unity Place, a commercial development in a low- and moderate-income census tract that will provide retail jobs in the area. Another major initiative of the fund includes downtown residential redevelopment that will include the conversion of the historic Nissen Building into 145 units of mixed income housing and the development of affordable housing in a three-block neighborhood by the



Goler/Depot Street Community Development Corporation. The targeted area of downtown consists of deteriorated and unused manufacturing space, substandard housing, and vacant retail stores.

- **Winston-Salem University** – Wachovia contributed scholarship funds to Winston-Salem State University in 2002. The scholarships are primarily for students from low- and moderate-income households who need financial help to continue their educations.
- **Housing Partnership of Winston-Salem** – Wachovia made grants to this not-for-profit affordable housing developer of more than 130 units in six years. Also, Wachovia has provided a credit line to acquire and rehabilitate properties, which is considered under the lending test portion of this evaluation. Wachovia has consistently provided board leadership to this organization, in addition to technical assistance to its housing counselor on pre-qualifying potential homeowners.

## Raleigh MSA

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. These investments met a variety of credit and community development needs. Approximately 56% of the investments were targeted toward affordable housing, 6% were directed toward revitalizing and stabilizing low- and moderate-income geographies, 18% promote economic development by financing small businesses, and 20% were for services targeted to low- and moderate-income people. In addition, Wachovia has fifteen prior-period investments totaling \$29.8 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$4.8 million in LIHTCs, developing 480 affordable housing units. Wachovia continues to be invested in \$17.6 million in prior-period LIHTCs that account for 1,661 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues.

Wachovia has made other investments that have had a positive impact in meeting community credit needs within the assessment area that include:

- **NC Minority Support Center** – See the Greensboro MSA section of this document for details on Wachovia's investment in this organization. Approximately \$625 thousand of this statewide fund is invested by Wachovia in the Raleigh MSA.
- **NC Economic Opportunity Fund** – See the Greensboro MSA section of this document for details on Wachovia's investment in this organization. Approximately \$857 thousand of this statewide investment is allocated to the Raleigh MSA.

Also noteworthy is that Wachovia funded grants and in-kind donations totaling approximately \$2.5 million, meeting significant credit and community development needs within the Raleigh MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples follow:

- **Latino Community Credit Union (LCCU)** – Wachovia has supported the expansion of this credit union through a number of creative and innovative methods involving several segments of the bank. Examples include assisting the credit union with opening branches in Raleigh and Greensboro by leasing former Wachovia buildings at subsidized rates and leaving the vault, drive-up teller equipment, and furnishings in place for its use. In addition to providing grants and in-kind donations, Wachovia employees have contributed many hours of financial and real estate technical assistance to the credit union staff. The first LCCU location opened in June of 2000 in an old Wachovia site in downtown Durham to offer financial services to the 70-80% of Latinos in North Carolina who were unbanked. LCCU is the entry point into the financial services market, providing education and financial literacy in addition to financial services. Wachovia's support has helped LCCU grow in just three years to 14,000 members with \$13.6 million in assets.
- **Women's Center of Wake County** – Wachovia has made grants to this not-for-profit organization providing homeless and low-income women with day shelter, clothing, and transitional housing.
- **Community Learning Centers, Inc.** – Wachovia made grants to this organization that provides community-based educational resources such as after-school tutoring and mentoring, reading programs, computer training, summer camp/scouting, and educational enrichment opportunities for youth living in public housing.

## Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Fayetteville MSA, Jacksonville MSA, and Wilmington MSA and in the Albemarle, Eastern NC, Lee-Moore, Northeastern NC, Northwestern NC, Rockingham County, Sampson County, Southern NC, Statesville, and Wilson non-metropolitan assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the investment test in North Carolina. In the Asheville MSA, Goldsboro MSA, Greenville MSA, Hickory-Morganton-Lenoir MSA, and Rocky Mount MSA and in the Person County, and Western NC non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. The weaker performance is primarily attributable to lower levels of new investments made during the evaluation period or an overall lower level of investments including prior-period investments. The blending of weaker performance in assessment areas receiving limited scope reviews resulted in no impact to the overall investment test rating.

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**

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

The bank's performance under the service test in North Carolina is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Greensboro-Winston-Salem-High Point (Greensboro) MSA and the Raleigh-Durham-Chapel Hill (Raleigh) MSA is excellent.

#### **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.

#### **Greensboro MSA**

Service delivery systems are readily accessible to geographies and individuals of different income levels. The percentages of branches in low- and moderate-income geographies exceed the respective percentages of individuals residing in those geographies. Wachovia's record of opening and closing branches has not adversely affected the accessibility of service delivery systems throughout the Greensboro MSA. Three offices in moderate-income geographies were closed because of market overlap related to the merger with First Union Bank. In each case another bank was within three blocks of the closed branch.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Alternate delivery systems are easily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distributions of automatic teller machines in both low- and moderate-income geographies of 4.26% and 23.4%, respectively, exceed the percentage of individuals residing in those geographies.

#### **Raleigh MSA**

Service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies exceeds the percentage of low-income individuals residing in those geographies. The percentage of branches in moderate-income geographies is near to the percentage of individuals residing in moderate-income geographies. However, there are seven branches in adjacent middle- and upper-income tracts that are easily accessible by people who live in low- and moderate-income geographies. These nearby branches enhance the distribution of branches in moderate-income geographies.

Wachovia's record of opening and closing offices has not affected the accessibility of service delivery systems, particularly in low- and moderate-income geographies. No branches were opened or closed in low or moderate-income geographies in the MSA during the evaluation period.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Alternate delivery systems are easily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 16.23% significantly exceeds the percentage of the population that resides in those geographies, and the percentage of ATMs in moderate-income geographies of 12.99% is somewhat lower than the percentage of individuals residing in those geographies.

## **Community Development Services**

### **Greensboro MSA**

Community development service performance is excellent in the MSA. Wachovia is a leader in providing services, with an emphasis on affordable housing. One bank officer has held leadership positions with the Center for Homeownership of Winston-Salem. This organization creates and promotes affordable housing to low- and moderate-income persons in distressed areas in Winston-Salem. The officer, who was also an active member of the center's board, provided financial expertise in helping to develop down-payment assistance guidelines, coordinating and conducting first-time homebuyer and housing counseling seminars for low- and moderate-income persons, and sharing general information to promote overall financial literacy. Other organizations the bank has supported in efforts to provide affordable housing include the Housing Authority of Greensboro, Habitat for Humanity – Forsyth County, Greensboro Housing Coalition, and the North Carolina Housing Foundation. A bank officer has provided leadership and substantial financial assistance to the Local Initiatives Support Corporation and to the Simon Green Atkins Community Development Corporation, whose goals are to create and provide affordable housing, economic development, and revitalization in the low- and moderate-income geographies of the MSA. In addition, various Wachovia officers provided significant leadership in coordinating and sharing technical financial advice and information in the community.

### **Raleigh MSA**

Community development service performance is excellent in the MSA. Wachovia is a leader in providing services. Strong leadership was provided in this MSA primarily for organizations whose primary purpose is affordable housing. During the evaluation period, a bank officer provided sustained leadership and financial services to the Low Income Housing Coalition of North Carolina. Examples include homebuyer counseling and general financial literacy education, sharing information on financing options, and providing guidance on construction and development of affordable housing. Numerous seminars and workshops were held to meet the need for credit counseling and technical assistance for small businesses.

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

Based on limited-scope reviews, the bank's performance under the service test in all limited-scope areas except two is not inconsistent with the bank's overall "Outstanding" performance under the service test in North Carolina. In all cases where a branch distribution was less than the comparable population demographic, there were easily accessible locations that mitigated the differences. In the Sampson County non-metropolitan assessment area the bank's performance is weaker than the bank's overall performance in the state due primarily to a less favorable branch distribution and the absence of easily accessible nearby branches to mitigate this performance. This weaker performance had a neutral impact on the overall rating. Analysis of the Person County non-metropolitan assessment area is not meaningful because there are no low- or moderate-income geographies in this assessment area.

## State Rating

### State of Pennsylvania

#### CRA Rating for Pennsylvania<sup>13</sup>:

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

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a positive impact on the performance within the state
- An excellent level of qualified community development investments that met the needs within the state
- Service delivery systems that are readily accessible to geographies and individuals of different income levels throughout the state

### Description of Institution's Operations in Pennsylvania

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

### Scope of Evaluation in Pennsylvania

#### LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Pennsylvania is rated "High Satisfactory". Based on a full-scope review, the bank's performance in Harrisburg-

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<sup>13</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.

Lebanon-Carlisle (Harrisburg) MSA is excellent. Performance in the limited-scope assessment areas negatively impacted the overall rating for the lending test in Pennsylvania.

### **Lending Activity**

Refer to Table 1 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's lending activity in the Harrisburg MSA is good. In the Harrisburg MSA, Wachovia has a deposit market share of 9.56%, ranking fourth among deposit-taking institutions. The bank has the sixth market rank for the number of small business loans and ranks first in dollar volume.

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

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

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

Home purchase loan geographic distribution within the Harrisburg MSA is adequate. The evaluation considered the relatively low number of owner-occupied units in low-income geographies in the MSA. The percentage of loans originated in low-income and moderate-income geographies is well below and exceeds, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below (zero) and exceeds, respectively, the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Harrisburg MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Harrisburg MSA is excellent. The percentage of loans originated in low-income and moderate-income geographies is below and exceeds, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.

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

Refer to Table 6 in the state of Pennsylvania 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 overall geographic distribution of small loans to businesses in the Harrisburg MSA is adequate. The distribution of small loans to businesses in low-income and moderate-income geographies is well below and near to, respectively, the percentage of businesses in those geographies. The market share of loans in low-income and moderate-income geographies is well below and exceeds, respectively, the bank's overall market share of small loans to businesses in the assessment area.

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

Refer to Table 7 in the state of Pennsylvania 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 farms.

The geographic distribution of small loans to farms is excellent. The evaluation considered the minimal number of small farms in low-income geographies in the MSA and is, therefore, based upon distribution in moderate-income geographies. The portion of loans made in moderate-income geographies exceeds the percentage of farms in those geographies. The market share of loans in moderate-income geographies exceeds the bank's overall market share of small loans to farms in the assessment area.

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

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

Refer to Tables 8, 9 and 10 in the state of Pennsylvania 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.

Home purchase loan borrower distribution in the Harrisburg MSA is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to low-income and moderate-income borrowers exceed and is near to, respectively, the bank's overall market share within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers exceeds the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers is near to the percentage of moderate-income families in the MSA. The market share of home improvement loans to low-income and moderate-income borrowers exceeds and is well below, respectively, the bank's overall market share for the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is near to the percentage of low-income families within the



assessment area. The portion of loans originated to moderate-income families exceeds the percentage of moderate-income families within the MSA. The percentage of home refinance loans to both low- and moderate-income borrowers exceeds the bank's overall market share for the assessment area.

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

Refer to Table 11 in the state of Pennsylvania 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 is adequate in the Harrisburg MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses is below its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 in the state of Pennsylvania 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 farms.

The borrower distribution of small loans to farms is adequate. The percentage of loans to small farms is near to the percentage of small farms in the assessment area. The market share of small loans to farms is well below the bank's overall market share within the assessment area. The bank makes a significant majority of these loans in smaller amounts.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Pennsylvania 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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a positive impact on the bank's lending performance in the Harrisburg MSA during the evaluation period. Wachovia originated eight qualified community development loans totaling \$26 million. Much of this lending created 120 units of affordable housing within the assessment area.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Lancaster MSA, Reading MSA, and Scranton-Wilkes-Barre-Hazleton MSA and in the

Schuylkill-Northumberland non-metropolitan assessment area is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in Pennsylvania. In the Allentown-Bethlehem-Easton MSA the bank's performance is stronger than the bank's overall performance in the state due primarily to more favorable loan distribution. In the York MSA and in the Monroe-Wayne non-metropolitan assessment area the bank's performance is weaker than the bank's overall performance in the state. Weaker performance is generally due to a less favorable distribution of home mortgage loans to geographies and borrowers of difference income levels.

Refer to the Tables 1 through 13 in the state of Pennsylvania 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 Pennsylvania is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Harrisburg-Lebanon-Carlisle (Harrisburg) MSA is excellent. Strong donation levels in limited scope review areas also support this rating.

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

#### **Harrisburg MSA**

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. Wachovia's investments met a variety of credit and community development needs. Approximately 85% of the investments were targeted toward affordable housing, 2% promote economic development by financing small businesses, and 13% provide services targeted to low- and moderate-income people. In addition, Wachovia has eight prior-period investments totaling \$20.2 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$4.6 million in LIHTCs, developing 60 affordable housing units. Wachovia continues to be invested in \$16.9 million in prior-period LIHTCs that account for 285 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs that tie up the bank's capital for a long period of time.

Also of note is that Wachovia funded grants and in-kind donations totaling approximately \$522 thousand, which met significant credit and community development needs within the Harrisburg MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples follow:

- **Tri-County Housing Development Corporation, Ltd.** – Wachovia provides grants to this long-time developer and producer of housing in central Pennsylvania. Wachovia's grants helped Tri-County to complete five much-needed projects in Cumberland, Perry, and Dauphin counties, creating 59 single-family homes for sale to moderate-income working families.
- **Southcentral Assembly of Effective Governance** – Wachovia contributed funds to this organization to implement a regional program to identify and prevent predatory lending. The program assists elderly and low- and moderate-income victims of predatory lending. In addition to providing financial support, Wachovia's community development officer provides technical assistance to this organization.
- **Community Action Commission of the Capital Region** – Wachovia has provided contributions to assist current and potential low- and moderate-income employees with remedial education, computer literacy, and customized employment service. Wachovia's funds were used for start-up costs, staff costs, purchase of equipment, and training materials.

## Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Allentown-Bethlehem-Easton MSA, Lancaster MSA, Reading MSA, and Scranton-Wilkes-Barre-Hazleton MSA and in the Schuylkill-Northumberland non-metropolitan assessment area is not inconsistent with the bank's overall "Outstanding" performance under the investment test in Pennsylvania. The strong volume of current-period donations in these assessment areas helped support this rating. In the York MSA and in the Monroe-Wayne non-metropolitan assessment area the bank's performance is weaker than the bank's overall performance in the state because of lower relative investment levels. Since these two assessment areas make up approximately 3% of the bank's deposit base in the state, the overall state rating was not impacted.

Refer to the Table 14 in the state of Pennsylvania 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 Pennsylvania is rated "Outstanding". Based on full-scope review, the bank's performance in the Harrisburg MSA is good. Performance in limited-scope areas had a significant positive impact upon the rating.

## **Harrisburg MSA**

### **Retail Banking Services**

Refer to Table 15 in the state of Pennsylvania 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.

Service delivery systems are accessible to geographies and individuals of different income levels. There are no branches in low-income geographies. The percentage of branches in moderate-income geographies significantly exceeds the percentage of individuals residing in moderate-income geographies. There are two branches in adjacent middle-income geographies that are easily accessible by people who live in low- and moderate-income geographies. Wachovia's record of opening and closing branches has not adversely affected the accessibility of service delivery systems throughout the Harrisburg MSA. While the bank closed one branch in a low-income geography for business reasons, there are two branches in adjacent moderate-income tracts that are within one and two miles, respectively, of this former branch location.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Alternate delivery systems are easily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 4.17% exceeds the percentage of persons residing in those geographies, and the distribution of ATMs in moderate-income geographies of 25% also exceeds the percentage of individuals residing in those geographies. There are also four ATMs in adjacent middle- or upper-income geographies, easily accessible from low- or moderate-income geographies.

### **Community Development Services**

Community development service performance is good in the Harrisburg MSA. Wachovia was active in providing services in the MSA, with an emphasis on organizations that provide affordable housing or community services. Bank officers provided primarily financial technical advice and information to organizations such as the Community Action Committee, Southcentral Employment Corporation, Fair Housing Council of the Capital Region, the Tri-County Housing Development Corporation, and the Wesley Union Community Development Corporation. All of these organizations target low- and moderate-income persons to receive their services. Wachovia provided several seminars regarding credit education and technical assistance for both consumers and small businesses.

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

Based on limited-scope reviews, the bank's performance under the service test in all limited-scope assessment areas analyzed is not inconsistent with the bank's overall "Outstanding" performance under the service test in Pennsylvania. In all cases except

one, the branch distributions exceeded the comparable demographics for both low- and moderate-income areas. In the Allentown-Bethlehem-Easton MSA, the somewhat lower distribution of branches in moderate-income areas is mitigated by the location of seven easily accessible branches in adjacent middle- and upper-income geographies. Performance in these limited-scope areas had a significant positive impact upon the overall rating. Analysis of the Monroe-Wayne non-metropolitan assessment area was not meaningful because there are no low- or moderate-income geographies in this assessment area.

## State Rating

### State of South Carolina

#### CRA Rating for South Carolina<sup>14</sup>:

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

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

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Good distribution of Wachovia's loans among geographies and among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a positive impact on the performance within the state
- A good level of qualified community development investments that met the needs within the state
- Service delivery systems that are readily accessible to individuals and geographies of different income levels throughout the state

### Description of Institution's Operations in South Carolina

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

### Scope of Evaluation in South Carolina

#### LENDING TEST

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

The bank's performance under the lending test in South Carolina is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Greenville-Spartanburg-Anderson (Greenville) MSA is excellent. Performance in the limited-scope

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<sup>14</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.

assessment areas negatively impacted the overall rating for the lending test in South Carolina.

## **Lending Activity**

Refer to Table 1 in the state of South Carolina section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending activity in the Greenville MSA is adequate. Wachovia has a deposit market share of 18.92%, ranking first among deposit-taking institutions. The bank has the fifth, fourth, and sixth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions. Measured by dollar volume, the bank has the fourth, fifth, and fifth market rank, respectively, for the three products. Wachovia has the fourth market rank for the number of small business loans and is ranked second in dollar volume.

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

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

Refer to Tables 2, 3, 4, and 5 in the state of South 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 evaluation considered high poverty levels in the MSA.

Home purchase loan geographic distribution within the Greenville MSA is good. The percentage of loans originated in low-income and moderate-income geographies is near to and significantly below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is near to the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Greenville MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and is below, respectively, the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Greenville MSA is adequate. The percentage of loans originated in both low- and moderate-income geographies is significantly below the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below and below, respectively, the bank's overall market share within the assessment area.

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

Refer to Table 6 in the state of South 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 overall geographic distribution of small loans to businesses in the Greenville MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies exceeds and is below, respectively, the percentage of businesses in those geographies. The market share of loans in low-income and moderate-income geographies exceeds and substantially meets, respectively, the bank's overall market share of small loans to businesses in the assessment area.

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

Refer to Table 7 in the state of South 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 farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

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

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

Refer to Tables 8, 9 and 10 in the state of South 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. The evaluation considered the high poverty levels in the MSA.

Home purchase loan borrower distribution in the Greenville MSA is excellent. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to both low- and moderate-income borrowers exceeds the bank's overall market share within the assessment area.

Home improvement loan borrower distribution is excellent. The portion of loans originated to low-income borrowers exceeds the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The market share of home improvement loans to both low- and moderate-income borrowers exceeds the bank's overall market share within the assessment area.



Home refinance loan borrower distribution is good. The evaluation considered the somewhat high poverty level in both the low-income geographies and in the assessment area as a whole. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income families exceeds the percentage of moderate-income families within the MSA. The market share of home refinance loans to both low- and moderate-income borrowers is near to the bank's overall market share within the assessment area.

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

Refer to Table 11 in the state of South 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 is good in the Greenville MSA. The percentage of loans to small businesses is below the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 in the state of South Carolina 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 farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the state of South 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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a significant positive impact on the bank's lending performance in the Greenville MSA during the evaluation period. Wachovia originated 21 qualified community development loans totaling \$30 million. A large portion of these loans was for affordable housing, creating 876 units of affordable housing within the assessment area. A noteworthy project financed by the bank demolished a public housing project and replaced it with single-family homes for low-income residents. The residents will rent the homes through the Greenville Housing authority, with options to purchase at below-market rates after fifteen years.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Charleston-North Charleston MSA, Florence MSA, Myrtle Beach MSA, and Sumter MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in South Carolina. In the Columbia MSA and in the Southern SC non-metropolitan assessment area the bank's performance is stronger than the bank's overall performance in the state. The stronger performance is due primarily to a higher level of community development lending. In the Georgetown County, Hilton Head, Northeastern SC, Northwestern SC, and Oconee County non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. Weaker performance is primarily due to significantly lower levels of community development lending and in Hilton Head and Oconee County less favorable geographic and borrower loan distributions.

Refer to the Tables 1 through 13 in the state of South 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 South Carolina is rated "High Satisfactory". Based on full-scope review, the bank's performance in the Greenville-Spartanburg-Anderson (Greenville) MSA is good.

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

#### **Greenville MSA**

The volume of qualified investments is good. Investment opportunities limited in part due to the lack of not-for-profit development infrastructure and capacity. This is evidenced by the fact that only four Community Development Financial Institutions (CDFIs) operated in the state during the evaluation period, second lowest in the country. Also, the state of South Carolina had the fourth lowest Low Income Housing Tax Credits (LIHTCs) allocations and New Market Tax Credit allocations in the country. The bank's performance was evaluated within these contextual factors.

Wachovia's current-period investments include grants, in-kind donations, and equity investments. Wachovia's investments met credit and community development needs. Approximately 19% of the investments were targeted to affordable housing, 34% promote economic development by financing small businesses, 14% stabilize and revitalize low- and moderate-income geographies, and 33% support services targeted to low- and moderate-income people. In addition, Wachovia has five prior-period

investments totaling \$13.9 million that continue to have a positive impact on the community and on the bank's CRA performance.

Wachovia did not make any LIHTC investments during this evaluation period. However, Wachovia has \$8.1 million outstanding in prior-period investments that continue to support 176 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation as these investments meet critical needs that tie up the bank's capital for a long period of time. These investments exhibit complex features requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues.

Also noteworthy is that Wachovia funded grants and in-kind donations totaling approximately \$305 thousand, which meet significant credit and community development needs within the Greenville MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. An important aspect of Wachovia's community development strategy in South Carolina has been to help build not-for-profit capacity and infrastructure. Examples follow:

- **SC Association of Community Development Corporations (SCACDC)** – Wachovia provided \$160 thousand to this organization's Individual Development Account Cluster Program, delivered through 22 community-based organizations throughout the state of South Carolina. The grant commitment is to be used by the organizations as down payment assistance matching funds for the homeownership component of the IDA program, targeting low-income families for self-sufficiency and building wealth. Through this innovative and creative partnership, the SCACDC was able to leverage Wachovia's commitment with a \$150 thousand matching grant from the National Rural Funders Collaborative (NRFC) and a \$400 thousand grant from the US Department of Health and Human Services. Prior to its financial commitment, Wachovia provided technical assistance to the NRFC and sponsored its site visit to SCACDC. In addition, Wachovia staff has provided substantial training as well as additional financial and organizational technical assistance on the down payment assistance program in training sessions held in January and February 2003. Thus far, five low-income families have purchased homes using Wachovia's down payment assistance totaling \$14 thousand. There are another eight loans in process, which will utilize \$24 thousand in down payment assistance funds.
- **Greenville County Redevelopment Authority (GCRA)** – Wachovia committed funds over a three-year period to this organization that is in the process of revitalizing the Freetown Community in Greenville, a low-/moderate-income area. The revitalization will add more than fifteen new affordable homes occupied by low-income families. The construction of new sidewalks and the first two-story home is currently underway. In addition to its grant, Wachovia has extended a line of credit to GCRA to continue neighborhood redevelopment.
- **Palmetto Development Group** – Wachovia has taken a leadership role with the Palmetto Community Development Group (PDG) since its inception, by providing technical assistance and funding to help form this South Carolina CDFI. The

mission of PDG is to provide capital and technical assistance to enhance small business and affordable housing development. Historically, South Carolina has had difficulty accessing smaller permanent mortgage loans for LIHTC projects. Identified as a priority by affordable housing developers and lenders, Wachovia helped create this innovative community development lending program and provided seed money to stimulate interest in PDG. More recently, a new executive director of PDG has been recruited, and a plan has been executed to offer smaller permanent loans on LIHTC projects. Wachovia has agreed to commit funds for the loan program that will be used by the new executive director as leadership capital to encourage other corporate investors. Additionally, Wachovia has helped bridge expertise through the Community Investment Corporation of North Carolina, a LIHTC lending pool Wachovia participates in both financially and with board leadership.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Columbia MSA and in the Georgetown County, Northeastern SC, and Hilton Head non-metropolitan assessment areas is not inconsistent with the bank's overall "High Satisfactory" performance under the investment test in South Carolina. In the Charleston-North Charleston MSA the bank's performance is stronger than the bank's overall performance in the state. The bank invested over \$5.6 million in QZABs in the Charleston-North Charleston MSA during the evaluation period. In the Florence MSA and Sumter MSA and in the Northwestern SC, Oconee County, and Southern SC non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. The weaker performance is primarily attributable to an overall lower level of current-period and/or prior-period investments. The blending of stronger and weaker performance in assessment areas receiving limited scope reviews resulted in no impact to the overall investment test rating.

Refer to the Table 14 in the state of South Carolina 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 South Carolina is rated "Outstanding". Based on a full-scope review, the bank's performance in the Greenville-Spartanburg-Anderson (Greenville) MSA is excellent.

## **Greenville MSA**

### **Retail Banking Services**

Refer to Table 15 in the state of South 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.

Service delivery systems are readily accessible to geographies and individuals of different income levels. There are no branches in low-income geographies. The percentage of branches in moderate-income geographies exceeds the percentage of individuals who reside there. However, there are three branches in adjacent middle- and upper-income tracts that are easily accessible by people who live in low- and moderate-income geographies. One is within three blocks of a low-income census tract. These nearby branches mitigate the absence of branches in low-income geographies. Wachovia's record of opening and closing branches has not adversely affected the accessibility of service delivery systems throughout the Greenville MSA. Two offices in moderate-income geographies were closed because of market overlap resulting from the merger with First Union Bank. In each case a surviving branch was within two blocks and in the same geography.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Alternate delivery systems are easily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 5% exceeds the percentage of low-income persons residing in those geographies, and the distribution of ATMs in moderate-income geographies of 16.67% is near to the percentage of individuals residing in those geographies. Three easily accessible ATMs in middle- or upper-income geographies enhance accessibility.

### **Community Development Services**

Community development service performance is excellent in the Greenville MSA. Wachovia was very active in providing services. As a member of the board of the United Neighborhood Economic Development Corporation (CDC) of South Carolina – Greenville, a bank officer helped this CDC devise a plan to provide loans and training for small business purposes, with an emphasis on micro-businesses. This CDC operates primarily in the MSA's low- and moderate-income geographies. An officer also served on the Greenville Individual Development Account (IDA) Committee to assist the local United Way develop an IDA savings program that is targeted to the area's low- and moderate-income persons for the purpose of buying a home, starting a small business, or for education costs. Bank representatives also provided technical financial assistance for organizations whose primary purpose is affordable housing. These include the Greenville Housing Authority, Home for Hope, Nehemiah Corporation, and Upstate Homeless Coalition of South Carolina.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in all limited-scope assessment areas except one is not inconsistent with the bank's overall "Outstanding" performance under the service test in South Carolina. In all cases where a branch distribution was less than the comparable population demographic, there were easily accessible locations in neighboring middle- or upper-income geographies that mitigated the differences. In the Hilton Head non-metropolitan assessment area performance is weaker than the bank's overall performance in the state primarily due to a less favorable branch distribution and the absence of easily accessible nearby branches to mitigate this performance. This weaker performance did not impact the overall rating due to the nominal amount of deposits in the non-metropolitan area. Analysis of the Oconee County non-metropolitan assessment area was not meaningful because there are no low- or moderate-income geographies in this assessment area.

## State Rating

### State of Virginia

#### CRA Rating for Virginia<sup>15</sup>:

**The lending test is rated:** Outstanding

**The investment test is rated:** Outstanding

**The service test is rated:** Outstanding

The major factors that support this rating include:

- Good responsiveness by Wachovia to the credit needs of its assessment areas within the state
- Good distribution of Wachovia's loans among geographies and good distribution among borrowers of different income levels throughout its assessment areas
- Community development lending levels that had a significantly positive impact on the performance within the state
- An excellent level of qualified community development investments that met the needs within the assessment areas throughout the state
- Service delivery systems that are readily accessible to all geographies and individuals of different income levels throughout the state

### Description of Institution's Operations in Virginia

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.

### Scope of Evaluation in Virginia

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Virginia is rated "Outstanding". Based on a full-scope review, the bank's performance in the Richmond-Petersburg (Richmond)

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<sup>15</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.

MSA is excellent. Performance in the limited-scope assessment areas supports the overall rating for the lending test in Virginia.

## **Lending Activity**

Refer to Table 1 in the state of Virginia section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's lending activity in the Richmond MSA is good. Within the MSA, Wachovia has a deposit market share of 20.71%, ranking second among deposit-taking institutions. The bank has the seventh, third, and fifth market ranks for the number of home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions. In dollar volume, Wachovia has the sixth, third, and fifth market ranks, respectively, for these three products. The bank has the third market rank for the number of small business loans, and ranks first in dollar volume.

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

### ***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.

Home purchase loan geographic distribution within the Richmond MSA is poor. The percentage of loans originated in low-income and moderate-income geographies is well below and significantly below, respectively, the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is well below and significantly below, respectively, the bank's overall market share within the assessment area.

Home improvement loan geographic distribution within the Richmond MSA is excellent. The percentage of loans originated in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in those geographies. The market share of loans in low-income and moderate-income geographies is below and exceeds, respectively, the bank's overall market share within the assessment area.

Home refinance loan geographic distribution within the Richmond MSA is good. The percentage of loans originated in both low- and moderate-income geographies is below the percentage of owner-occupied housing units in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share within the assessment area.



## ***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 overall geographic distribution of small loans to businesses in the Richmond MSA is good. The distribution of small loans to businesses in low-income and moderate-income geographies is near to and below, respectively, the percentage of businesses in those geographies. The market share of loans in both low- and moderate-income geographies exceeds the bank's overall market share of small loans to businesses in the assessment area.

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

Refer to Table 7 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 farms.

Due to the minimal amount of small loans to farms originated during the evaluation period, this analysis was not performed.

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

### ***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.

Home purchase loan borrower distribution in the Richmond MSA is adequate. The portion of loans originated to low-income borrowers is well below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home purchase loans to low-income and moderate-income borrowers is significantly below and below, respectively, the bank's overall market share within the assessment area.

Home improvement loan borrower distribution is good. The portion of loans originated to low-income borrowers is below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home improvement loans to both low- and moderate-income borrowers is near to the bank's overall market share within the assessment area.

Home refinance loan borrower distribution is good. The portion of loans originated to low-income borrowers is significantly below the percentage of low-income families within the assessment area. The portion of loans originated to moderate-income borrowers exceeds the percentage of moderate-income families within the assessment area. The market share of home refinance loans to low-income and moderate-income borrowers equals and is near to, respectively, the bank's overall market share within the assessment area.

### ***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 is good in the Richmond MSA. The percentage of loans to small businesses is near to the percentage of small businesses in the assessment area. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank makes a significant majority of these loans in smaller amounts.

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

Refer to Table 12 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/purchase of small loans to farms.

Due to the minimal number of small loans to farms originated during the evaluation period, this analysis was not performed.

### **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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending had a significant positive impact on the bank's lending performance in the Richmond MSA during the evaluation period. The bank originated 35 qualified community development loans totaling \$218 million. A large portion of these loans was for affordable housing and created 1,615 units of affordable housing within the assessment area. Other uses for the bank's community development loans included inner-city revitalization and services for low- and moderate-income children.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Lynchburg-Bedford MSA, Norfolk-Virginia Beach-Newport News MSA, Roanoke MSA, and the Lexington-Covington and Southwest Virginia non-metropolitan assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the lending test in Virginia. In the Charlottesville MSA, Danville MSA, Johnson City-Kingsport-Bristol MSA, and in the Central Virginia, Northern Virginia, Shenandoah Valley, Southside Virginia, and Winchester non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. Weaker performance is primarily due to a less favorable distribution of home mortgage loans among geographies of different income levels.

Refer to the Tables 1 through 13 in the state of Virginia 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 Virginia is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Richmond-Petersburg (Richmond) MSA is excellent.

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.

#### **Richmond MSA**

The volume of qualified investments is excellent. Current-period investments include grants, in-kind donations, Low Income Housing Tax Credits (LIHTCs), and equity investments. Wachovia's investments met a variety of credit and community development needs. Approximately 89% of the investments were targeted to affordable housing, 4% stabilize and revitalize low- and moderate-income geographies, and 7% provide services target to low- and moderate-income people. In addition, Wachovia has 24 prior-period investments totaling \$58.3 million that continue to have a positive impact on the community and on the bank's CRA performance.

During the evaluation period, Wachovia invested \$10.7 million in LIHTCs, developing 671 affordable housing units. Wachovia continues to be invested in \$46 million in prior-period LIHTCs that account for 2,790 affordable housing units. The impact of prior-period LIHTCs was weighted heavily into the bank's overall evaluation, as these investments meet critical credit needs which tie up the bank's capital for a long period of time. These investments exhibit complex features, requiring specialized expertise due to the large number of parties involved in a project, extensive paperwork requirements, and complex tax-related issues.

Examples of LIHTC projects during the evaluation period that had a significant impact on meeting community development and credit needs follow:

- **Chesterfield County** – Wachovia invested \$5.2 million in a 214-unit apartment complex utilizing LIHTCs. The complex will serve households at 60% of the area median income. Its features include fully equipped kitchens, two baths in each apartment, resident business center, balcony/patio, laundry facilities, swimming pool, and playground.
- **The Overlook at Brook Run** – Wachovia invested \$3.2 million and made a \$4.3 million construction loan for The Overlook at Brook Run apartment project. This project will substantially increase the supply of affordable rental housing in Richmond. Located in Henrico County, the project contains 156 apartments. Henrico County has very little land available for multi-family housing; therefore, this project is important in meeting affordable rental housing needs in the area.
- **Affordable Senior Housing** – Wachovia made a \$2.2 million direct investment in this 94-unit apartment complex utilizing LIHTCs. This project was developed exclusively for persons over the age of 55 and accepts only those with incomes at 60% or below the area median income. The new two-bedroom apartment homes are maintenance-free and include utilities and numerous amenities.

Wachovia also funded grants and in-kind donations totaling approximately \$1.7 million, meeting specific credit and community development needs within the Richmond MSA. In addition to providing funds to these organizations in the form of grants, Wachovia employees are actively involved with some of the organizations by providing financial management expertise. Examples follow:

- **Local Initiatives Support Corporation – Richmond Chapter** – Wachovia has provided over \$272 thousand in grants to this organization, which is dedicated to helping community development corporations in their new construction and rehabilitation of affordable housing projects and community development activities. It strives to rebuild neighborhoods in urban and low- to moderate-income communities and is dedicated to supporting affordable homeownership, small business, and economic development. A Wachovia employee is on this agency's board. This organization's efforts have helped increase the area's homeownership rate.
- **Family Lifeline** – Wachovia contributed funds to this not-for-profit organization that provides a broad range of critical community services to low- and moderate-income people. Family Lifeline has helped support 356 students in two elementary schools located in low-income census tracts, 1,000 families with emergency financial assistance, 492 homeless teens, and 150 low-income senior citizens.
- **National Black Farmers Association (NBFA)** – Wachovia provided contributions and technical assistance to support this organization's various programs. The NBFA works to improve the quality of life in rural communities through improved access to credit for small farmers, family farm business development, food distribution, and rural economic development. The

organization is located in Lawrenceville, Virginia, and reaches more the 20 thousand farmers. Wachovia's contributions have helped pay legal and other expenses for chartering the National Black Farmer Association Credit Union. In addition, Wachovia has provided financial and technical assistance to help the organization ratify an agriculture contract with Cuba. Wachovia helped cover the expenses of a NBFA delegation to Cuba to discuss the transfer and purchase of grain products. A \$25.6 million contract with Cuba for the sale of grain produced by black small farmers was negotiated and signed during the visit.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Danville MSA and Norfolk-Virginia Beach-Newport News MSA and in the Shenandoah Valley and Southwest Virginia non-metropolitan assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the investment test in Virginia. In the Charlottesville MSA, Kingsport-Johnson City-Bristol MSA, Lynchburg-Bedford MSA, and Roanoke MSA and in the Central Virginia, Lexington-Covington, Northern Virginia, Southside Virginia, and Winchester non-metropolitan assessment areas the bank's performance is weaker than the bank's overall performance in the state. The weaker performance is primarily attributable to an overall lower level of current-period and/or prior-period investments. The blending of weaker performance in assessment areas received limited-scope reviews resulted in no impact to the overall investment test rating.

Refer to the Table 14 in the state of Virginia 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 Virginia is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Richmond-Petersburg (Richmond) MSA is excellent.

### **Richmond MSA**

#### **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.

Service delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies exceeds the percentage of individuals living in those geographies. The percentage of

branches in moderate-income geographies is near to the percentage of individuals residing in those geographies. An additional ten branches (nine in middle-income tracts and one in an upper-income tract) are within three blocks of low- and moderate-income geographies, and they are easily accessible by persons in those geographies. These nearby branches enhance the distribution significantly.

Hours and services do not vary in a way that inconveniences individuals throughout the MSA. Branch openings and closings in the MSA have not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies. During the evaluation period, Wachovia closed one branch in a low-income geography as part of the merger with First Union Bank and later opened a branch in a more accessible location in the same low-income geography. Alternate delivery systems are readily accessible by geographies and persons of different income levels, in particular those in low- and moderate-income geographies. The distribution of ATMs in low-income geographies of 9.38% exceeds the percentage of the population that resides in these geographies, and the percentage of ATMs in moderate-income geographies of 14.06% is somewhat lower than the percentage of individuals residing in those geographies.

## **Community Development Services**

Community development service performance is excellent in the Richmond MSA. Wachovia is a leader in providing services in this MSA. A bank officer has served in sustained leadership roles for the Richmond Economic Development Corporation, as a board member, treasurer, and chair of the finance committee. This organization provides loans and financial consultation services to small businesses in the MSA. An officer was also instrumental in helping New Visions New Ventures develop an Individual Development Account program that is targeted to its low- and moderate-income women clients. An officer has been the chair of the New Enterprise Fund, a micro-business lender, and has provided training to this organization's loan committee on evaluating small business loan applications. A bank officer has served in leadership roles with the Virginia Microenterprise Network, an organization that serves small businesses in the MSA and throughout the state. Wachovia has provided general and technical financial assistance to many organizations whose primary purposes are affordable housing, small business services, or community services. The organizations benefited include Housing Opportunities Made Equal, Inc., Richmond Community Development Corporation, Small Business Development Center, Virginia Foundation for Housing Preservation, Virginia Housing Development Authority, and Neighborhood Housing Services of Richmond.

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

Based on limited-scope reviews, the bank's performance under the service test in all limited-scope assessment areas except four is not inconsistent with the bank's overall "Outstanding" performance under the service test in Virginia. In all cases where a branch distribution was less than the comparable population demographic, there were

easily accessible locations in neighboring middle- or upper-income geographies that mitigated the differences. In the Lexington-Covington non-metropolitan assessment area performance is weaker than the bank's overall performance in the state primarily due to a less favorable branch distribution and the absence of easily accessible nearby branches to mitigate the performance. This weaker performance did not impact the overall rating due to the nominal deposits in this assessment area. Analysis of Central Virginia, Northern Virginia, and Winchester non-metropolitan assessment areas was not meaningful because there are no low- or moderate-income geographies in these assessment areas.

## 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): (01/01/01 to 12/31/02)<br>Investment and Service Tests and<br>CD Loans: (Legacy Wachovia: 01/01/01 to 06/30/03<br>Legacy First Union: 09/30/00 to 06/30/03) |  |  |
| <b>Financial Institution</b>                                     |   | <b>Products Reviewed</b>                               |  |
| Wachovia Bank, National Association (Wachovia).<br>Charlotte, NC |   | Home mortgage loans<br>Small business/Small farm loans |  |
| <b>Affiliate(s)</b>  | <b>Affiliate Relationship</b>   | <b>Products Reviewed</b>                               |  |
| Wachovia Mortgage Corporation                                    | Bank subsidiary   | Home mortgage loans                                    |  |
| <b>List of Assessment Areas and Type of Examination</b>          |   |  |  |
| <b>Assessment Area</b>   |   | <b>Type of Exam</b>                                    | <b>Other Information</b>   |
| Multistates:   |   |  |  |
| Augusta-Aiken, GA-SC   | 0600  | Full-Scope   |  |
| Charlotte-Gastonia-Rock Hill, NC-SC                              | 1520  | Full-Scope   |  |
| Newburgh, NY-PA  | 5660  | Full-Scope   |  |
| Philadelphia, PA-NJ  | 6160  | Full-Scope   | PA – Bucks, Chester, Delaware, Montgomery, Philadelphia<br>NJ – Burlington, Camden and Gloucester  |
| Washington, DC-MD-VA-WV  | 8840  | Full-Scope   | District of Columbia<br>MD – Montgomery, Prince Georges<br>VA – Arlington, Culpeper, Fairfax, Fauquier, Loudoun, Prince William, Spotsylvania, Stafford and Warren counties; Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas and Manassas Park cities. |



|                                 |      |               |                        |
|---------------------------------|------|---------------|------------------------|
| <b>Connecticut</b>              |      |               |                        |
| New Haven-Meriden               | 5480 | Full-Scope    |                        |
| Bridgeport                      | 1160 | Limited-Scope |                        |
| Danbury                         | 1930 | Limited-Scope |                        |
| Hartford                        | 3280 | Limited-Scope | Hartford and Middlesex |
| New London- Norwich, CT-RI      | 5520 | Limited-Scope |                        |
| Stamford-Norwalk                | 8040 | Limited-Scope |                        |
| Waterbury                       | 8880 | Limited-Scope |                        |
| <b>Florida</b>                  |      |               |                        |
| Fort Lauderdale                 | 2680 | Full-Scope    |                        |
| Tampa-St. Petersburg-Clearwater | 8280 | Full-Scope    |                        |
| Daytona Beach                   | 2020 | Limited-Scope |                        |
| Fort Myers-Cape Coral           | 2700 | Limited-Scope |                        |
| Fort Pierce-Port St. Lucie      | 2710 | Limited-Scope |                        |
| Gainesville                     | 2900 | Limited-Scope |                        |
| Jacksonville                    | 3600 | Limited-Scope |                        |
| Lakeland-Winterhaven            | 3980 | Limited-Scope |                        |
| Melbourne- Titusville-Palm Bay  | 4900 | Limited-Scope |                        |
| Miami                           | 5000 | Limited-Scope |                        |
| Naples                          | 5345 | Limited-Scope |                        |
| Ocala                           | 5790 | Limited-Scope |                        |
| Orlando                         | 5960 | Limited-Scope |                        |
| Pensacola                       | 6080 | Limited-Scope |                        |
| Punta Gorda                     | 6580 | Limited-Scope |                        |
| Sarasota-Bradenton              | 7510 | Limited-Scope |                        |
| Tallahassee                     | 8240 | Limited-Scope | Leon                   |
| West Palm Beach-Boca Raton      | 8960 | Limited-Scope |                        |
| Florida Keys Non-MSA            |      | Limited-Scope | Monroe                 |

|                                     |      |               |  |
|-------------------------------------|------|---------------|--|
| Highlands County Non-MSA            |      | Limited-Scope |  |
| Indian River Non-MSA                |      | Limited-Scope |  |
| Madison/Taylor Non-MSA              |      | Limited-Scope |  |
| Walton County Non-MSA               |      | Limited-Scope |  |
| <b>Georgia</b><br>Atlanta           | 0520 | Full-Scope    | Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, Rockdale, Spalding and Walton |
| Athens                              | 0500 | Limited-Scope | Clarke   |
| Columbus, GA-AL                     | 1800 | Limited-Scope | GA – Chattahoochee, Harris and Muscogee  |
| Macon                               | 4680 | Limited-Scope | Bibb and Houston   |
| Savannah                            | 7520 | Limited-Scope |  |
| Dalton-Rome-Calhoun Non-MSA         |      | Limited-Scope | Floyd, Gordon and Whitfield  |
| Hinesville Non-MSA                  |      | Limited-Scope | Liberty  |
| Bulloch County Non-MSA              |      | Limited-Scope |  |
| Hall-Lumpkin Non-MSA                |      | Limited-Scope |  |
| Sumter County Non-MSA               |      | Limited-Scope |  |
| <b>Maryland</b><br>Baltimore        | 0720 | Full-Scope    | Anne Arundel, Baltimore, Carroll, Harford, and Howard counties; Baltimore city   |
| <b>New Jersey</b><br>Monmouth-Ocean | 5190 | Full-Scope    |  |
| Newark                              | 5640 | Full-Scope    |  |
| Atlantic-Cape May                   | 0560 | Limited-Scope |  |
| Bergen-Passaic                      | 0875 | Limited-Scope |  |
| Jersey city                         | 3640 | Limited-Scope |  |
| Middlesex-Somerset-Hunterdon        | 5015 | Limited-Scope |  |
| Trenton                             | 8480 | Limited-Scope |  |

|  |      |                   |  |
|--|------|-------------------|--|
| <b>New York</b><br>New York                                  | 5600 | Full-<br>Scope    | Bronx, Putnam, Rockland and<br>Westchester                           |
| Dutchess County  | 2281 | Limited-<br>Scope |  |
| Ulster County Non-MSA  |      | Limited-<br>Scope |  |
| <b>North Carolina</b><br>Greensboro-Winston-Salem-High Point | 3120 | Full-<br>Scope    |  |
| Raleigh-Durham-Chapel Hill                                   | 6640 | Full-<br>Scope    | Chatham, Durham, Johnston,<br>Orange, Wake                           |
| Asheville  | 0480 | Limited-<br>Scope |  |
| Fayetteville   | 2560 | Limited-<br>Scope |  |
| Goldsboro  | 2980 | Limited-<br>Scope |  |
| Greenville   | 3150 | Limited-<br>Scope |  |
| Hickory-Morganton  | 3290 | Limited-<br>Scope |  |
| Jacksonville   | 3605 | Limited-<br>Scope |  |
| Rocky Mount  | 6895 | Limited-<br>Scope |  |
| Wilmington   | 9200 | Limited-<br>Scope | New Hanover  |
| Albemarle Non-MSA  |      | Limited-<br>Scope | Stanly   |
| Eastern NC Non-MSA   |      | Limited-<br>Scope | Beaufort, Carteret, Craven,<br>Greene, Lenior, Martin and<br>Pamlico |
| Lee-Moore Non-MSA  |      | Limited-<br>Scope |  |
| Northeastern NC Non-MSA                                      |      | Limited-<br>Scope | Bertie, Camden, Dare, Hertford<br>and Pasquotank                     |
| Northwestern NC Non-MSA                                      |      | Limited-<br>Scope | Avery, Surry, Watauga and Wilkes                                     |
| Person County Non-MSA  |      | Limited-<br>Scope |  |
| Rockingham County Non-MSA                                    |      | Limited-<br>Scope |  |
| Sampson County Non-MSA                                       |      | Limited-<br>Scope |  |
| Southern NC Non-MSA  |      | Limited-<br>Scope |  |
| Statesville Non-MSA  |      | Limited-<br>Scope |  |
| Western MC Non-MSA   |      | Limited-<br>Scope |  |
| Wilson Non-MSA   |      | Limited-<br>Scope |  |

|  |      |               |   |
|--|------|---------------|---|
| <b>Pennsylvania</b><br>Harrisburg-Lebanon-Carlisle       | 3240 | Full-Scope    | Cumberland, Dauphin and Lebanon   |
| Allentown-Bethlehem-Easton                               | 0240 | Limited-Scope |   |
| Lancaster  | 4000 | Limited-Scope |   |
| Reading  | 6680 | Limited-Scope |   |
| Scranton-Wilkes-Barre-Hazleton                           | 7560 | Limited-Scope | Lackawanna, Luzerne and Wyoming   |
| York   | 9280 | Limited-Scope |   |
| Monroe-Wayne Non-MSA                                     |      | Limited-Scope |   |
| Schuylkill-Northumberland Non-MSA                        |      | Limited-Scope |   |
| <b>South Carolina</b><br>Greenville-Spartanburg-Anderson | 3160 | Full-Scope    |   |
| Charleston-North Charleston                              | 1440 | Limited-Scope |   |
| Columbia   | 1760 | Limited-Scope |   |
| Florence   | 2655 | Limited-Scope |   |
| Myrtle Beach   | 5330 | Limited-Scope |   |
| Sumter   | 8140 | Limited-Scope |   |
| Georgetown County Non-MSA                                |      | Limited-Scope |   |
| Hilton Head Non-MSA                                      |      | Limited-Scope | Beaufort  |
| Northeastern SC Non-MSA                                  |      | Limited-Scope | Chesterfield, Darlington, Dillon, Kershaw, Lancaster, Marion and Marlboro |
| Northwestern SC Non-MSA                                  |      | Limited-Scope | Abbeville, Fairfield, Greenwood, Laurens, Newberry and Union              |
| Oconee County Non-MSA                                    |      | Limited-Scope |   |
| Southern SC Non-MSA                                      |      | Limited-Scope | Bamberg, Calhoun, Colleton and Orangeburg                                 |

|  |      |               |   |
|--|------|---------------|---|
| <b>Virginia</b><br>Richmond-Petersburg MSA | 6760 | Full-Scope    |   |
| Charlottesville MSA                        | 1540 | Limited-Scope | Albemarle and Charlottesville city  |
| Danville MSA                               | 1950 | Limited-Scope |   |
| Johnson City-Kingsport-Bristol, TN-VA      | 3660 | Limited-Scope | VA – Washington and Bristol city  |
| Lynchburg MSA                              | 4640 | Limited-Scope |   |
| Norfolk-Virginia Beach-Newport News, VA-NC | 5720 | Limited-Scope | VA - Gloucester, Isle of Wight, James city, Mathews, and York counties; Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg cities |
| Roanoke MSA                                | 6800 | Limited-Scope |   |
| Central Virginia Non-MSA                   |      | Limited-Scope | Amelia, Appomattox, Nelson and Prince Edward  |
| Lexington-Covington Non-MSA                |      | Limited-Scope | Alleghany and Rockbridge counties; Buena Vista, Clifton Forge, Covington and Lexington cities   |
| Northern Virginia Non-MSA                  |      | Limited-Scope | Louisa, Madison and Orange  |
| Shenandoah Valley Non-MSA                  |      | Limited-Scope | Augusta and Rockingham counties; Harrisonburg, Staunton and Waynesboro cities   |
| Southside Virginia Non-MSA                 |      | Limited-Scope | Halifax and Mecklenburg counties; South Boston city   |
| Southwest Virginia Non-MSA                 |      | Limited-Scope | Buchanan, Carroll, Dickenson, Grayson, Part of Henry, Montgomery, Pulaski, Smyth, Tazewell, Wise and Wythe counties; Galax, Norton and Radford cities.                                    |
| Winchester Non-MSA                         |      | Limited-Scope |   |

## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

| <b>RATINGS</b> WACHOVIA BANK, NA              |                             |                               |                            |   |
|---|-----------------------------|-------------------------------|----------------------------|---|
| <b>Overall Bank:</b>                          | <b>Lending Test Rating*</b> | <b>Investment Test Rating</b> | <b>Service Test Rating</b> | <b>Overall Bank/State/Multistate Rating</b> |
| Wachovia Bank, NA                             | O                           | O                             | O                          | O   |
| <b>Multistate Metropolitan Area or State:</b> |                             |                               |                            |   |
| Augusta-Aiken (GA-SC)                         | O                           | H                             | O                          | O   |
| Charlotte-Gastonia-Rock Hill (NC-SC)          | O                           | O                             | O                          | O   |
| Newburgh (NY-PA)                              | O                           | N                             | H                          | S   |
| Philadelphia (PA-NJ)                          | O                           | O                             | H                          | O   |
| Washington (DC-MD-VA-WV)                      | O                           | O                             | O                          | O   |
| Connecticut                                   | H                           | H                             | O                          | S   |
| Florida                                       | O                           | O                             | O                          | O   |
| Georgia                                       | O                           | O                             | O                          | O   |
| Maryland                                      | O                           | O                             | H                          | O   |
| New Jersey                                    | O                           | O                             | H                          | O   |
| New York                                      | O                           | O                             | H                          | O   |
| North Carolina                                | H                           | O                             | O                          | O   |
| Pennsylvania                                  | H                           | O                             | O                          | O   |
| South Carolina                                | H                           | H                             | O                          | S   |
| Virginia                                      | O                           | O                             | O                          | O   |

**(\*) 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

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#### Market Profiles for Areas Receiving Full-Scope Areas

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## Augusta-Aiken, GA-SC, MSA

| Demographic Information for Full-Scope Area: Augusta-Aiken, GA-SC, MSA   |         |  |                    |                  |                       |               |
|--|---------|--|--------------------|------------------|-----------------------|---------------|
| Demographic Characteristics  | #       | Low<br>% of #  | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of #       | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)   | 89      | 9  | 17                 | 46               | 27                    | 1             |
| Population by Geography  | 415,184 | 6  | 17                 | 50               | 27                    | 0             |
| Owner-Occupied Housing by Geography  | 99,460  | 4  | 15                 | 50               | 31                    | 0             |
| Businesses by Geography  | 24,329  | 7  | 19                 | 41               | 33                    | 0             |
| Farms by Geography   | 700     | 2  | 18                 | 51               | 29                    | 0             |
| Family Distribution by Income Level  | 110,776 | 22   | 17                 | 21               | 40                    | 0             |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 42,799  | 12   | 24                 | 51               | 14                    | 0             |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2000 = \$33,051<br>Households Below the Poverty Level = \$49,900 = 15.59% |         | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) |                    |                  | = \$ 62,920<br>= 5.1% |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Augusta-Aiken, GA-SC, MSA assessment area consists of the entire MSA. Wachovia has 28 full service ATMs and 12 cash dispensing ATMs in the assessment area. WB has 19 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$1.2 billion or .7% of total franchise deposits. Wachovia is the largest deposit holder in the AA with a market share of 24.92%. The bank's primary competitors in the market are Regions Bank (RB), Bank of America (BOA) and Georgia B & T Co of Augusta (GBT). RB is the second largest deposit holder in the AA with a 13.76% market share. BOA is the third largest deposit holder in the AA with a 12.67% market share while GBT is the fourth largest deposit holder in the AA with a 9.94% market share.

The Augusta-Aiken, GA-SC, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include the State & Federal Government, University Hospital and Avondale Mills Inc. Unemployment rates during the assessment period ranged from a high in July 2001 of 7.3%, and a low in April 2001 of 3.3%.



We obtained information regarding the assessment through our community contacts. The following needs of LMI individuals or areas were identified during these community contacts:

- Credit needs
- Small business financing, especially in underserved census tracts
- Economic development
- Small business lending

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Lease purchase mortgage products
- Small business lending
- Construction lending
- Rehab specific targeted areas in terms of housing and economic development

## Charlotte-Gastonia-Rock Hill, NC-SC, MSA

| Demographic Information for Full-Scope Area: Charlotte-Gastonia-Rock Hill, NC-SC, MSA  |           |   |                    |                  |                 |                       |
|--|-----------|---|--------------------|------------------|-----------------|-----------------------|
| Demographic Characteristics  | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #         |
| Geographies (Census Tracts/BNAs)   | 264       | 6   | 22                 | 52               | 18              | 2                     |
| Population by Geography  | 1,162,093 | 3   | 17                 | 58               | 22              | 0                     |
| Owner-Occupied Housing by Geography  | 294,578   | 1   | 14                 | 61               | 25              | 0                     |
| Businesses by Geography  | 62,077    | 8   | 20                 | 52               | 19              | 1                     |
| Farms by Geography   | 1,475     | 2   | 13                 | 69               | 14              | 3                     |
| Family Distribution by Income Level  | 319,242   | 19  | 18                 | 25               | 39              | 0                     |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 117,927   | 5   | 26                 | 59               | 10              | 0                     |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$36,307<br>= \$64,100<br>Households Below the Poverty Level = 10.2% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 76,988<br>= 4.5% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Charlotte-Gastonia-Rock Hill, NC-SC, MSA assessment area consists of the entire MSA. Wachovia has 142 full service ATMs and 44 cash dispensing ATMs in the assessment area. Wachovia has 73 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$24 billion or 3.2% of total franchise deposits. Wachovia is the second largest deposit holder in the AA with a market share of 36.52%. The bank's primary competitors in the market are Bank of America (BOA) and Branch Banking & Trust (BBT). BOA is the largest deposit holder in the AA with a 47.45% market share. BBT is the third largest in the AA with a 3.51% market share.

The Charlotte-Gastonia-Rock Hill, NC-SC, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include manufacturing, financial activities, leisure & hospitality and educational & health services. Major employers include the Wachovia Corporation, Charlotte-Mecklenburg Schools, Bank of America and Carolinas Healthcare System. Unemployment rates during the assessment period ranged from a high of 7.2% in January 2002 to a low of 4% in April 2001.

We obtained information about the community through contacting various organizations. The following needs of LMI individuals or areas were identified during these community contacts:

- Reducing high debt ratios
- Credit repair or counseling to improve poor credit
- Higher income to afford homes
- Better jobs or more employment training
- Financial literacy
- Budgeting
- Affordable housing
- Money management

The various community contacts cited several opportunities for participation available to financial institutions. They are the following:

- Loan pools
- First and second mortgages
- Funds for counseling
- Tax credits
- Provide technical assistance with credit repair and budgeting.

## Newburgh, NY-PA, MSA

| Demographic Information for Full-Scope Area: Newburgh, NY-PA, MSA   |         |  |                    |                  |                 |                        |
|---|---------|--|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics   | #       | Low<br>% of #  | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)  | 76      | 3  | 21                 | 49               | 26              | 1                      |
| Population by Geography   | 335,613 | 4  | 15                 | 53               | 27              | 0                      |
| Owner-Occupied Housing by Geography   | 77,249  | 1  | 11                 | 57               | 31              | 0                      |
| Businesses by Geography   | 24,509  | 1  | 15                 | 54               | 30              | 0                      |
| Farms by Geography  | 826     | 1  | 4                  | 55               | 40              | 0                      |
| Family Distribution by Income Level   | 85,947  | 18   | 18                 | 25               | 38              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 31,318  | 6  | 25                 | 52               | 17              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$42,859<br>Households Below the Poverty Level = \$58,700 = 8.32% |         | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) |                    |                  |                 | = \$ 132,283<br>= 3.9% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Newburgh, NY-PA, MSA assessment area consists of the entire MSA. Wachovia has 5 full service ATMs and no cash dispensing ATMs in the assessment area. Wachovia has 5 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$157 million or .1% of total franchise deposits. Wachovia is the twelfth largest deposit holder in the AA with a market share of 3.07%. The bank’s primary competitors in the market are Fleet National Bank (FNB), Bank of New York (BONY) and Hudson United Bank (HUB). FNB is the largest deposit holder in the AA with a 13.11% market share. BONY is the second largest in the AA with an 11.20% market share and HUB is the third largest deposit holder in the AA with a 9.46% market share.

The Newburgh, NY-PA, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and educational & health services. Unemployment rates during the assessment period ranged from a high of 5.2% in February to a low of 3.2% in April 2001.

We obtained information about the community by contacting various individuals and organizations in the community. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Financial literacy

- Budgeting
- Finance education
- Home ownership counseling
- Credit education
- Affordable housing
- Closing costs & down payment assistance.
- Medical needs
- Nutrition education

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- NY State Housing Trust Fund & Tax Credit program
- Habitat for Humanity
- Expand hospital services

## Philadelphia, PA-NJ, MSA

| Demographic Information for Full-Scope Area: Philadelphia, PA-NJ, MSA  |           |  |                    |                  |                        |               |
|--|-----------|--|--------------------|------------------|------------------------|---------------|
| Demographic Characteristics  | #         | Low<br>% of #  | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of #        | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)   | 1,254     | 8  | 16                 | 44               | 29                     | 3             |
| Population by Geography  | 4,856,881 | 9  | 17                 | 45               | 29                     | nil           |
| Owner-Occupied Housing by Geography  | 1,237,484 | 5  | 16                 | 47               | 32                     | 0             |
| Businesses by Geography  | 353,524   | 7  | 12                 | 40               | 41                     | 0             |
| Farms by Geography   | 6,160     | 1  | 5                  | 48               | 46                     | nil           |
| Family Distribution by Income Level  | 1,250,375 | 20   | 18                 | 24               | 38                     | 0             |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 467,427   | 16   | 26                 | 44               | 14                     | 0             |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$41,908<br>Households Below the Poverty Level = \$63,300 = 10.28% |           | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) |                    |                  | = \$ 107,892<br>= 5.1% |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Philadelphia, PA-NJ, MSA assessment area consists of the entire MSA except Salem County in New Jersey. Wachovia has 288 full service ATMs and 86 cash dispensing ATMs in the assessment area. Wachovia has 232 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$20 billion or 10.5% of total franchise deposits. WB is the largest deposit holder in the AA with a market share of 23.74%. The bank's primary competitors in the market are PNC Bank National Association (PNC), Citizens Bank of PA (CB) and Commerce Bank National Association (CBNA). PNC is the second largest deposit holder in the AA with an 11.51% market share. CB is the third largest in the AA with an 11.13% market share and CBNA is the fourth largest deposit holder in the AA with a 5.24% market share.

The Philadelphia, PA-NJ, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include trade, transportation & utilities, professional & business services and educational & health services. Major employers include United Parcel Service, University Of Pennsylvania and Temple University & Hospital. Unemployment rates during the assessment period ranged from a high of 6% in July 2002 to a low of 4.1% in January 2001.

We obtained information regarding the community by contacting various individuals and organizations in the community. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Small business needs
- Credit repair classes
- Financial literacy classes
- Mortgage lending
- Banking branches
- Low interest and long-term financing for RE and business development
- Equity investments in RE developments

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Philadelphia Saves
- Educational series workshops
- Get Checking program
- Partnering with LISC

## Washington, DC-MD-VA, MSA

| Demographic Information for Full-Scope Area: Washington, DC-MD-VA, MSA  |           |   |                    |                  |                 |                        |
|---|-----------|---|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics   | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)  | 951       | 6   | 22                 | 39               | 25              | 8                      |
| Population by Geography   | 3,799,944 | 5   | 23                 | 45               | 27              | nil                    |
| Owner-Occupied Housing by Geography   | 851,213   | 1   | 15                 | 49               | 35              | 0                      |
| Businesses by Geography   | 244,706   | 4   | 17                 | 42               | 36              | 1                      |
| Farms by Geography  | 3,526     | 1   | 16                 | 48               | 35              | nil                    |
| Family Distribution by Income Level   | 947,590   | 17  | 18                 | 25               | 40              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 335,865   | 9   | 37                 | 42               | 12              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$52,807<br>Households Below the Poverty Level = \$91,500 = 6.13% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 184,764<br>= 3.3% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Washington, DC-MD-VA, MSA assessment area consists of the entire MSA except Calvert, Charles & Fredericksburg counties in Maryland and Clarke and King George counties in Virginia. Wachovia has 212 full service ATMs and 27 cash dispensing ATMs in the assessment area. WB has 146 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$13.78 billion or 7.4% of total franchise deposits. Wachovia is the largest deposit holder in the AA with a market share of 13.21%. The bank's primary competitors in the market are Bank of America (BOA), SunTrust Bank (SB) and Capital One (CO). BOA is the second largest deposit holder in the AA with an 11.28% market share. SB is the third largest in the AA with an 11.20% market share and CO is the fourth largest deposit holder in the AA with a 9.71% market share.

The Washington, DC-MD-VA, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include the Federal Government, George Washington University, and Howard University. Unemployment rates during the assessment period ranged from a high of 4% in June 2002 to a low of 2.4% in April 2001.



We obtained information regarding the assessment area by contacting various individuals and organizations in the community. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Traditional banking products
- Residential mortgage loans
- Small business lending for start up and on going costs
- Acquisition, construction and permanent financing
- Tenant purchases financing
- Flexible affordable housing mortgages
- Affordable housing

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- H Street CDC
- Traditional banking products
- 8<sup>th</sup> SE economic redevelopment project
- Acquisition, construction and permanent financing
- Project acquisition and carry costs
- Equity investments
- Operating capital

## New Haven-Meriden, CT, MSA

| Demographic Information for Full-Scope Area: New Haven-Meriden, CT, MSA   |         |   |                    |                  |                 |                        |
|---|---------|---|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics   | #       | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)  | 125     | 9   | 21                 | 45               | 24              | 1                      |
| Population by Geography   | 530,240 | 8   | 19                 | 50               | 23              | Nil                    |
| Owner-Occupied Housing by Geography   | 124,773 | 3   | 11                 | 56               | 30              | 0                      |
| Businesses by Geography   | 34,568  | 6   | 15                 | 50               | 28              | 0                      |
| Farms by Geography  | 709     | 1   | 6                  | 49               | 44              | 0                      |
| Family Distribution by Income Level   | 137,583 | 19  | 19                 | 25               | 37              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 51,114  | 14  | 26                 | 47               | 13              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$46,805<br>Households Below the Poverty Level = \$69,300 = 8.44% |         | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 169,571<br>= 4.2% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The New Haven- Meriden, CT, MSA assessment area consists of the entire MSA. WB has 29 full service ATMs and no cash dispensing ATMs in the assessment area. Wachovia has 25 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$1.66 billion or .8% of total franchise deposits. WB is the largest deposit holder in the AA with a market share of 17.14%. The bank's primary competitors in the market are New Haven Savings Bank (NHSB), Fleet National Bank (FNB) and Webster Bank. NHSB is the second largest deposit holder in the AA with a 16.99% market share. FNB is the third largest in the AA with a 15.38% market share and Webster Bank is the fourth largest deposit holder in the AA with a 10.11% market share.

The New Haven- Meriden, CT, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and educational & health services. Major employers include Yale University, Yale-New Haven Hospital, SBC/SNET (Internet communication service provider) and ASSA Abloy Sargent (manufacture and supply locking solutions). Unemployment rates during the assessment period ranged from a high of 4.5% in July 2002 to a low of 2.9% in April 2001.

We obtained information regarding the community by contacting various individuals and organizations with the community. The following needs of LMI individuals or areas were identified during these community contacts:

- Commercial RE loans
- Affordable mortgages
- Business and commercial development projects
- Attractive refinancing products
- Alternatives to subprime activities.

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Neighborhood developments
- Homebuyer programs
- Commercial corridor programs
- Shaw's Supermarket Project
- New market tax credits
- Business New Haven
- Affordable housing development
- Lines of credit
- Capital
- Low interest loan programs.

## Fort Lauderdale, FL, MSA

| Demographic Information for Full-Scope Area: Fort Lauderdale, FL MSA  |           |   |                    |                  |                 |                        |
|---|-----------|---|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics   | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)  | 164       | 5   | 20                 | 47               | 26              | 2                      |
| Population by Geography   | 1,255,488 | 3   | 19                 | 55               | 23              | 0                      |
| Owner-Occupied Housing by Geography   | 359,587   | 1   | 14                 | 59               | 26              | 0                      |
| Businesses by Geography   | 77,533    | 9   | 18                 | 48               | 24              | 0                      |
| Farms by Geography  | 1,056     | 7   | 22                 | 54               | 17              | 0                      |
| Family Distribution by Income Level   | 337,284   | 20  | 18                 | 23               | 40              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 127,829   | 5   | 26                 | 55               | 14              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$36,801<br>Households Below the Poverty Level = \$60,200 = 9.73% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 114,945<br>= 5.3% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Fort Lauderdale, FL, MSA assessment area consists of the entire MSA. Wachovia has 97 full service ATMs and 12 cash dispensing ATMs in the assessment area. Wachovia has 78 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$4.6 billion or 3.1% of total franchise deposits. Wachovia is the second largest deposit holder in the AA with a market share of 16.64%. The bank's primary competitors in the market are Bank of America (BOA), Washington Mutual (WM) and SunTrust Bank (SB). BOA is the largest deposit holder in the AA with a 25.82% market share. WM is the third largest in the AA with a 7.60% market share and SB is the fourth largest deposit holder in the AA with a 7.39% market share.

The Fort Lauderdale, FL, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include construction & mining, financial activities and educational & health services. Major employers include the Broward County School Board, Broward County Government and Publix Supermarkets. Unemployment rates during the assessment period ranged from a high of 6.5% in January 2002 to a low of 4% in February 2001.

We obtained information about information about the community by contacting various organizations within the community. The following needs of LMI individuals or areas were identified during these community contacts:

- Grants
- Micro loans
- Small business funding
- Funding to community groups
- Creative loans
- Lending programs with less restrictive guidelines
- Money management education

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Partner with banks or other organizations to provide programs
- Programs to start a business, improve or expand operations
- Work Force 1 that assists veterans
- Vision Broward, which is a commissioning process for Broward County
- Promote self-employment
- Small business incubators

## Tampa-St. Petersburg-Clearwater, FL, MSA

| Demographic Information for Full-Scope Area: Tampa-St. Petersburg-Clearwater, FL, MSA  |           |   |                    |                  |                 |               |
|--|-----------|---|--------------------|------------------|-----------------|---------------|
| Demographic Characteristics  | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)   | 413       | 4   | 22                 | 47               | 25              | 2             |
| Population by Geography  | 2,067,959 | 2   | 22                 | 46               | 28              | nil           |
| Owner-Occupied Housing by Geography  | 602,494   | 1   | 22                 | 48               | 30              | 0             |
| Businesses by Geography  | 114,633   | 2   | 24                 | 49               | 26              | nil           |
| Farms by Geography   | 2,513     | 1   | 23                 | 56               | 20              | 0             |
| Family Distribution by Income Level  | 579,152   | 18  | 20                 | 23               | 39              | 0             |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 217,532   | 4   | 33                 | 48               | 15              | 0             |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$31,244<br>Households Below the Poverty Level = \$50,500 = 10.94% |           | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) = \$ 78,602 = 4.2% |                    |                  |                 |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Tampa- St. Petersburg-Clearwater, FL, MSA assessment area consists of the entire MSA. Wachovia has 90 full service ATMs and 28 cash dispensing ATMs in the assessment area. Wachovia has 95 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$4.75 billion or 2.8% of total franchise deposits. Wachovia is the second largest deposit holder in the AA with a market share of 13.13%. The bank's primary competitors in the market are Bank of America (BOA), SunTrust Bank (SB) and SouthTrust Bank. BOA is the largest deposit holder in the AA with a 24.81% market share. SB is the third largest in the AA with a 13.06% market share and SouthTrust is the fourth largest deposit holder in the AA with a 7.741% market share.

The Tampa- St. Petersburg-Clearwater, FL, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include Hillsborough County School District, Verizon Communications, and the University of South Florida. Unemployment rates during the assessment period ranged from a high of 4.9% in June 2002 to a low of 3.1% in February 2001.

We obtained information about the community by contacting various individuals and organizations in the community. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Attractive interest rates
- Non-profit funding
- Small Business capital
- Affordable housing
- Multi family housing
- Bank branches in some areas
- Subsidies to purchase homes.

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Teaching financial literacy classes
- Credit counseling mentors
- Hope VI projects
- Develop housing
- Revitalize neighborhoods
- Midtown area project that is revitalizing three of the four quadrants
- Commercial projects
- Housing projects.

## Atlanta, GA, MSA

| Demographic Information for Full-Scope Area: Atlanta, GA, MSA   |           |   |                    |                  |                 |                       |
|---|-----------|---|--------------------|------------------|-----------------|-----------------------|
| Demographic Characteristics   | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #         |
| Geographies (Census Tracts/BNAs)  | 483       | 13  | 21                 | 39               | 27              | 1                     |
| Population by Geography   | 2,844,375 | 6   | 18                 | 45               | 30              | 0                     |
| Owner-Occupied Housing by Geography   | 661,747   | 3   | 15                 | 46               | 37              | 0                     |
| Businesses by Geography   | 180,983   | 6   | 18                 | 38               | 38              | 0                     |
| Farms by Geography  | 3,035     | 2   | 19                 | 50               | 29              | 0                     |
| Family Distribution by Income Level   | 752,568   | 19  | 18                 | 24               | 39              | 0                     |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 278,380   | 12  | 28                 | 45               | 15              | 0                     |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2000 = \$41,047<br>Households Below the Poverty Level = \$71,200 = 9.79% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2000)</b> |                    |                  |                 | = \$ 98,491<br>= 4.9% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Atlanta, GA, MSA assessment area consists of the entire MSA with the exception of Barrow, Carroll and Pickens counties. Wachovia has 280 full service ATMs and 189 cash dispensing ATMs in the assessment area. WB has 157 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$16.4 billion or 8.7% of total franchise deposits. Wachovia is the largest deposit holder in the AA with a market share of 22.09%. The bank's primary competitors in the market are SunTrust Bank (SB), Bank of America (BOA), and SouthTrust Bank (STB). SB is the second largest in the AA with an 18.57% market share. BOA is the third largest deposit holder in the AA with a 16.77% market share and STB is the fourth largest deposit holder in the AA with a 6.15% market share.

The Atlanta, GA, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include the United Parcel Service, Coca-Cola Company and Delta Airlines. Unemployment rates during the assessment period ranged from a high of 5.5% in June 2002 to a low of 2.7% in January 2001.



We obtained information about the community from our community contacts. The following needs of LMI individuals or areas were identified during these community contacts:

- Affordable housing,
- Down payment assistance,
- Low interest funding,
- Small Business retention,
- Small Business assistance,
- Small business financing,
- Non-profit funding assistance,
- Affordable housing bank product,
- Affordable land lots for building homes

The various community contacts cited several opportunities for participation available to financial institutions. They are the following:

- Affordable housing products or programs
- FHLB products
- Small business lending
- LMI mortgages
- Investment lending and services
- Financial literacy programs

## Baltimore, MD, MSA

| Demographic Information for Full-Scope Area: Baltimore, MD, MSA  |           |   |                    |                  |                 |                        |
|--|-----------|---|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics  | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)   | 577       | 10  | 21                 | 43               | 24              | 2                      |
| Population by Geography  | 2,348,219 | 8   | 20                 | 44               | 28              | 0                      |
| Owner-Occupied Housing by Geography  | 550,285   | 3   | 15                 | 48               | 34              | 0                      |
| Businesses by Geography  | 120,878   | 6   | 19                 | 44               | 31              | 0                      |
| Farms by Geography   | 2,520     | 1   | 4                  | 51               | 44              | 0                      |
| Family Distribution by Income Level  | 615,928   | 20  | 18                 | 24               | 39              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 230,366   | 15  | 30                 | 42               | 13              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$42,206<br>Households Below the Poverty Level = \$66,400 = 10.05% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 104,243<br>= 4.5% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Baltimore, MD, MSA assessment area consists of the entire MSA with the exception of Queen Anne County. Wachovia has 70 full service ATMs and 8 cash dispensing ATMs in the assessment area. Wachovia has 58 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$2.6 billion or 2.1% of total franchise deposits. Wachovia is the fourth largest deposit holder in the AA with a market share of 6.83%. The bank's primary competitors in the market are Bank of America (BOA), Manufacturers & Traders CO (MT) and Mercantile-Safe Deposit & Trust (MSD). BOA is the largest deposit holder in the AA with a 20.33% market share. MT is the second largest in the AA with a 14.50% market share and MSD is the third largest deposit holder in the AA with a 9.11% market share.

The Baltimore, MD, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and educational & health services. Major employers include the Federal Government, Greater Baltimore Medical Center and International Steel Group (ISG). Unemployment rates during the assessment period ranged from a high of 5.4% in January 2002 to a low of 3.9% in April 2001.

We obtained information about the community through community contacts conducted during our examination. As a result of our contacts, the following needs of LMI individuals or areas were identified during these community contacts:

- Small Business working capital, term and commercial mortgage loans,
- Home mortgage loans
- Acquisition and rehabilitation dollars to renovate older housing stock.

The various community contacts cited several opportunities for participation available to financial institutions. They are the following:

- Small Business working capital, term and commercial mortgage loans,
- Home mortgage loans
- Permanent financing at preferred rates and acquisition and rehabilitation dollars.
- State income tax credits that may be assigned to individual homes
- Assistance to non-profits

## Monmouth-Ocean, NJ, MSA

| Demographic Information for Full-Scope Area: Monmouth-Ocean, NJ, MSA  |         |  |                    |                  |                 |               |
|---|---------|--|--------------------|------------------|-----------------|---------------|
| Demographic Characteristics   | #       | Low<br>% of #  | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)  | 234     | 4  | 19                 | 44               | 30              | 3             |
| Population by Geography   | 986,327 | 2  | 21                 | 47               | 30              | Nil           |
| Owner-Occupied Housing by Geography   | 282,989 | 1  | 23                 | 46               | 30              | 0             |
| Businesses by Geography   | 52,435  | 2  | 14                 | 46               | 38              | 0             |
| Farms by Geography  | 1,476   | nil  | 12                 | 45               | 43              | 0             |
| Family Distribution by Income Level   | 268,329 | 18   | 19                 | 25               | 38              | 0             |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 99,724  | 4  | 36                 | 46               | 15              | 0             |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$46,616<br>Households Below the Poverty Level = \$69,900 = 5.88% |         | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) = \$ 164,255 = 5.2% |                    |                  |                 |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Monmouth-Ocean, NJ, MSA assessment area consists of the entire MSA. Wachovia has 67 full service ATMs and 9 cash dispensing ATMs in the assessment area. Wachovia has 64 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$3.3 billion or 2.4% of total franchise deposits. Wachovia is the second largest deposit holder in the AA with a market share of 14.33%. The bank's primary competitors in the market are Fleet National Bank (FNB), Sovereign Bank (SB) and Commerce Bank Shore NA (CBS). FNB is the largest deposit holder in the AA with a 16.17% market share. SB is the third largest in the AA with a 12.79% market share and CBS is the fourth largest deposit holder in the AA with a 9.87% market share.

The Monmouth-Ocean, NJ, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include Pepsico Incorporated, IBM Corporation and Fuji Photo Film USA Incorporated. Unemployment rates during the assessment period ranged from a high of 5.7% in July 2002 to a low of 3.2% in April 2001.

We obtained information regarding the community by contacting various individuals and organizations in the community. The following needs of LMI individuals or areas were identified during these community contacts:

- Affordable permanent & rental housing
- Mortgage (availability and low cost) financing
- Credit (loans, etc) financing
- Assistance in starting and sustaining a small business
- First time home buyer counseling
- Attracting more minorities to first time homebuyer ownership
- Loan products with flexible credit scores
- Section 8 mortgage programs
- Assist non-profits with better access to acquisition and construction dollars

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Participate in the FHLB fund
- Partner with non-profits for developing housing
- Outreach for non-profits
- Technical assistance for non-profits to apply for funding and revolving loan fund assistance
- Working with area CDCs
- Assisting in the city urban enterprise zone
- Build homes

## Newark, NJ, MSA

| Demographic Information for Full-Scope Area: Newark, NJ, MSA  |           |  |                    |                  |                 |                        |
|---|-----------|--|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics   | #         | Low<br>% of #  | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)  | 483       | 13   | 23                 | 36               | 25              | 3                      |
| Population by Geography   | 1,915,928 | 9  | 21                 | 39               | 31              | 0                      |
| Owner-Occupied Housing by Geography   | 409,163   | 2  | 12                 | 45               | 42              | 0                      |
| Businesses by Geography   | 105,956   | 8  | 14                 | 41               | 37              | 0                      |
| Farms by Geography  | 2,103     | 1  | 4                  | 53               | 42              | nil                    |
| Family Distribution by Income Level   | 500,112   | 20   | 18                 | 24               | 39              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 189,013   | 16   | 33                 | 37               | 14              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$50,047<br>Households Below the Poverty Level = \$78,700 = 8.85% |           | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) |                    |                  |                 | = \$ 174,740<br>= 5.7% |

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Newark, NJ, MSA assessment area consists of the entire MSA. Wachovia has 110 full service ATMs and 22 cash dispensing ATMs in the assessment area. Wachovia has 87 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$7.68 billion or 3.8% of total franchise deposits. Wachovia is the largest deposit holder in the AA with a market share of 18.02%. WB's primary competitors are Fleet National Bank (FNB), PNC Bank National Association (PNC) and Hudson City Savings Bank (HCSB). FNB is the second largest deposit holder in the AA with a 14.56% market share. PNC is the third largest in the AA with a 6.94% market share and HCSB is the fourth largest deposit holder in the AA with a 5.93% market share.

The Newark, NJ, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include the New Jersey State Department of Personnel, Newark Public Schools, and Anheuser-Busch. Unemployment rates during the assessment period ranged from a high of 6.7% in July 2002 to a low of 3.5% in April 2001.

We obtained information regarding the community by contacting various individuals and organizations within the community. The following needs of LMI individuals or areas were identified during these community contacts:

- First time homebuyer programs with flexible financing
- Home ownership counseling
- Small business micro-loans between \$15M-\$150M
- Small business to have access to large contracts
- Flexible mortgage products
- Financial literacy programs
- Bi-lingual programs
- Bank branches

The various community contacts cited several opportunities for participation available to financial institutions. They are:

- Reduced cost development financing
- Funding loan pools
- Underwriting special program mortgage loans
- Operating capital grant support
- Lines of credit to community development organizations
- Technical assistance for homebuyer education
- Large commercial projects spurred by the Port Authority of NJ
- State of New Jersey project to build new school within 10 years
- Revitalization of the historic district
- Affordable housing projects

## New York, NY, MSA

| Demographic Information for Full-Scope Area: New York, NY, MSA  |           |   |                    |                  |                 |                        |
|---|-----------|---|--------------------|------------------|-----------------|------------------------|
| Demographic Characteristics   | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #          |
| Geographies (Census Tracts/BNAs)  | 636       | 20  | 13                 | 20               | 44              | 3                      |
| Population by Geography   | 2,428,071 | 20  | 14                 | 19               | 46              | 1                      |
| Owner-Occupied Housing by Geography   | 351,019   | 2   | 4                  | 15               | 79              | 0                      |
| Businesses by Geography   | 131,672   | 11  | 9                  | 17               | 63              | 0                      |
| Farms by Geography  | 1,824     | 2   | 3                  | 11               | 85              | nil                    |
| Family Distribution by Income Level   | 611,077   | 24  | 13                 | 17               | 46              | 0                      |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 226,786   | 39  | 22                 | 20               | 19              | 0                      |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$37,515<br>= \$62,800<br>Households Below the Poverty Level = 16.58% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 190,940<br>= 7.6% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The New York, NY, MSA assessment area consists of the Bronx, Putnam, Rockland and Westchester counties. Wachovia has 55 full service ATMs and 11 cash dispensing ATMs in the assessment area. Wachovia has 44 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$13.78 billion or 1.9% of total franchise deposits. Wachovia is the tenth largest deposit holder in the AA with a market share of 13.21%. The bank's primary competitors in the market are JPMorgan Chase Bank (JCB), Citibank National Association (CNA) and Bank of New York (BONY). JCB is the largest deposit holder in the AA with a 30.42% market share. CNA is the second largest in the AA with a 25.56% market share and BONY is the third largest deposit holder in the AA with a 7.17% market share.

The New York, NY, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; professional & business services; and educational & health services. Unemployment rates during the assessment period ranged from a high of 7.6% in December 2002 to a low of 4.8% in April 2001.



We obtained information about the community by contacting various individuals and organizations within the community. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Affordable housing
- New construction subsidies
- Acquisition and rehabilitation of existing properties
- Predatory lending education
- Traditional banking products instead of using predatory lenders
- Grants to community organizations
- Publicly owned housing stock
- State legislation supporting redevelopment efforts
- Flexible underwriting standards and small dollar business loans

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Funding loan pools
- Underwriting special program mortgage loans
- Operating capital grant support
- Lines of credit to community development organizations
- Technical assistance for educational efforts to combat predatory lending
- Equity investments in local CDFIs
- Government loan programs for small business and affordable housing finance
- New market tax credits

## Greensboro-Winston Salem-High Point, NC, MSA

| Demographic Information for Full-Scope Area: Greensboro-Winston-Salem-High Point, NC, MSA   |           |   |                    |                  |                 |                       |
|---|-----------|---|--------------------|------------------|-----------------|-----------------------|
| Demographic Characteristics   | #         | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #         |
| Geographies (Census Tracts/BNAs)  | 260       | 4   | 19                 | 56               | 21              | Nil                   |
| Population by Geography   | 1,050,304 | 3   | 15                 | 62               | 21              | 0                     |
| Owner-Occupied Housing by Geography   | 281,110   | 1   | 11                 | 65               | 23              | 0                     |
| Businesses by Geography   | 65,972    | 2   | 20                 | 57               | 21              | 0                     |
| Farms by Geography  | 2,097     | 1   | 10                 | 72               | 17              | 0                     |
| Family Distribution by Income Level   | 295,366   | 19  | 18                 | 25               | 38              | 0                     |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 110,131   | 5   | 21                 | 63               | 11              | 0                     |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$34,869<br>= \$56,100<br>Households Below the Poverty Level = 11.11% |           | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 72,218<br>=5.7 % |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Greensboro-Winston Salem-Highpoint, NC, MSA assessment area consists of the entire MSA. Wachovia has 105 full service ATMs and 36 cash dispensing ATMs in the assessment area. Wachovia has 60 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$7 billion or 2.8% of total franchise deposits. Wachovia is the second largest deposit holder in the AA with a market share of 23.15%. The bank's primary competitors in the market are Branch Banking & Trust Co (BBT), National Bank of Commerce (NBC) and Bank of America (BOA). BBT is the largest deposit holder in the AA with a 32.05% market share. NBC is the third largest in the AA with a 9.64% market share and BOA is the fourth largest deposit holder in the AA with a 6.22% market share.

The Greensboro-Winston Salem-Highpoint, NC, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government, professional & business services and educational & health services. Major employers include the Jefferson Pilot Financial, VF Corporations and RF Micro Devices. Unemployment rates during the assessment period ranged from a high of 7% in July 2002 to a low of 3.8% in January 2001.

Information was obtained from community contacts conducted by this agency. The following needs of LMI individuals or areas were identified during these community contacts:

- Employment
- Mortgage assistance
- Affordable housing
- Alternatives to substandard housing
- Revitalize vacant lots

The various community contacts cited several opportunities for participation available to financial institutions. They are the following:

- Predatory Lending education
- Credit Counseling
- Money management
- Traditional banking services
- Home ownership counseling
- Finance housing projects
- Sponsoring FHLB applications
- Partner with community groups
- Technical Assistance in making grants

## Raleigh-Durham-Chapel Hill, NC, MSA

| Demographic Information for Full-Scope Area: Raleigh-Durham-Chapel Hill, NC, MSA  |         |               |  |                  |                 |               |
|---|---------|---------------|--|------------------|-----------------|---------------|
| Demographic Characteristics   | #       | Low<br>% of # | Moderate<br>% of #   | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)  | 190     | 8             | 23   | 39               | 26              | 4             |
| Population by Geography   | 819,131 | 6             | 21   | 44               | 28              | 1             |
| Owner-Occupied Housing by Geography   | 193,112 | 1             | 20   | 47               | 32              | 0             |
| Businesses by Geography   | 58,354  | 3             | 22   | 45               | 29              | 1             |
| Farms by Geography  | 1,752   | 1             | 35   | 47               | 17              | nil           |
| Family Distribution by Income Level   | 213,123 | 19            | 18   | 25               | 39              | 0             |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 78,411  | 9             | 34   | 44               | 13              | 0             |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$39,723<br>= \$71,300<br>Households Below the Poverty Level = 11.16% |         |               | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) = \$ 90,848<br>= 4.8% |                  |                 |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Raleigh-Durham-Chapel Hill, NC, MSA assessment area consists of the entire MSA except Franklin County. Wachovia has 98 full service ATMs and 56 cash dispensing ATMs in the assessment area. Wachovia has 54 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$4 billion or 2.4% of total franchise deposits. Wachovia is the largest deposit holder in the AA with a market share of 25.98%. The bank's primary competitors in the market are National Bank of Commerce (NBC), Branch Banking & Trust Co. (BBT) and First Citizens Bank & Trust Co. (FCB). NBC is the second largest deposit holder in the AA with a 17.13% market share. BBT is the third largest in the AA with a 12.25% market share and FCB is the fourth largest deposit holder in the AA with an 11.10% market share.

The Raleigh-Durham-Chapel Hill, NC, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include State of North Carolina, Wake County Public School System and North Carolina State University. Unemployment rates during the assessment period ranged from a high of 5.5% in June 2002 to a low of 2.2% in January 2001.

We obtained information about the community by contacting various individuals and organizations in the assessment area. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Alternatives to sub prime credit
- Home ownership counseling (early intervention or default)
- Lines of credit and working capital for community groups.

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- \$35MM of development activity and construction and permanent financing.
- Provide Technical Assistance for home ownership counseling

## Harrisburg-Lebanon-Carlisle, PA, MSA

| Demographic Information for Full-Scope Area: Harrisburg-Lebanon-Carlisle, PA, MSA  |         |               |   |                  |                 |                       |
|--|---------|---------------|---|------------------|-----------------|-----------------------|
| Demographic Characteristics  | #       | Low<br>% of # | Moderate<br>% of #  | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #         |
| Geographies (Census Tracts/BNAs)   | 117     | 3             | 15  | 69               | 13              | 0                     |
| Population by Geography  | 546,814 | 3             | 10  | 66               | 21              | 0                     |
| Owner-Occupied Housing by Geography  | 143,732 | 1             | 7   | 69               | 23              | 0                     |
| Businesses by Geography  | 36,125  | 3             | 13  | 72               | 12              | 0                     |
| Farms by Geography   | 1,150   | 1             | 5   | 83               | 11              | 0                     |
| Family Distribution by Income Level  | 147,269 | 15            | 19  | 28               | 38              | 0                     |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 50,516  | 5             | 16  | 67               | 12              | 0                     |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$37,389<br>= \$55,400<br>Households Below the Poverty Level = 8.03% |         |               | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) = 4.0% |                  |                 | = \$ 73,834<br>= 4.0% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Harrisburg-Lebanon-Carlisle, PA, MSA assessment area consists of the entire MSA except Perry County. Wachovia has 19 full service ATMs and 5 cash dispensing ATMs in the assessment area. Wachovia has 17 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$950 million or .7% of total franchise deposits. Wachovia is the fourth largest deposit holder in the AA with a market share of 10.17%. The bank's primary competitors in the market are Manufacturers & Traders TR CO (MT), Waypoint Bank and PNC National Association (PNC). MT is the largest deposit holder in the AA with a 15.93% market share. Waypoint Bank is the third largest in the AA with a 13.99% market share and PNC is the third largest deposit holder in the AA with a 10.37% market share.

The Harrisburg-Lebanon-Carlisle, PA, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and educational & health services. Major employers include Commonwealth of Pennsylvania, Hershey Foods Corporation & Naval Support Activity. Unemployment rates during the assessment period ranged from a high of 4.5% in February 2002 to a low of 2.7% in April 2001.

We obtained information about the community by contacting various individuals and organizations in the MSA. The following needs of LMI individuals or areas were identified during these community contacts:

- Education and outreach in LMI area
- Alternative to Predatory Lending business's
- Access to funding

Our various community contacts revealed several opportunities for participation available to financial institutions. They are as follows:

- FHLB and partner banks
- Purchasing tax credits
- Multi-family property loans
- Small business training
- Housing and closing costs assistance
- Grants to community groups that provide community development services.

## Greenville-Spartanburg-Anderson, SC, MSA

| Demographic Information for Full-Scope Area: Greenville-Spartanburg-Anderson, SC, MSA  |         |               |   |                  |                 |               |
|--|---------|---------------|---|------------------|-----------------|---------------|
| Demographic Characteristics  | #       | Low<br>% of # | Moderate<br>% of #  | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts/BNAs)   | 200     | 5             | 19  | 56               | 19              | 1             |
| Population by Geography  | 786,057 | 2             | 15  | 59               | 23              | 0             |
| Owner-Occupied Housing by Geography  | 206,437 | 1             | 13  | 62               | 24              | 0             |
| Businesses by Geography  | 46,397  | 5             | 14  | 55               | 26              | 0             |
| Farms by Geography   | 1,171   | 1             | 8   | 70               | 20              | 0             |
| Family Distribution by Income Level  | 295,366 | 19            | 18  | 25               | 38              | 0             |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies  | 217,691 | 19            | 18  | 24               | 39              | 0             |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$32,471<br>Households Below the Poverty Level = \$53,200 = 12.72% |         |               | <b>Median Housing Value</b><br>Unemployment Rate (December 2002) = \$ 60,536 = 5.3% |                  |                 |               |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Greenville-Anderson-Spartanburg, SC, MSA assessment area consists of the entire MSA. Wachovia has 50 full service ATMs and 10 cash dispensing ATMs in the assessment area. Wachovia has 32 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$2.3 billion or 1.3% of total franchise deposits. Wachovia is the largest deposit holder in the AA with a market share of 18.69%. The bank's primary competitors in the market are Branch B&T Co of SC (BBT), Bank of America (BOA), and Carolina First Bank (CFB). BBT is the second largest deposit holder in the AA with a 15.17% market share. BOA is the third largest in the AA with an 11.91% market share and CFB is the fourth largest deposit holder in the AA with a 10.89% market share.

The Greenville-Anderson-Spartanburg, SC, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government, manufacturing and professional & business services. Major employers include the General Electric, Lockheed Martin Aircraft & Logistics Center and Michelin North America Inc. Unemployment rates during the assessment period ranged from a high of 6.1% in July 2002 to a low of 3.3% in January 2001.



We obtained information about the community by contacting various organizations and individuals in the community. The following needs of LMI individuals or areas were identified during these community contacts:

- Safe, affordable housing
- Financial literacy classes
- Alternatives to predatory lending
- Small business minority financing
- Mortgage financing
- Post homebuyer education
- Small Business start up funds
- Non-traditional banking products for those with credit issues
- First time home buyer counseling
- Credit counseling
- Down payment assistance

The various community contacts cited several opportunities for participation available to financial institutions. They are the following:

- Provide volunteer hours with non-profits
- Housing and economic development projects
- Seminars, education, training and technical assistance on business plans.

## Richmond-Petersburg, VA, MSA

| Demographic Information for Full-Scope Area: Richmond-Petersburg, VA, MSA   |         |   |                    |                  |                 |                       |
|---|---------|---|--------------------|------------------|-----------------|-----------------------|
| Demographic Characteristics   | #       | Low<br>% of #   | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of #         |
| Geographies (Census Tracts/BNAs)  | 255     | 8   | 22                 | 43               | 20              | 7                     |
| Population by Geography   | 865,640 | 7   | 21                 | 46               | 26              | nil                   |
| Owner-Occupied Housing by Geography   | 215,751 | 4   | 15                 | 40               | 31              | 0                     |
| Businesses by Geography   | 44,144  | 11  | 20                 | 46               | 23              | nil                   |
| Farms by Geography  | 1,085   | 2   | 12                 | 60               | 25              | 0                     |
| Family Distribution by Income Level   | 230,490 | 19  | 18                 | 25               | 38              | 0                     |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies   | 86,610  | 13  | 31                 | 44               | 12              | 0                     |
| <b>Median Family Income</b><br>HUD Adjusted Median Family Income for 2002 = \$40,195<br>Households Below the Poverty Level = \$65,900 = 9.84% |         | <b>Median Housing Value</b><br><b>Unemployment Rate (December 2002)</b> |                    |                  |                 | = \$ 81,765<br>= 3.8% |

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Richmond-Petersburg, VA, MSA assessment area consists of the entire MSA. Wachovia has 99 full service ATMs and 29 cash dispensing ATMs in the assessment area. Wachovia has 77 branches in the assessment area.

As of June 30, 2003, deposits in the AA totaled \$5.1 billion or 2.4% of total franchise deposits. Wachovia is the second largest deposit holder in the AA with a market share of 18.95%. The bank's primary competitors in the market are Capital One Bank (CO), Bank of America (BOA) and SunTrust Bank (SB). CO is the largest deposit holder in the AA with a 31.52% market share. BOA is the third largest deposit holder in the AA with an 18.52% market share and SB is the fourth largest deposit holder in the AA with an 8.68% market share.

The Richmond-Petersburg, VA, MSA has a well-diversified economy. Industry sectors with the greatest concentrations in employment include government; trade, transportation & utilities; and professional & business services. Major employers include the State Government, Federal Government and Chesterfield County. Unemployment rates during the assessment period ranged from a high of 4.2% in September 2001 to a low of 2.2% in January 2001.

We obtained information about the assessment area by contacting various individuals and organizations within the community. The following needs of LMI individuals or areas were identified during these community contacts. They are:

- Mezzanine financing for developers and non-profits
- Land bank financing.
- Budgeting
- Financial literacy
- Affordable housing
- Basic money management
- Small Business start up counseling and economic education
- No cost banking services
- Credit products with flexible underwriting

The various community contacts cited several opportunities for participation available to financial institutions. They are as follows:

- Structuring investments for individual banks
- Investing in Section 8 mortgage lending
- Targeted lending in LMI areas
- Construction financing
- Pre-development financing
- Micro-enterprise programs
- Participation in Individual Development Accounts (IDAs)
- Technical assistance with loan processing
- Credit workshops or training
- Client education

# Appendix D: Tables of Performance Data

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## Table of Contents

**CONTENT OF STANDARDIZED TABLES .....D-2**  
**TABLES OF PERFORMANCE DATA.....D-5**

## Content of Standardized Tables

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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: 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 Metropolitan Area/Assessment Area (referenced as MA/Assessment Area and MA/AA). 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. 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, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- 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 Home Mortgage 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. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

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.

### Tables of Performance Data

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**Multistate Metropolitan Area(s) .....D-6**

- Augusta-Aiken (GA-SC)
- Charlotte-Gastonia-Rock Hill (NC-SC)
- Newburgh (NY-PA)
- Philadelphia (PA-NJ)
- Washington (DC-MD-VA-WV)

**State of:**

- Connecticut..... D-20
- Florida..... D-34
- Georgia ..... D-48
- Maryland ..... D-62
- New Jersey ..... D-76
- New York..... D-90
- North Carolina ..... D-104
- Pennsylvania ..... D-118
- South Carolina ..... D-132
- Virginia ..... D-146



Table 1. Lending Volume

| LENDING VOLUME  |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
|---|-------------------------------------|---------------|------------|---------------------------|------------|----------------------|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| Geography: MULTISTATE METROPOLITAN AREAS                |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
| MA/Assessment Area (2002):                              | % 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>                                     |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
| Augusta-Aiken   | 100.00                              | 2,780         | 310,467    | 861                       | 117,827    | 12                   | 1,344      | 11                            | 26,890     | 3,664                | 456,528   | 100.00                               |
| Charlotte   | 100.00                              | 15,074        | 2,556,443  | 5,015                     | 708,587    | 21                   | 2,051      | 133                           | 181,016    | 20,243               | 3,448,097 | 100.00                               |
| Newburgh NY   | 100.00                              | 897           | 100,217    | 174                       | 14,245     | 0                    | 0          | 1                             | 9,000      | 1,072                | 123,462   | 100.00                               |
| Philadelphia  | 100.00                              | 21,153        | 2,395,129  | 12,447                    | 1,855,529  | 178                  | 28,687     | 47                            | 153,908    | 33,825               | 4,433,253 | 100.00                               |
| Washington, DC  | 100.00                              | 19,089        | 4,046,052  | 8,014                     | 907,199    | 54                   | 8,522      | 41                            | 113,485    | 27,198               | 5,075,258 | 100.00                               |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: MULTISTATE METROPOLITAN AREAS |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|---------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|--|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low  | Mod  | Mid  | Upp                                      |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                    |                           |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |  |  |  |  |  |   |  |  |  |  |
| Augusta                                | 1,107                     | 100.00       | 4.21                   | 1.63         | 14.90                       | 7.05         | 50.30                     | 30.17        | 30.58                    | 61.16        | 5.97                           | 7.91 | 5.97 | 4.19 | 7.40                                     |  |  |  |  |   |  |  |  |  |
| Charlotte                              | 4,450                     | 100.00       | 0.84                   | 1.33         | 13.79                       | 7.09         | 60.53                     | 44.27        | 24.84                    | 47.31        | 4.33                           | 6.06 | 3.62 | 3.57 | 5.43                                     |  |  |  |  |   |  |  |  |  |
| Newburgh NY                            | 253                       | 100.00       | 1.08                   | 1.20         | 11.02                       | 15.20        | 57.06                     | 55.60        | 30.84                    | 28.00        | 1.29                           | 1.33 | 1.26 | 1.28 | 1.33                                     |  |  |  |  |   |  |  |  |  |
| Philadelphia                           | 3,353                     | 100.00       | 5.31                   | 3.56         | 15.56                       | 15.75        | 46.99                     | 43.62        | 32.14                    | 37.01        | 1.46                           | 2.98 | 1.69 | 1.37 | 1.43                                     |  |  |  |  |   |  |  |  |  |
| Washington, DC                         | 5,450                     | 100.00       | 1.28                   | 2.57         | 15.31                       | 20.75        | 48.60                     | 44.49        | 34.81                    | 32.19        | 1.35                           | 3.00 | 1.79 | 1.18 | 1.36                                     |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE and SE Regions.

\*\* 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 1990 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

| Geographic Distribution: HOME IMPROVEMENT |                              | Geography: MULTISTATE METROPOLITAN AREAS |                        |              |                             |              |                           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |              |                                |       |       |      |      |
|---|------------------------------|--|------------------------|--------------|-----------------------------|--------------|---------------------------|---|--------------------------|--------------|--------------------------------|-------|-------|------|------|
| 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>                       |                              |  |                        |              |                             |              |                           |   |                          |              |                                |       |       |      |      |
| Augusta                                   | 112                          | 100.00                                   | 4.21                   | 3.57         | 14.90                       | 13.39        | 50.30                     | 57.14   | 30.58                    | 25.89        | 5.39                           | 5.00  | 6.84  | 6.54 | 3.30 |
| Charlotte                                 | 348                          | 100.00                                   | 0.84                   | 0.57         | 13.79                       | 12.36        | 60.53                     | 50.00   | 24.84                    | 37.07        | 3.87                           | 0.00  | 3.44  | 3.55 | 5.03 |
| Newburgh NY                               | 85                           | 100.00                                   | 1.08                   | 0.00         | 11.02                       | 14.12        | 57.06                     | 76.47   | 30.84                    | 9.41         | 3.88                           | 0.00  | 4.03  | 5.76 | 0.93 |
| Philadelphia                              | 2,771                        | 100.00                                   | 5.31                   | 9.02         | 15.56                       | 15.91        | 46.99                     | 45.80   | 32.14                    | 29.27        | 4.82                           | 25.83 | 10.26 | 4.35 | 3.23 |
| Washington, DC                            | 815                          | 100.00                                   | 1.28                   | 1.47         | 15.31                       | 18.90        | 48.60                     | 47.12   | 34.81                    | 32.52        | 3.15                           | 2.56  | 3.55  | 2.91 | 3.42 |

\* Based on 2002 Peer Mortgage Data NE and SE Regions.

\*\* 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 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     | Geography: MULTISTATE METROPOLITAN AREAS |                        |              |                             |              |                           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |              |                                |       |      |      |      |
|--|-------------------------------------|--|------------------------|--------------|-----------------------------|--------------|---------------------------|---|--------------------------|--------------|--------------------------------|-------|------|------|------|
| 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 | Overall                        | Low   | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                              |                                     |  |                        |              |                             |              |                           |   |                          |              |                                |       |      |      |      |
| Augusta  | 1,559                               | 100.00                                   | 4.21                   | 1.48         | 14.90                       | 9.17         | 50.30                     | 41.82   | 30.58                    | 47.53        | 5.76                           | 7.82  | 5.23 | 5.37 | 6.20 |
| Charlotte  | 10,262                              | 100.00                                   | 0.84                   | 0.89         | 13.79                       | 6.94         | 60.53                     | 48.31   | 24.84                    | 43.86        | 7.56                           | 11.79 | 6.86 | 6.88 | 8.48 |
| Newburgh NY                                      | 556                                 | 100.00                                   | 1.08                   | 0.72         | 11.02                       | 14.03        | 57.06                     | 67.45   | 30.84                    | 17.81        | 2.35                           | 2.25  | 4.20 | 2.82 | 1.27 |
| Philadelphia                                     | 14,962                              | 100.00                                   | 5.31                   | 2.49         | 15.56                       | 10.96        | 46.99                     | 46.63   | 32.14                    | 39.91        | 3.93                           | 9.66  | 7.72 | 4.23 | 3.15 |
| Washington, DC                                   | 12,806                              | 100.00                                   | 1.28                   | 1.04         | 15.31                       | 14.10        | 48.60                     | 45.40   | 34.81                    | 39.46        | 2.09                           | 3.31  | 2.79 | 1.98 | 2.02 |

\* Based on 2002 Peer Mortgage Data NE and SE Regions.

\*\* 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 1990 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      | Geography: MULTISTATE METROPOLITAN AREAS |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|------|--|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low   | Mod   | Mid  | Upp                                      |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |  |  |  |  |  |   |  |  |  |  |
| Augusta                              | 2                       | 100.00       | 8.12                   | 0.00         | 23.18                       | 50.00        | 42.11                     | 50.00        | 26.58                    | 0.00         | 5.26                           | 0.00  | 10.00 | 0.00 | 0.00                                     |  |  |  |  |   |  |  |  |  |
| Charlotte                            | 14                      | 100.00       | 5.95                   | 0.00         | 16.01                       | 21.43        | 51.07                     | 50.00        | 26.97                    | 28.57        | 11.32                          | 0.00  | 10.53 | 8.70 | 22.22                                    |  |  |  |  |   |  |  |  |  |
| Newburgh, NY                         | 3                       | 100.00       | 7.42                   | 0.00         | 20.77                       | 33.33        | 53.73                     | 33.33        | 18.08                    | 33.33        | 5.00                           | 0.00  | 20.00 | 0.00 | 0.00                                     |  |  |  |  |   |  |  |  |  |
| Philadelphia                         | 67                      | 100.00       | 7.06                   | 4.48         | 13.35                       | 20.90        | 50.11                     | 46.27        | 29.48                    | 28.36        | 10.13                          | 11.11 | 7.23  | 9.82 | 14.29                                    |  |  |  |  |   |  |  |  |  |
| Washington, DC                       | 18                      | 100.00       | 9.03                   | 16.67        | 37.90                       | 77.78        | 40.68                     | 5.56         | 12.40                    | 0.00         | 3.14                           | 3.92  | 5.93  | 0.00 | 0.00                                     |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE and SE Regions.

\*\* 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|------|------|------|
| Geography: MULTISTATE METROPOLITAN AREAS                |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| Augusta   | 861                        | 100.00       | 6.65                   | 7.67         | 18.50                       | 15.92        | 39.86                     | 33.84        | 34.98                    | 42.57        | 3.40                           | 3.20  | 3.40 | 3.20 | 3.80 |
| Charlotte   | 5,015                      | 100.00       | 5.71                   | 9.97         | 17.56                       | 12.70        | 49.96                     | 47.13        | 26.58                    | 30.04        | 5.60                           | 10.50 | 4.60 | 5.50 | 5.50 |
| Newburgh NY   | 174                        | 100.00       | 4.61                   | 1.19         | 16.85                       | 11.90        | 53.22                     | 74.40        | 25.31                    | 12.50        | 1.20                           | 0.90  | 1.20 | 1.60 | 0.50 |
| Philadelphia  | 12,447                     | 100.00       | 5.81                   | 3.87         | 11.68                       | 8.81         | 40.47                     | 41.16        | 41.51                    | 45.36        | 5.40                           | 6.00  | 5.70 | 5.10 | 5.70 |
| Washington, DC  | 8,014                      | 100.00       | 3.22                   | 2.34         | 17.48                       | 17.45        | 44.71                     | 43.99        | 33.30                    | 34.88        | 3.40                           | 3.20  | 3.40 | 3.20 | 3.80 |

\* Based on 2002 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 (2002).

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |        |       | Geography: MULTISTATE METROPOLITAN AREAS |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|--------|-------|--|--|--|--|--|---|--|--|--|--|
| 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>                           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |        |       |  |  |  |  |  |   |  |  |  |  |
| Augusta                                       | 12                     | 4.53         | 1.51                   | 0.00         | 18.28                       | 0.00         | 50.45                     | 75.00        | 29.76                    | 25.00        | 5.15                           | 0.00  | 0.00   | 5.97  | 11.11                                    |  |  |  |  |   |  |  |  |  |
| Charlotte                                     | 21                     | 7.92         | 1.12                   | 0.00         | 9.67                        | 9.52         | 68.56                     | 76.19        | 20.60                    | 14.29        | 2.41                           | 0.00  | 0.00   | 3.45  | 0.00                                     |  |  |  |  |   |  |  |  |  |
| Newburgh NY                                   | 0                      | 0.00         | 0.63                   | 0.00         | 5.07                        | 0.00         | 54.50                     | 0.00         | 39.80                    | 0.00         | 3.03                           | 0.00  | 0.00   | 0.00  | 0.00                                     |  |  |  |  |   |  |  |  |  |
| Philadelphia                                  | 178                    | 67.17        | 0.89                   | 1.70         | 4.26                        | 9.66         | 49.60                     | 49.43        | 45.21                    | 39.20        | 31.48                          | 0.00  | 100.00 | 23.29 | 46.27                                    |  |  |  |  |   |  |  |  |  |
| Washington, DC                                | 54                     | 20.38        | 0.74                   | 1.85         | 14.97                       | 16.67        | 54.06                     | 50.00        | 30.12                    | 31.48        | 18.67                          | 25.00 | 15.79  | 15.31 | 34.29                                    |  |  |  |  |   |  |  |  |  |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: MULTISTATE METROPOLITAN AREAS |                           |                              |                           |                              |                           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                           |                              |                           |      |      |      |      |
|--------------------------------------|---------------------------|--|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|---|---------------------------|------------------------------|---------------------------|------|------|------|------|
| MA/Assessment Area:                  | Total Home Purchase 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> | Overall                   | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                  |                           |  |                           |                              |                           |                              |                           |   |                           |                              |                           |      |      |      |      |
| Augusta                              | 1,107                     | 100.00                                   | 21.81                     | 7.81                         | 16.82                     | 22.23                        | 21.44                     | 21.95   | 39.92                     | 48.00                        | 6.75                      | 4.69 | 6.70 | 5.55 | 8.08 |
| Charlotte                            | 4,450                     | 100.00                                   | 18.71                     | 10.96                        | 18.23                     | 21.42                        | 24.57                     | 20.90   | 38.49                     | 46.78                        | 4.12                      | 3.56 | 2.93 | 3.32 | 5.97 |
| Newburgh NY                          | 253                       | 100.00                                   | 18.43                     | 4.15                         | 18.01                     | 16.13                        | 25.32                     | 24.88   | 38.24                     | 54.84                        | 1.28                      | 0.96 | 1.12 | 1.22 | 1.38 |
| Philadelphia                         | 3,353                     | 100.00                                   | 19.70                     | 13.16                        | 17.68                     | 21.31                        | 23.76                     | 22.06   | 38.86                     | 43.47                        | 1.49                      | 1.36 | 1.47 | 1.41 | 1.59 |
| Washington, DC                       | 5,450                     | 100.00                                   | 17.20                     | 15.06                        | 18.24                     | 30.56                        | 24.68                     | 23.15   | 39.88                     | 31.23                        | 1.19                      | 1.49 | 1.31 | 0.94 | 1.19 |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE and SE Regions.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 15.92% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: MULTISTATE METROPOLITAN AREAS |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|-------|------|------|--|--|--|--|--|---|--|--|--|--|
| 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> | Overall                   | Low   | Mod  | Mid  | Upp                                      |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |       |      |      |  |  |  |  |  |   |  |  |  |  |
| Augusta                                 | 112                          | 100.00                   | 21.81                     | 13.39                        | 16.82                     | 25.89                        | 21.44                     | 20.54                        | 39.92                     | 40.18                        | 5.60                      | 7.34  | 4.95 | 5.76 | 5.34                                     |  |  |  |  |   |  |  |  |  |
| Charlotte                               | 348                          | 100.00                   | 18.71                     | 14.12                        | 18.23                     | 17.60                        | 24.57                     | 26.20                        | 38.49                     | 42.07                        | 4.47                      | 5.72  | 3.30 | 4.00 | 5.00                                     |  |  |  |  |   |  |  |  |  |
| Newburgh NY                             | 85                           | 100.00                   | 18.43                     | 10.59                        | 18.01                     | 17.65                        | 25.32                     | 27.06                        | 38.24                     | 44.71                        | 4.24                      | 6.56  | 5.46 | 3.61 | 3.96                                     |  |  |  |  |   |  |  |  |  |
| Philadelphia                            | 2,771                        | 100.00                   | 19.70                     | 18.61                        | 17.68                     | 20.56                        | 23.76                     | 22.91                        | 38.86                     | 37.91                        | 5.07                      | 10.10 | 6.14 | 4.41 | 3.88                                     |  |  |  |  |   |  |  |  |  |
| Washington, DC                          | 815                          | 100.00                   | 17.20                     | 10.67                        | 18.24                     | 23.93                        | 24.68                     | 30.55                        | 39.88                     | 34.85                        | 3.66                      | 2.83  | 3.74 | 3.83 | 3.82                                     |  |  |  |  |   |  |  |  |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE and SE Regions.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 0.12% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 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: MULTISTATE METROPOLITAN AREAS |                              |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |      |      |      |      |
|--|-------------------------------------|--------------------------|--|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------|------|------|------|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | Overall                   | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                            |                                     |                          |  |                              |                           |                              |                           |                              |   |                              |                           |      |      |      |      |
| Augusta  | 1,559                               | 100.00                   | 21.81                                    | 5.91                         | 16.82                     | 16.07                        | 21.44                     | 24.79                        | 39.92   | 53.23                        | 6.97                      | 5.01 | 6.32 | 7.18 | 7.40 |
| Charlotte                                      | 10,262                              | 100.00                   | 18.71                                    | 7.97                         | 18.23                     | 18.15                        | 24.57                     | 24.68                        | 38.49   | 49.30                        | 8.50                      | 6.98 | 7.10 | 8.22 | 9.40 |
| Newburgh NY                                    | 556                                 | 100.00                   | 18.43                                    | 4.89                         | 18.01                     | 16.38                        | 25.32                     | 29.15                        | 38.24   | 49.57                        | 2.39                      | 2.68 | 2.80 | 2.60 | 2.17 |
| Philadelphia                                   | 14,962                              | 100.00                   | 19.70                                    | 9.46                         | 17.68                     | 18.70                        | 23.76                     | 25.28                        | 38.86   | 46.57                        | 4.32                      | 7.02 | 5.36 | 4.51 | 3.67 |
| Washington, DC                                 | 12,806                              | 100.00                   | 17.20                                    | 10.75                        | 18.24                     | 23.75                        | 24.68                     | 27.36                        | 39.88   | 38.15                        | 1.85                      | 2.33 | 2.15 | 1.81 | 1.61 |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE and SE Regions.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 16.05% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 | Geography: <b>MULTISTATE METROPOLITAN AREAS</b> |   |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
|---|---------------------------------|---|---|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| 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>                                     |                                 |   |   |                  |  |                          |                            |               |                         |
| Augusta   | 861                             | 100.00  | 74.31   | 63.03            | 68.80  | 15.90                    | 15.30                      | 3.84          | 3.74                    |
| Charlotte   | 5,015                           | 100.00  | 76.69   | 61.58            | 70.70  | 12.20                    | 17.00                      | 5.38          | 5.35                    |
| Newburgh NY   | 174                             | 100.00  | 62.90   | 88.68            | 75.90  | 20.10                    | 4.00                       | 1.14          | 0.96                    |
| Philadelphia  | 12,447                          | 100.00  | 58.54   | 41.95            | 68.80  | 14.50                    | 16.70                      | 5.33          | 3.41                    |
| Washington, DC  | 8,014                           | 100.00  | 70.43   | 56.66            | 77.30  | 11.50                    | 11.20                      | 3.36          | 2.56                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 53.72% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |                  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>MULTISTATE METROPOLITAN AREAS</b>    |                            |              |  |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |                  |  |                          |                            |               |                         |
| Augusta  | 12                         | 4.53         | 93.81                                      | 42.90            | 66.67  | 25.00                    | 8.33                       | 5.15          | 1.25                    |
| Charlotte  | 21                         | 7.92         | 91.49                                      | 85.70            | 76.19  | 14.29                    | 9.52                       | 2.41          | 2.31                    |
| Newburgh NY  | 0                          | 0.00         | 93.41                                      | 0.00             | 100.00   | 0.00                     | 0.00                       | 3.03          | 0.00                    |
| Philadelphia                                       | 178                        | 67.17        | 89.92                                      | 48.57            | 48.10  | 30.60                    | 20.30                      | 31.48         | 15.79                   |
| Washington, DC                                     | 54                         | 20.38        | 90.27                                      | 27.90            | 55.56  | 25.93                    | 18.52                      | 18.67         | 6.73                    |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 24.91% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS |                                       |           |                            |  |                   |           |   |                                    |           |
|-----------------------|---------------------------------------|-----------|----------------------------|--|-------------------|-----------|---|------------------------------------|-----------|
|                       |                                       |           |                            | Geography: MULTISTATE METROPOLITAN AREAS |                   |           | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                                    |           |
| MA/Assessment Area:   | Prior Period Investments <sup>*</sup> |           | Current Period Investments |  | Total Investments |           |   | Unfunded Commitments <sup>**</sup> |           |
|                       | #                                     | \$(000's) | #                          | \$(000's)                                | #                 | \$(000's) | % of Total  | #                                  | \$(000's) |
| <b>Full Review:</b>   |                                       |           |                            |  |                   |           |   |                                    |           |
| Augusta-Aiken         | 1                                     | 3,918     | 4                          | 3,467                                    | 5                 | 7,385     | 100.00%   | 1                                  | 3,449     |
| Charlotte             | 7                                     | 38,418    | 110                        | 26,726                                   | 117               | 65,144    | 100.00%   | 7                                  | 8,499     |
| Newburgh              | 1                                     | 604       | 19                         | 52                                       | 20                | 657       | 100.00%   | 0                                  | -         |
| Philadelphia          | 27                                    | 101,235   | 477                        | 33,895                                   | 504               | 135,130   | 100.00%   | 20                                 | 2,604     |
| Washington, DC        | 25                                    | 81,076    | 533                        | 34,099                                   | 558               | 115,175   | 100.00%   | 21                                 | 17,373    |

<sup>\*</sup> 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

<sup>\*\*</sup> '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: MULTISTATE METROPOLITAN AREAS                            |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>   |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Augusta-Aiken   | 100.00                         | 19                 | 100.00                         | 10.53   | 5.26  | 47.37 | 36.84 | 0                        | 3                    | 0   | 0   | -1  | -2  | 5.83                                  | 18.28 | 53.18 | 22.70 |
| Charlotte   | 100.00                         | 73                 | 100.00                         | 0.00  | 26.03 | 39.73 | 34.25 | 2                        | 20                   | 0   | -5  | -5  | -8  | 2.78                                  | 21.66 | 51.22 | 24.20 |
| Newburgh  | 100.00                         | 5                  | 100.00                         | 0.00  | 20.00 | 80.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 8.00                                  | 12.84 | 55.40 | 23.76 |
| Philadelphia  | 100.00                         | 232                | 100.00                         | 5.17  | 16.38 | 40.52 | 37.93 | 2                        | 15                   | 0   | 0   | -9  | -4  | 11.11                                 | 18.30 | 38.22 | 32.24 |
| Washington, DC  | 100.00                         | 146                | 100.00                         | 7.53  | 17.12 | 39.73 | 32.88 | 1                        | 2                    | 0   | -2  | 1   | 0   | 5.51                                  | 22.60 | 40.11 | 31.65 |

Table 1. Lending Volume

| LENDING VOLUME             |                                     | Geography: STATE OF CONNECTICUT |            |                           |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                               |            |                      |           |                                      |
|----------------------------|-------------------------------------|---------------------------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002): | % 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>        |                                     |                                 |            |                           |            |   |            |                               |            |                      |           |                                      |
| New Haven MSA              | 23.10                               | 2,275                           | 296,355    | 971                       | 112,213    | 12  | 409        | 3                             | 8,490      | 3,261                | 417,467   | 26.17                                |
| <b>Limited Review:</b>     |                                     |                                 |            |                           |            |   |            |                               |            |                      |           |                                      |
| Bridgeport MSA             | 17.14                               | 1,916                           | 356,162    | 500                       | 70,487     | 1   | 100        | 1                             | 400        | 2,418                | 427,149   | 9.78                                 |
| Danbury MSA                | 10.84                               | 1,136                           | 258,695    | 388                       | 55,690     | 1   | 100        | 5                             | 18,935     | 1,530                | 333,420   | 8.11                                 |
| Hartford MSA               | 18.15                               | 2,176                           | 299,517    | 382                       | 63,733     | 0   | 0          | 3                             | 10,750     | 2,561                | 374,000   | 15.84                                |
| New London MSA             | 1.11                                | 117                             | 22,393     | 39                        | 7,539      | 0   | 0          | 0                             | 0          | 156                  | 29,932    | 0.26                                 |
| Stamford MSA               | 20.61                               | 1,947                           | 813,502    | 953                       | 134,380    | 9   | 1,080      | 0                             | 0          | 2,909                | 948,962   | 28.66                                |
| Waterbury MSA              | 9.04                                | 927                             | 108,282    | 346                       | 36,164     | 2   | 120        | 1                             | 1,537      | 1,276                | 146,103   | 11.01                                |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      | Geography: STATE OF CONNECTICUT |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|---------------------------|--------------------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|--|------|------|------|---------------------------------|--|--|--|--|---|--|--|--|--|
| MA/Assessment Area:                    | Total Home Purchase Loans |                          | Low-Income Geographies           |              | Moderate-Income Geographies      |              | Middle-Income Geographies        |              | Upper-Income Geographies         |              | Market Share (%) by Geography <sup>*</sup> |      |      |      |                                 |  |  |  |  |   |  |  |  |  |
|  | #                         | % of Total <sup>**</sup> | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | Overall                                    | Low  | Mod  | Mid  | Upp                             |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                    |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |                                 |  |  |  |  |   |  |  |  |  |
| New Haven MSA                          | 711                       | 19.36                    | 2.71                             | 2.82         | 11.04                            | 14.23        | 55.77                            | 56.76        | 30.48                            | 26.20        | 2.92                                       | 2.94 | 3.03 | 2.83 | 3.05                            |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                 |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |                                 |  |  |  |  |   |  |  |  |  |
| Bridgeport MSA                         | 656                       | 17.86                    | 1.84                             | 3.51         | 7.54                             | 7.77         | 59.52                            | 64.33        | 31.10                            | 24.39        | 2.95                                       | 4.28 | 2.35 | 2.95 | 3.04                            |  |  |  |  |   |  |  |  |  |
| Danbury MSA                            | 390                       | 10.62                    | 0.00                             | 0.00         | 11.25                            | 19.49        | 65.35                            | 61.28        | 23.39                            | 19.23        | 2.73                                       | 0.00 | 3.83 | 2.56 | 2.41                            |  |  |  |  |   |  |  |  |  |
| Hartford MSA                           | 1,029                     | 28.02                    | 1.68                             | 1.65         | 7.72                             | 8.55         | 63.27                            | 64.82        | 27.32                            | 24.78        | 2.19                                       | 1.44 | 2.15 | 2.33 | 1.92                            |  |  |  |  |   |  |  |  |  |
| New London MSA                         | 35                        | 0.95                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 43.51                            | 51.43        | 56.49                            | 48.57        | 2.74                                       | 0.00 | 0.00 | 3.53 | 2.05                            |  |  |  |  |   |  |  |  |  |
| Stamford MSA                           | 513                       | 13.97                    | 3.19                             | 5.26         | 15.40                            | 29.24        | 38.17                            | 34.70        | 43.24                            | 30.80        | 2.78                                       | 3.77 | 2.68 | 2.28 | 3.21                            |  |  |  |  |   |  |  |  |  |
| Waterbury MSA                          | 339                       | 9.23                     | 1.34                             | 0.59         | 5.83                             | 6.19         | 67.51                            | 67.55        | 25.31                            | 25.66        | 3.34                                       | 2.53 | 2.92 | 3.36 | 3.45                            |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.



**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      | Geography: STATE OF CONNECTICUT |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|------|---------------------------------|--|--|--|--|---|--|--|--|--|
| 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>                       |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |                                 |  |  |  |  |   |  |  |  |  |
| New Haven MSA                             | 84                           | 17.87        | 2.71                   | 3.57         | 11.04                       | 14.29        | 55.77                     | 60.71        | 30.48                    | 21.43        | 2.43                           | 8.33  | 4.05  | 2.62 | 1.33                            |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                    |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |                                 |  |  |  |  |   |  |  |  |  |
| Bridgeport MSA                            | 77                           | 16.38        | 1.84                   | 2.60         | 7.54                        | 5.19         | 59.52                     | 63.64        | 31.10                    | 28.57        | 2.26                           | 0.00  | 2.11  | 1.97 | 3.00                            |  |  |  |  |   |  |  |  |  |
| Danbury MSA                               | 55                           | 11.70        | 0.00                   | 0.00         | 11.25                       | 16.36        | 65.35                     | 67.28        | 23.39                    | 16.36        | 1.87                           | 0.00  | 2.91  | 1.86 | 1.24                            |  |  |  |  |   |  |  |  |  |
| Hartford MSA                              | 78                           | 16.60        | 1.68                   | 0.00         | 7.72                        | 6.40         | 63.27                     | 57.70        | 27.32                    | 35.90        | 1.42                           | 0.00  | 1.36  | 1.24 | 1.91                            |  |  |  |  |   |  |  |  |  |
| New London MSA                            | 2                            | 0.43         | 0.00                   | 0.00         | 0.00                        | 0.00         | 43.51                     | 50.00        | 56.49                    | 50.00        | 0.52                           | 0.00  | 0.00  | 1.35 | 0.00                            |  |  |  |  |   |  |  |  |  |
| Stamford MSA                              | 135                          | 28.72        | 3.19                   | 4.44         | 15.40                       | 23.70        | 38.17                     | 36.30        | 43.24                    | 35.56        | 6.54                           | 10.00 | 11.81 | 6.11 | 4.83                            |  |  |  |  |   |  |  |  |  |
| Waterbury MSA                             | 39                           | 8.30         | 1.34                   | 2.56         | 5.83                        | 5.13         | 67.51                     | 71.79        | 25.31                    | 20.51        | 2.23                           | 0.00  | 7.14  | 1.84 | 2.35                            |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE        |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF CONNECTICUT                         |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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 | Overall                        | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                                     |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| New Haven MSA   | 1,466                               | 23.26        | 2.71                   | 1.57         | 11.04                       | 7.98         | 55.77                     | 55.25        | 30.48                    | 35.20        | 3.33                           | 2.48 | 3.41 | 3.54 | 3.06 |
| <b>Limited Review:</b>                                  |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Bridgeport MSA  | 1,170                               | 18.56        | 1.84                   | 0.68         | 7.54                        | 5.30         | 59.52                     | 58.12        | 31.10                    | 35.90        | 2.58                           | 2.01 | 1.98 | 2.62 | 2.62 |
| Danbury MSA   | 690                                 | 10.95        | 0.00                   | 0.00         | 11.25                       | 10.14        | 65.35                     | 64.20        | 23.39                    | 25.65        | 2.55                           | 0.00 | 2.21 | 2.62 | 2.49 |
| Hartford MSA  | 1,057                               | 16.77        | 1.68                   | 1.14         | 7.72                        | 5.11         | 63.27                     | 57.35        | 27.32                    | 36.40        | 1.41                           | 2.01 | 1.22 | 1.44 | 1.38 |
| New London MSA  | 80                                  | 1.27         | 0.00                   | 0.00         | 0.00                        | 0.00         | 43.51                     | 37.50        | 56.49                    | 62.50        | 2.47                           | 0.00 | 0.00 | 1.98 | 2.84 |
| Stamford MSA  | 1,294                               | 20.53        | 3.19                   | 2.78         | 15.40                       | 15.84        | 38.17                     | 34.00        | 43.24                    | 47.37        | 2.89                           | 2.77 | 3.15 | 2.67 | 2.98 |
| Waterbury MSA   | 546                                 | 8.66         | 1.34                   | 1.47         | 5.83                        | 3.30         | 67.51                     | 65.57        | 25.31                    | 29.67        | 3.74                           | 8.96 | 5.14 | 3.93 | 3.17 |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       | Geography: STATE OF CONNECTICUT |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|-------|---------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low   | Mod   | Mid   | Upp                             |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       |                                 |  |  |  |  |   |  |  |  |  |
| New Haven MSA                        | 14                      | 29.17        | 13.49                  | 14.29        | 31.49                       | 35.71        | 48.79                     | 50.00        | 6.23                     | 0.00         | 11.32                          | 28.57 | 5.88  | 11.11 | 0.00                            |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       |                                 |  |  |  |  |   |  |  |  |  |
| Bridgeport MSA                       | 13                      | 27.08        | 20.97                  | 15.38        | 24.09                       | 46.15        | 50.02                     | 38.46        | 4.92                     | 0.00         | 20.51                          | 7.14  | 23.08 | 33.33 | 0.00                            |  |  |  |  |   |  |  |  |  |
| Danbury MSA                          | 1                       | 2.08         | 0.00                   | 0.00         | 48.61                       | 0.00         | 41.24                     | 100.00       | 10.15                    | 0.00         | 12.50                          | 0.00  | 0.00  | 33.33 | 0.00                            |  |  |  |  |   |  |  |  |  |
| Hartford MSA                         | 12                      | 25.00        | 26.31                  | 33.33        | 21.40                       | 25.00        | 43.43                     | 33.37        | 8.66                     | 8.30         | 8.00                           | 7.41  | 7.89  | 9.38  | 0.00                            |  |  |  |  |   |  |  |  |  |
| New London MSA                       | 0                       | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 47.45                     | 0.00         | 52.55                    | 0.00         | 0.00                           | 0.00  | 0.00  | 0.00  | 0.00                            |  |  |  |  |   |  |  |  |  |
| Stamford MSA                         | 5                       | 10.42        | 18.05                  | 40.00        | 56.67                       | 20.00        | 22.87                     | 40.00        | 2.42                     | 0.00         | 5.71                           | 16.67 | 5.26  | 0.00  | 0.00                            |  |  |  |  |   |  |  |  |  |
| Waterbury MSA                        | 3                       | 6.25         | 17.75                  | 0.00         | 17.67                       | 33.33        | 57.94                     | 66.67        | 6.64                     | 0.00         | 8.70                           | 0.00  | 7.14  | 12.50 | 0.00                            |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF CONNECTICUT                         |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| New Haven MSA   | 971                        | 27.13        | 5.88                   | 4.09         | 14.64                       | 10.81        | 49.71                     | 56.03        | 29.78                    | 28.86        | 3.67                           | 3.65 | 2.67 | 4.22 | 3.57 |
| <b>Limited Review:</b>                                  |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Bridgeport MSA  | 500                        | 13.97        | 5.99                   | 2.27         | 11.51                       | 18.35        | 53.36                     | 49.48        | 28.10                    | 28.87        | 2.29                           | 1.04 | 4.01 | 1.94 | 2.45 |
| Danbury MSA   | 388                        | 10.84        | 0.04                   | 0.00         | 19.98                       | 19.33        | 58.90                     | 58.25        | 21.08                    | 21.65        | 2.75                           | 0.00 | 2.48 | 2.89 | 3.05 |
| Hartford MSA  | 382                        | 10.67        | 6.94                   | 14.36        | 11.14                       | 6.12         | 53.96                     | 59.04        | 26.26                    | 18.88        | 0.95                           | 2.53 | 0.61 | 1.01 | 0.74 |
| New London MSA  | 39                         | 1.09         | 0.00                   | 0.00         | 15.48                       | 0.00         | 48.84                     | 43.59        | 31.53                    | 56.41        | 1.83                           | 0.00 | 0.00 | 2.29 | 1.88 |
| Stamford MSA  | 953                        | 26.63        | 11.67                  | 13.01        | 20.94                       | 23.19        | 33.07                     | 33.68        | 34.31                    | 30.12        | 3.70                           | 4.29 | 4.12 | 3.99 | 3.20 |
| Waterbury MSA   | 346                        | 9.67         | 10.54                  | 5.00         | 8.38                        | 9.12         | 54.55                     | 52.94        | 26.53                    | 32.94        | 3.89                           | 2.95 | 5.50 | 3.45 | 4.77 |

\* Based on 2002 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 (2002).

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |       |       |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|-------|-------|
| Geography: STATE OF CONNECTICUT                         |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |       |       |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |       |       |
| 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>                                     |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |       |       |
| New Haven MSA   | 12                     | 48.00        | 1.08                   | 0.00         | 6.16                        | 8.33         | 47.15                     | 41.67        | 45.61                    | 50.00        | 50.00                          | 0.00 | 0.00 | 50.00 | 60.00 |
| <b>Limited Review:</b>                                  |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |       |       |
| Bridgeport MSA  | 1                      | 4.00         | 1.88                   | 0.00         | 5.12                        | 0.00         | 54.78                     | 100.00       | 38.23                    | 0.00         | 20.00                          | 0.00 | 0.00 | 50.00 | 0.00  |
| Danbury MSA   | 1                      | 4.00         | 0.00                   | 0.00         | 9.06                        | 0.00         | 68.02                     | 100.00       | 22.92                    | 0.00         | 8.33                           | 0.00 | 0.00 | 12.50 | 0.00  |
| Hartford MSA  | 0                      | 0.00         | 0.72                   | 0.00         | 6.23                        | 0.00         | 57.19                     | 0.00         | 35.86                    | 0.00         | 0.00                           | 0.00 | 0.00 | 0.00  | 0.00  |
| New London MSA  | 0                      | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 55.42                     | 0.00         | 44.58                    | 0.00         | 0.00                           | 0.00 | 0.00 | 0.00  | 0.00  |
| Stamford MSA  | 9                      | 36.00        | 8.45                   | 11.11        | 17.31                       | 0.00         | 37.26                     | 66.67        | 36.98                    | 22.22        | 44.44                          | 0.00 | 0.00 | 60.00 | 25.00 |
| Waterbury MSA   | 2                      | 8.00         | 0.99                   | 0.00         | 1.98                        | 0.00         | 52.48                     | 50.00        | 44.55                    | 50.00        | 20.00                          | 0.00 | 0.00 | 33.33 | 0.00  |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE                    |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
|---|---------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------|------|------|------|
| Geography: STATE OF CONNECTICUT                         |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| MA/Assessment Area:                                     | Total Home Purchase 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> | Overall                   | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                                     |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| New Haven MSA   | 711                       | 19.36                    | 18.64                     | 7.18                         | 18.51                     | 25.04                        | 25.09                     | 26.79                        | 37.76                     | 40.99                        | 3.04                      | 2.84 | 2.67 | 2.26 | 3.99 |
| <b>Limited Review:</b>                                  |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| Bridgeport MSA  | 656                       | 17.86                    | 19.51                     | 5.95                         | 18.01                     | 25.57                        | 24.11                     | 28.90                        | 38.37                     | 39.58                        | 3.08                      | 2.13 | 3.42 | 3.22 | 2.96 |
| Danbury MSA   | 390                       | 10.62                    | 15.11                     | 12.88                        | 20.05                     | 30.17                        | 27.53                     | 28.47                        | 37.31                     | 28.47                        | 2.46                      | 2.56 | 3.66 | 2.09 | 1.72 |
| Hartford MSA  | 1,029                     | 28.02                    | 18.17                     | 12.03                        | 18.35                     | 31.96                        | 26.05                     | 23.19                        | 37.42                     | 32.83                        | 2.33                      | 3.62 | 2.64 | 2.03 | 2.04 |
| New London MSA  | 35                        | 0.95                     | 11.97                     | 3.23                         | 14.93                     | 25.81                        | 24.04                     | 19.35                        | 49.05                     | 51.61                        | 2.73                      | 7.69 | 8.99 | 1.28 | 1.65 |
| Stamford MSA  | 513                       | 13.97                    | 19.92                     | 11.90                        | 18.80                     | 24.87                        | 20.27                     | 21.96                        | 41.01                     | 41.27                        | 2.20                      | 2.62 | 2.44 | 2.31 | 1.96 |
| Waterbury MSA   | 339                       | 9.23                     | 18.81                     | 7.64                         | 17.98                     | 28.90                        | 26.81                     | 28.24                        | 36.41                     | 35.22                        | 3.36                      | 1.74 | 3.88 | 3.14 | 3.67 |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 14.89% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: STATE OF CONNECTICUT |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|---------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                             | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                 |     |     |  |  |   |  |  |  |  |
| New Haven MSA                           | 84                           | 17.87                    | 18.64                     | 8.33                         | 18.51                     | 23.81                        | 25.09                     | 25.00                        | 37.76                     | 42.86                        | 2.63                      | 4.10                         | 2.90    | 2.03 | 2.62                            |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                 |     |     |  |  |   |  |  |  |  |
| Bridgeport MSA                          | 77                           | 16.38                    | 19.51                     | 7.79                         | 18.01                     | 19.48                        | 24.11                     | 24.68                        | 38.37                     | 48.05                        | 2.47                      | 0.95                         | 1.66    | 1.61 | 4.06                            |     |     |  |  |   |  |  |  |  |
| Danbury MSA                             | 55                           | 11.70                    | 15.11                     | 21.82                        | 20.05                     | 30.91                        | 27.53                     | 20.00                        | 37.31                     | 27.27                        | 2.11                      | 3.76                         | 2.08    | 1.77 | 1.44                            |     |     |  |  |   |  |  |  |  |
| Hartford MSA                            | 78                           | 16.60                    | 18.17                     | 0.00                         | 18.35                     | 19.48                        | 26.05                     | 20.78                        | 37.42                     | 59.74                        | 1.52                      | 0.00                         | 1.63    | 1.18 | 2.00                            |     |     |  |  |   |  |  |  |  |
| New London MSA                          | 2                            | 0.43                     | 11.97                     | 0.00                         | 14.93                     | 0.00                         | 24.04                     | 50.00                        | 49.05                     | 50.00                        | 0.56                      | 0.00                         | 0.00    | 0.00 | 0.93                            |     |     |  |  |   |  |  |  |  |
| Stamford MSA                            | 135                          | 28.72                    | 19.92                     | 16.30                        | 18.80                     | 24.44                        | 20.27                     | 22.96                        | 41.01                     | 36.30                        | 7.73                      | 8.63                         | 8.29    | 9.47 | 5.92                            |     |     |  |  |   |  |  |  |  |
| Waterbury MSA                           | 39                           | 8.30                     | 18.81                     | 7.69                         | 17.98                     | 10.26                        | 26.81                     | 38.46                        | 36.41                     | 43.59                        | 2.46                      | 2.08                         | 0.88    | 4.11 | 2.26                            |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.21% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF CONNECTICUT |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|---------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                             | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                 |     |     |  |  |   |  |  |  |  |
| New Haven MSA                                  | 1,466                               | 23.26                    | 18.64                     | 5.30                         | 18.51                     | 18.36                        | 25.09                     | 29.40                        | 37.76                     | 46.94                        | 3.49                      | 3.68                         | 3.51    | 3.52 | 3.45                            |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                 |     |     |  |  |   |  |  |  |  |
| Bridgeport MSA                                 | 1,170                               | 18.56                    | 19.51                     | 4.87                         | 18.01                     | 21.10                        | 24.11                     | 30.32                        | 38.37                     | 43.71                        | 2.54                      | 1.93                         | 2.62    | 2.44 | 2.66                            |     |     |  |  |   |  |  |  |  |
| Danbury MSA                                    | 690                                 | 10.95                    | 15.11                     | 11.30                        | 20.05                     | 27.10                        | 27.53                     | 28.96                        | 37.31                     | 32.60                        | 2.39                      | 2.78                         | 2.69    | 2.61 | 1.94                            |     |     |  |  |   |  |  |  |  |
| Hartford MSA                                   | 1,057                               | 16.77                    | 18.17                     | 5.08                         | 18.35                     | 14.63                        | 26.05                     | 27.45                        | 37.42                     | 52.84                        | 1.37                      | 1.24                         | 1.21    | 1.32 | 1.47                            |     |     |  |  |   |  |  |  |  |
| New London MSA                                 | 80                                  | 1.27                     | 11.97                     | 0.00                         | 14.93                     | 11.48                        | 24.04                     | 22.95                        | 49.05                     | 65.57                        | 2.21                      | 0.00                         | 3.03    | 1.99 | 2.25                            |     |     |  |  |   |  |  |  |  |
| Stamford MSA                                   | 1,294                               | 20.53                    | 19.92                     | 12.23                        | 18.80                     | 20.48                        | 20.27                     | 19.75                        | 41.01                     | 47.54                        | 2.40                      | 3.35                         | 2.63    | 1.92 | 2.34                            |     |     |  |  |   |  |  |  |  |
| Waterbury MSA                                  | 546                                 | 8.66                     | 18.81                     | 6.57                         | 17.98                     | 19.51                        | 26.81                     | 28.34                        | 36.41                     | 45.59                        | 4.15                      | 3.88                         | 5.09    | 3.93 | 3.98                            |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 17.99% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 |              |   |                  |  |                          |                            |               |                         |
|---|---------------------------------|--------------|---|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF CONNECTICUT</b>                  |                                 |              |   |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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>                                     |                                 |              |   |                  |  |                          |                            |               |                         |
| New Haven MSA   | 971                             | 27.13        | 70.08   | 50.79            | 73.90  | 14.20                    | 11.80                      | 3.67          | 2.80                    |
| <b>Limited Review:</b>                                  |                                 |              |   |                  |  |                          |                            |               |                         |
| Bridgeport MSA  | 500                             | 13.97        | 69.70   | 51.63            | 68.20  | 16.00                    | 15.80                      | 2.29          | 1.42                    |
| Danbury MSA   | 388                             | 10.84        | 71.61   | 48.23            | 72.40  | 12.10                    | 15.50                      | 2.75          | 1.36                    |
| Hartford MSA  | 382                             | 10.67        | 70.47   | 41.54            | 61.50  | 18.10                    | 20.40                      | 0.95          | 0.70                    |
| New London MSA  | 39                              | 1.09         | 73.60   | 60.00            | 61.50  | 12.80                    | 25.60                      | 1.83          | 1.24                    |
| Stamford MSA  | 953                             | 26.63        | 66.93   | 45.98            | 73.50  | 10.70                    | 15.80                      | 3.70          | 2.07                    |
| Waterbury MSA   | 346                             | 9.67         | 70.99   | 67.41            | 79.80  | 10.70                    | 9.50                       | 3.89          | 3.24                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 57.70% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |                  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF CONNECTICUT</b>             |                            |              |  |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |                  |  |                          |                            |               |                         |
| New Haven MSA                                      | 12                         | 48.00        | 90.29                                      | 66.70            | 100.00   | 0.00                     | 0.00                       | 50.00         | 50.00                   |
| <b>Limited Review:</b>                             |                            |              |  |                  |  |                          |                            |               |                         |
| Bridgeport MSA                                     | 1                          | 4.00         | 92.49                                      | 100.00           | 100.00   | 0.00                     | 0.00                       | 20.00         | 33.33                   |
| Danbury MSA  | 1                          | 4.00         | 94.09                                      | 0.00             | 100.00   | 0.00                     | 0.00                       | 8.33          | 0.00                    |
| Hartford MSA                                       | 0                          | 0.00         | 90.42                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| New London MSA                                     | 0                          | 0.00         | 96.39                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Stamford MSA                                       | 9                          | 36.00        | 88.09                                      | 66.67            | 77.78  | 0.00                     | 22.22                      | 44.44         | 50.00                   |
| Waterbury MSA                                      | 2                          | 8.00         | 92.41                                      | 50.00            | 100.00   | 0.00                     | 0.00                       | 20.00         | 0.00                    |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 16.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS  |                                       |                                 |                            |           |                   |   |            |                                    |           |
|------------------------|---------------------------------------|---------------------------------|----------------------------|-----------|-------------------|---|------------|------------------------------------|-----------|
|                        |                                       | Geography: STATE OF CONNECTICUT |                            |           |                   | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |            |                                    |           |
| MA/Assessment Area:    | Prior Period Investments <sup>*</sup> |                                 | Current Period Investments |           | Total Investments |   |            | Unfunded Commitments <sup>**</sup> |           |
|                        | #                                     | \$(000's)                       | #                          | \$(000's) | #                 | \$(000's)   | % of Total | #                                  | \$(000's) |
| <b>Full Review:</b>    |                                       |                                 |                            |           |                   |   |            |                                    |           |
| New Haven MSA          | 1                                     | 100                             | 68                         | 11,694    | 69                | 11,794  | 33.60      | 0                                  | -         |
| <b>Limited Review:</b> |                                       |                                 |                            |           |                   |   |            |                                    |           |
| Bridgeport MSA         | 4                                     | 11,565                          | 28                         | 29        | 32                | 11,594  | 33.03      | 1                                  | 178       |
| Danbury MSA            | 0                                     | -                               | 18                         | 1,959     | 18                | 1,959   | 5.58       | 1                                  | 1,267     |
| Hartford MSA           | 2                                     | 3,789                           | 127                        | 161       | 129               | 3,950   | 11.25      | 0                                  | -         |
| Stamford MSA           | 2                                     | 4,387                           | 40                         | 292       | 42                | 4,679   | 13.33      | 1                                  | 222       |
| Waterbury MSA          | 2                                     | 1,001                           | 30                         | 116       | 32                | 1,118   | 3.19       | 2                                  | 712       |
| New London MSA         | 0                                     | -                               | 8                          | 7         | 8                 | 7   | 0.02       | 0                                  | -         |

<sup>\*</sup> 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

<sup>\*\*</sup> '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: STATE OF CONNECTICUT Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
|---|--------------------------------|--------------------|--------------------------------|---|-------|--------|-------|--------------------------|----------------------|---|-----|-----|-----|---------------------------------------|-------|-------|-------|
| 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>   |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| New Haven MSA   | 26.17                          | 25                 | 30.48                          | 4.00  | 28.00 | 44.00  | 24.00 | 0                        | 1                    | 0   | 0   | -1  | 0   | 9.93                                  | 22.76 | 42.11 | 25.17 |
| <b>Limited Review:</b>  |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Bridgeport MSA  | 9.78                           | 9                  | 10.97                          | 0.00  | 0.00  | 66.67  | 33.33 | 0                        | 0                    | 0   | 0   | 0   | 0   | 11.39                                 | 16.59 | 38.07 | 33.96 |
| Danbury MSA   | 8.11                           | 8                  | 9.76                           | 12.50   | 25.00 | 37.50  | 25.00 | 0                        | 1                    | 0   | 0   | -1  | 0   | 2.85                                  | 21.84 | 46.67 | 28.63 |
| Hartford MSA  | 15.84                          | 6                  | 7.31                           | 50.00   | 0.00  | 50.00  | 0.00  | 1                        | 1                    | 0   | 0   | 0   | 0   | 11.44                                 | 15.06 | 46.89 | 26.51 |
| Stamford MSA  | 0.26                           | 22                 | 26.83                          | 18.18   | 22.73 | 31.82  | 27.27 | 0                        | 1                    | 0   | 0   | -1  | 0   | 9.87                                  | 26.88 | 22.99 | 40.25 |
| Waterbury MSA   | 28.66                          | 11                 | 13.42                          | 18.18   | 0.00  | 45.45  | 36.36 | 0                        | 0                    | 0   | 0   | 0   | 0   | 9.76                                  | 15.31 | 42.70 | 32.23 |
| New London MSA  | 11.01                          | 1                  | 1.22                           | 0.00  | 0.00  | 100.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 52.77 | 47.23 |

Table 1. Lending Volume

| LENDING VOLUME             |                                     | Geography: STATE OF FLORIDA |            |                           |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                               |            |                      |           |                                      |
|----------------------------|-------------------------------------|-----------------------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002): | % 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>        |                                     |                             |            |                           |            |   |            |                               |            |                      |           |                                      |
| Fort Lauderdale MSA        | 11.15                               | 6,245                       | 937,638    | 3,932                     | 405,684    | 23  | 2,827      | 9                             | 48,235     | 10,209               | 1,394,384 | 13.91                                |
| Tampa-St Petersburg MSA    | 13.89                               | 8,881                       | 1,011,043  | 3,769                     | 461,162    | 31  | 3,233      | 31                            | 137,298    | 12,712               | 1,612,736 | 12.64                                |
| <b>Limited Review:</b>     |                                     |                             |            |                           |            |   |            |                               |            |                      |           |                                      |
| Daytona Beach MSA          | 4.08                                | 2,863                       | 278,102    | 860                       | 82,362     | 4   | 580        | 7                             | 14,637     | 3,734                | 375,681   | 4.03                                 |
| Florida Keys Non-Metro     | 0.43                                | 311                         | 78,619     | 81                        | 15,012     | 0   | 0          | 1                             | 1,000      | 393                  | 94,631    | .29                                  |
| Fort Myers MSA             | 3.75                                | 2,746                       | 328,016    | 667                       | 67,360     | 11  | 549        | 4                             | 6,085      | 3,428                | 402,280   | 2.98                                 |
| Fort Pierce MSA            | 2.42                                | 1,551                       | 183,545    | 643                       | 72,981     | 19  | 3,116      | 3                             | 15,464     | 2,216                | 275,106   | 2.18                                 |
| Gainesville MSA            | 1.18                                | 705                         | 65,789     | 361                       | 46,502     | 7   | 634        | 5                             | 16,571     | 1,078                | 129,496   | 1.26                                 |
| Highlands County Non-Metro | 0.58                                | 378                         | 20,207     | 134                       | 6,579      | 15  | 3,118      | 0                             | 0          | 527                  | 29,904    | .54                                  |
| Indian River Non-Metro     | 1.22                                | 666                         | 88,887     | 424                       | 57,167     | 24  | 5,647      | 1                             | 1,500      | 1,115                | 153,201   | 1.22                                 |
| Jacksonville MSA           | 8.98                                | 5,504                       | 792,924    | 2,676                     | 392,878    | 20  | 2,047      | 14                            | 69,294     | 8,214                | 1,257,143 | 9.94                                 |
| Lakeland-Winter Haven MSA  | 3.62                                | 2,198                       | 160,403    | 1,014                     | 91,156     | 25  | 4,556      | 0                             | 0          | 3,237                | 256,115   | 2.16                                 |
| Madison-Taylor Non-Metro   | 0.24                                | 150                         | 8,140      | 64                        | 4,482      | 5   | 140        | 0                             | 0          | 219                  | 12,762    | .24                                  |
| Melbourne-Titusville MSA   | 4.09                                | 2,367                       | 211,190    | 1,371                     | 145,638    | 7   | 820        | 3                             | 4,154      | 3,748                | 361,802   | 3.43                                 |
| Miami MSA                  | 10.39                               | 5,222                       | 796,299    | 4,261                     | 499,411    | 4   | 314        | 22                            | 117,296    | 9,509                | 1,413,320 | 15.30                                |
| Naples MSA                 | 2.82                                | 2,102                       | 410,323    | 471                       | 63,306     | 7   | 833        | 2                             | 36,000     | 2,582                | 510,462   | 2.49                                 |
| Ocala MSA                  | 1.14                                | 756                         | 61,113     | 283                       | 49,317     | 2   | 500        | 0                             | 0          | 1,041                | 110,930   | .83                                  |
| Orlando MSA                | 10.43                               | 6,141                       | 785,961    | 3,351                     | 418,589    | 31  | 2,830      | 22                            | 31,336     | 9,545                | 1,238,716 | 7.32                                 |
| Pensacola MSA              | 1.44                                | 966                         | 97,100     | 346                       | 28,161     | 2   | 53         | 13                            | 1,889      | 1,327                | 127,203   | .78                                  |
| Punta Gorda MSA            | 1.02                                | 780                         | 66,354     | 149                       | 14,656     | 0   | 0          | 0                             | 0          | 929                  | 81,190    | .69                                  |
| Sarasota-Bradenton MSA     | 4.08                                | 3,048                       | 405,269    | 678                       | 86,405     | 8   | 652        | 4                             | 21,250     | 3,738                | 513,576   | 2.97                                 |
| Tallahassee MSA            | 1.06                                | 752                         | 123,539    | 214                       | 30,767     | 0   | 0          | 1                             | 10,380     | 967                  | 164,686   | .99                                  |
| Walton County Non-Metro    | 0.53                                | 462                         | 107,813    | 20                        | 2,084      | 1   | 250        | 0                             | 0          | 483                  | 110,147   | .07                                  |
| West Palm Beach MSA        | 11.46                               | 6,844                       | 1,121,466  | 3,599                     | 520,385    | 37  | 5,080      | 12                            | 77,950     | 10,492               | 1,724,881 | 13.75                                |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           | Geography: STATE OF FLORIDA |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography <sup>*</sup> |       |      |      |  |
|--|---------------------------|-----------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--|-------|------|------|--|
| MA/Assessment Area:                    | Total Home Purchase 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>                    |                           |                             |                        |              |                             |              |   |              |                          |              |         |  |       |      |      |  |
| Fort Lauderdale MSA                    | 2,601                     | 10.43                       | 1.11                   | 1.58         | 14.39                       | 10.15        | 58.85   | 50.40        | 25.64                    | 37.79        | 1.90    | 3.26                                       | 2.01  | 1.61 | 2.41 |  |
| Tampa-St Petersburg MSA                | 3,725                     | 14.94                       | 0.89                   | 0.46         | 21.65                       | 21.32        | 47.78   | 45.78        | 29.69                    | 32.38        | 2.08    | 0.57                                       | 2.57  | 2.00 | 1.99 |  |
| <b>Limited Review:</b>                 |                           |                             |                        |              |                             |              |   |              |                          |              |         |  |       |      |      |  |
| Daytona Beach MSA                      | 1,200                     | 4.81                        | 1.35                   | 0.17         | 11.32                       | 8.76         | 76.07   | 79.48        | 11.27                    | 11.59        | 2.85    | 0.00                                       | 3.41  | 2.89 | 2.30 |  |
| Florida Keys Non-Metro                 | 136                       | 0.55                        | 0.00                   | 0.00         | 0.00                        | 0.00         | 28.76   | 22.79        | 71.24                    | 77.21        | 2.70    | 0.00                                       | 0.00  | 1.86 | 2.99 |  |
| Fort Myers MSA                         | 1,321                     | 5.29                        | 0.53                   | 0.00         | 13.44                       | 12.73        | 74.89   | 78.26        | 11.14                    | 9.02         | 2.83    | 0.00                                       | 4.53  | 2.77 | 2.18 |  |
| Fort Pierce MSA                        | 693                       | 2.78                        | 1.88                   | 0.58         | 11.32                       | 6.35         | 63.95   | 68.54        | 22.85                    | 24.53        | 2.41    | 4.21                                       | 3.41  | 2.19 | 2.92 |  |
| Gainesville MSA                        | 241                       | 0.97                        | 3.44                   | 0.83         | 21.55                       | 21.16        | 46.88   | 39.83        | 28.13                    | 38.17        | 2.03    | 0.85                                       | 2.86  | 2.08 | 1.69 |  |
| Highlands County Non-Metro             | 162                       | 0.65                        | 0.00                   | 0.00         | 8.53                        | 4.32         | 91.47   | 95.68        | 0.00                     | 0.00         | 5.13    | 0.00                                       | 2.94  | 5.29 | 0.00 |  |
| Indian River Non-Metro                 | 276                       | 1.11                        | 0.00                   | 0.00         | 2.78                        | 0.36         | 37.87   | 50.00        | 59.35                    | 49.64        | 2.67    | 0.00                                       | 2.44  | 2.58 | 2.73 |  |
| Jacksonville MSA                       | 1,870                     | 7.50                        | 3.01                   | 1.82         | 14.29                       | 7.38         | 55.07   | 49.79        | 27.63                    | 41.02        | 2.47    | 1.88                                       | 1.97  | 2.33 | 2.82 |  |
| Lakeland-Winter Haven MSA              | 870                       | 3.49                        | 0.41                   | 0.23         | 13.70                       | 7.01         | 69.09   | 80.00        | 16.79                    | 12.76        | 3.12    | 0.00                                       | 2.21  | 3.40 | 2.41 |  |
| Madison-Taylor Non-Metro               | 25                        | 0.10                        | 0.00                   | 0.00         | 9.56                        | 24.00        | 90.44   | 76.00        | 0.00                     | 0.00         | 4.00    | 0.00                                       | 26.67 | 2.55 | 0.00 |  |
| Melbourne-Titusville MSA               | 985                       | 3.95                        | 0.49                   | 0.20         | 18.78                       | 27.92        | 60.27   | 51.27        | 20.45                    | 20.61        | 2.35    | 0.00                                       | 4.89  | 1.81 | 2.28 |  |
| Miami MSA                              | 1,569                     | 6.29                        | 3.26                   | 2.42         | 12.86                       | 11.41        | 40.83   | 36.07        | 43.05                    | 50.10        | 1.22    | 0.89                                       | 1.50  | 1.28 | 1.14 |  |
| Naples MSA                             | 1,072                     | 4.29                        | 1.18                   | 0.65         | 7.73                        | 10.84        | 57.92   | 58.41        | 33.17                    | 30.09        | 3.81    | 12.50                                      | 9.34  | 3.61 | 3.41 |  |
| Ocala MSA                              | 286                       | 1.15                        | 0.67                   | 0.00         | 8.01                        | 6.29         | 77.91   | 78.67        | 13.41                    | 15.03        | 2.23    | 0.00                                       | 2.36  | 2.21 | 2.32 |  |
| Orlando MSA                            | 2,308                     | 9.25                        | 0.87                   | 0.56         | 17.56                       | 16.08        | 55.92   | 56.00        | 25.65                    | 27.35        | 1.55    | 2.15                                       | 2.32  | 1.36 | 1.73 |  |
| Pensacola MSA                          | 225                       | 0.90                        | 3.05                   | 3.56         | 10.54                       | 5.78         | 63.69   | 57.33        | 22.72                    | 33.33        | 0.93    | 3.81                                       | 1.07  | 0.74 | 1.31 |  |
| Punta Gorda MSA                        | 371                       | 1.49                        | 0.00                   | 0.00         | 6.84                        | 8.36         | 85.11   | 86.25        | 8.05                     | 5.39         | 2.73    | 0.00                                       | 5.06  | 2.76 | 1.28 |  |
| Sarasota-Bradenton MSA                 | 1,472                     | 5.90                        | 0.40                   | 0.00         | 13.77                       | 12.30        | 63.01   | 62.70        | 22.82                    | 25.00        | 2.79    | 0.00                                       | 3.12  | 2.88 | 2.46 |  |
| Tallahassee MSA                        | 223                       | 0.89                        | 4.08                   | 3.59         | 12.62                       | 14.35        | 41.62   | 38.12        | 41.68                    | 43.95        | 1.33    | 1.69                                       | 2.33  | 1.23 | 1.18 |  |
| Walton County Non-Metro                | 217                       | 0.87                        | 0.00                   | 0.00         | 43.57                       | 2.30         | 38.16   | 2.76         | 18.27                    | 94.93        | 4.22    | 0.00                                       | 2.44  | 0.89 | 4.64 |  |
| West Palm Beach MSA                    | 3,094                     | 12.40                       | 0.94                   | 1.16         | 20.87                       | 17.92        | 46.30   | 45.76        | 31.90                    | 35.16        | 3.30    | 6.03                                       | 4.71  | 3.00 | 3.20 |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              |              | Geography: STATE OF FLORIDA |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | 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>                       |                              |              |                             |              |                             |              |   |              |                          |              |         |                                |       |       |       |  |
| Fort Lauderdale MSA                       | 705                          | 12.97        | 1.11                        | 1.13         | 14.39                       | 12.20        | 58.85   | 54.04        | 25.64                    | 32.62        | 8.56    | 26.32                          | 10.23 | 8.14  | 8.55  |  |
| Tampa-St Petersburg MSA                   | 813                          | 14.95        | 0.89                        | 0.62         | 21.65                       | 17.10        | 47.78   | 51.41        | 29.69                    | 30.87        | 4.88    | 1.82                           | 5.40  | 5.17  | 4.33  |  |
| <b>Limited Review:</b>                    |                              |              |                             |              |                             |              |   |              |                          |              |         |                                |       |       |       |  |
| Daytona Beach MSA                         | 187                          | 3.44         | 1.35                        | 3.21         | 11.32                       | 14.44        | 76.07   | 67.38        | 11.27                    | 14.97        | 4.89    | 14.29                          | 8.26  | 4.32  | 5.41  |  |
| Florida Keys Non-Metro                    | 16                           | 0.29         | 0.00                        | 0.00         | 0.00                        | 0.00         | 28.76   | 12.50        | 71.24                    | 87.50        | 13.51   | 0.00                           | 0.00  | 5.00  | 16.67 |  |
| Fort Myers MSA                            | 238                          | 4.38         | 0.53                        | 0.00         | 13.44                       | 15.55        | 74.89   | 75.21        | 11.14                    | 9.24         | 8.06    | 0.00                           | 14.44 | 7.57  | 7.69  |  |
| Fort Pierce MSA                           | 118                          | 2.17         | 1.88                        | 1.69         | 11.32                       | 5.93         | 63.95   | 72.03        | 22.85                    | 20.34        | 5.02    | 8.33                           | 2.78  | 5.18  | 5.03  |  |
| Gainesville MSA                           | 21                           | 0.39         | 3.44                        | 4.76         | 21.55                       | 23.81        | 46.88   | 52.38        | 28.13                    | 19.05        | 2.95    | 0.00                           | 5.56  | 3.91  | 0.83  |  |
| Highlands County Non-Metro                | 46                           | 0.85         | 0.00                        | 0.00         | 8.53                        | 4.35         | 91.47   | 95.65        | 0.00                     | 0.00         | 9.23    | 0.00                           | 0.00  | 10.25 | 0.00  |  |
| Indian River Non-Metro                    | 54                           | 0.99         | 0.00                        | 0.00         | 2.78                        | 5.56         | 37.87   | 44.44        | 59.35                    | 50.00        | 9.59    | 0.00                           | 66.67 | 6.45  | 11.11 |  |
| Jacksonville MSA                          | 410                          | 7.54         | 3.01                        | 4.15         | 14.29                       | 12.68        | 55.07   | 59.51        | 27.63                    | 23.66        | 5.10    | 19.51                          | 6.90  | 5.75  | 3.24  |  |
| Lakeland-Winter Haven MSA                 | 213                          | 3.92         | 0.41                        | 0.94         | 13.70                       | 8.92         | 69.09   | 76.53        | 16.79                    | 13.62        | 5.55    | 40.00                          | 3.26  | 6.41  | 3.11  |  |
| Madison-Taylor Non-Metro                  | 16                           | 0.29         | 0.00                        | 0.00         | 9.56                        | 18.75        | 90.44   | 81.25        | 0.00                     | 0.00         | 15.38   | 0.00                           | 33.33 | 13.89 | 0.00  |  |
| Melbourne-Titusville MSA                  | 275                          | 5.06         | 0.49                        | 0.00         | 18.78                       | 17.45        | 60.27   | 61.45        | 20.45                    | 21.09        | 8.50    | 0.00                           | 7.04  | 8.46  | 9.52  |  |
| Miami MSA                                 | 656                          | 12.07        | 3.26                        | 1.98         | 12.86                       | 13.87        | 40.83   | 38.72        | 43.05                    | 45.43        | 6.35    | 4.20                           | 7.89  | 7.90  | 5.02  |  |
| Naples MSA                                | 102                          | 1.88         | 1.18                        | 0.00         | 7.73                        | 8.82         | 57.92   | 58.82        | 33.17                    | 32.35        | 9.36    | 0.00                           | 20.83 | 8.54  | 9.52  |  |
| Ocala MSA                                 | 47                           | 0.86         | 0.67                        | 0.00         | 8.01                        | 2.13         | 77.91   | 78.72        | 13.41                    | 19.15        | 4.62    | 0.00                           | 0.00  | 3.71  | 12.50 |  |
| Orlando MSA                               | 389                          | 7.15         | 0.87                        | 0.51         | 17.56                       | 12.60        | 55.92   | 56.56        | 25.65                    | 30.33        | 3.82    | 0.00                           | 3.68  | 3.57  | 4.44  |  |
| Pensacola MSA                             | 90                           | 1.66         | 3.05                        | 2.22         | 10.54                       | 4.44         | 63.69   | 68.89        | 22.72                    | 24.44        | 2.82    | 11.11                          | 3.23  | 2.77  | 2.50  |  |
| Punta Gorda MSA                           | 75                           | 1.38         | 0.00                        | 0.00         | 6.84                        | 6.67         | 85.11   | 84.00        | 8.05                     | 9.33         | 5.12    | 0.00                           | 0.00  | 5.39  | 6.25  |  |
| Sarasota-Bradenton MSA                    | 207                          | 3.81         | 0.40                        | 0.00         | 13.77                       | 11.59        | 63.01   | 67.63        | 22.82                    | 20.77        | 4.27    | 0.00                           | 7.02  | 3.88  | 4.19  |  |
| Tallahassee MSA                           | 74                           | 1.36         | 4.08                        | 13.51        | 12.62                       | 4.05         | 41.62   | 45.95        | 41.68                    | 36.49        | 8.46    | 55.56                          | 5.00  | 7.48  | 7.10  |  |
| Walton County Non-Metro                   | 1                            | 0.02         | 0.00                        | 0.00         | 43.57                       | 0.00         | 38.16   | 0.00         | 18.27                    | 100.00       | 1.02    | 0.00                           | 0.00  | 0.00  | 3.85  |  |
| West Palm Beach MSA                       | 684                          | 12.58        | 0.94                        | 1.90         | 20.87                       | 18.13        | 46.30   | 45.47        | 31.90                    | 34.50        | 11.68   | 36.84                          | 18.38 | 13.28 | 8.16  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     | Geography: STATE OF FLORIDA |                        |              |                             |              |                           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |              |                                |       |       |       |      |
|--|-------------------------------------|-----------------------------|------------------------|--------------|-----------------------------|--------------|---------------------------|---|--------------------------|--------------|--------------------------------|-------|-------|-------|------|
| 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 | Overall                        | Low   | Mod   | Mid   | Upp  |
| <b>Full Review:</b>                              |                                     |                             |                        |              |                             |              |                           |   |                          |              |                                |       |       |       |      |
| Fort Lauderdale MSA                              | 2,914                               | 9.38                        | 1.11                   | 0.72         | 14.39                       | 8.92         | 58.85                     | 54.67   | 25.64                    | 35.69        | 2.10                           | 1.57  | 2.15  | 2.03  | 2.21 |
| Tampa-St Petersburg MSA                          | 4,306                               | 13.86                       | 0.89                   | 0.72         | 21.65                       | 17.44        | 47.78                     | 44.15   | 29.69                    | 37.69        | 2.21                           | 2.19  | 2.97  | 2.19  | 1.97 |
| <b>Limited Review:</b>                           |                                     |                             |                        |              |                             |              |                           |   |                          |              |                                |       |       |       |      |
| Daytona Beach MSA                                | 1,470                               | 4.73                        | 1.35                   | 0.95         | 11.32                       | 9.53         | 76.07                     | 74.40   | 11.27                    | 15.11        | 3.62                           | 6.10  | 5.70  | 3.44  | 3.77 |
| Florida Keys Non-Metro                           | 159                                 | 0.51                        | 0.00                   | 0.00         | 0.00                        | 0.00         | 28.76                     | 28.93   | 71.24                    | 71.07        | 2.06                           | 0.00  | 0.00  | 2.54  | 1.92 |
| Fort Myers MSA                                   | 1,181                               | 3.80                        | 0.53                   | 0.08         | 13.44                       | 10.00        | 74.89                     | 77.46   | 11.14                    | 12.46        | 2.71                           | 0.00  | 4.22  | 2.70  | 2.16 |
| Fort Pierce MSA                                  | 739                                 | 2.38                        | 1.88                   | 2.17         | 11.32                       | 6.90         | 63.95                     | 61.98   | 22.85                    | 28.96        | 2.77                           | 8.75  | 2.97  | 2.46  | 3.39 |
| Gainesville MSA                                  | 441                                 | 1.42                        | 3.44                   | 5.22         | 21.55                       | 21.32        | 46.88                     | 40.82   | 28.13                    | 32.65        | 4.25                           | 12.37 | 7.52  | 4.11  | 3.19 |
| Highlands County Non-Metro                       | 170                                 | 0.55                        | 0.00                   | 0.00         | 8.53                        | 5.88         | 91.47                     | 94.12   | 0.00                     | 0.00         | 6.41                           | 0.00  | 2.08  | 6.73  | 0.00 |
| Indian River Non-Metro                           | 336                                 | 1.08                        | 0.00                   | 0.00         | 2.78                        | 2.08         | 37.87                     | 39.58   | 59.35                    | 58.33        | 4.12                           | 0.00  | 4.17  | 4.83  | 3.72 |
| Jacksonville MSA                                 | 3,218                               | 10.35                       | 3.01                   | 1.90         | 14.29                       | 10.35        | 55.07                     | 49.39   | 27.63                    | 38.36        | 3.56                           | 4.71  | 4.02  | 3.46  | 3.55 |
| Lakeland-Winter Haven MSA                        | 1,108                               | 3.57                        | 0.41                   | 0.09         | 13.70                       | 9.75         | 69.09                     | 74.82   | 16.79                    | 15.34        | 4.04                           | 0.00  | 6.70  | 4.29  | 2.54 |
| Madison-Taylor Non-Metro                         | 109                                 | 0.35                        | 0.00                   | 0.00         | 9.56                        | 7.34         | 90.44                     | 92.66   | 0.00                     | 0.00         | 14.07                          | 0.00  | 22.73 | 13.56 | 0.00 |
| Melbourne-Titusville MSA                         | 1,103                               | 3.55                        | 0.49                   | 0.54         | 18.78                       | 18.04        | 60.27                     | 57.66   | 20.45                    | 23.75        | 2.80                           | 14.81 | 4.79  | 2.50  | 2.59 |
| Miami MSA  | 2,951                               | 9.50                        | 3.26                   | 2.51         | 12.86                       | 10.00        | 40.83                     | 38.83   | 43.05                    | 48.66        | 2.32                           | 2.52  | 2.25  | 2.74  | 2.08 |
| Naples MSA                                       | 927                                 | 2.98                        | 1.18                   | 0.54         | 7.73                        | 6.90         | 57.92                     | 59.55   | 33.17                    | 33.01        | 3.20                           | 3.13  | 8.90  | 3.13  | 2.87 |
| Ocala MSA  | 422                                 | 1.36                        | 0.67                   | 0.24         | 8.01                        | 6.64         | 77.91                     | 76.54   | 13.41                    | 16.59        | 2.78                           | 20.00 | 3.30  | 2.52  | 3.85 |
| Orlando MSA                                      | 3,439                               | 11.07                       | 0.87                   | 0.93         | 17.56                       | 13.55        | 55.92                     | 56.44   | 25.65                    | 29.08        | 2.32                           | 4.53  | 3.24  | 2.23  | 2.21 |
| Pensacola MSA                                    | 650                                 | 2.09                        | 3.05                   | 2.00         | 10.54                       | 10.46        | 63.69                     | 62.15   | 22.72                    | 25.38        | 2.10                           | 4.76  | 3.77  | 1.84  | 2.30 |
| Punta Gorda MSA                                  | 334                                 | 1.07                        | 0.00                   | 0.00         | 6.84                        | 5.99         | 85.11                     | 86.83   | 8.05                     | 7.19         | 2.17                           | 0.00  | 4.61  | 2.22  | 1.02 |
| Sarasota-Bradenton MSA                           | 1,365                               | 4.39                        | 0.40                   | 0.37         | 13.77                       | 9.38         | 63.01                     | 65.20   | 22.82                    | 25.05        | 2.39                           | 6.45  | 3.19  | 2.44  | 2.08 |
| Tallahassee MSA                                  | 449                                 | 1.44                        | 4.08                   | 4.01         | 12.62                       | 11.36        | 41.62                     | 36.97   | 41.68                    | 47.66        | 2.24                           | 4.14  | 2.62  | 2.73  | 1.87 |
| Walton County Non-Metro                          | 244                                 | 0.79                        | 0.00                   | 0.00         | 43.57                       | 1.23         | 38.16                     | 2.87  | 18.27                    | 95.90        | 5.02                           | 0.00  | 0.58  | 1.18  | 6.11 |
| West Palm Beach MSA                              | 3,042                               | 9.79                        | 0.94                   | 0.53         | 20.87                       | 11.08        | 46.30                     | 44.38   | 31.90                    | 43.98        | 2.92                           | 3.80  | 3.34  | 2.71  | 3.06 |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.



**Table 5. Geographic Distribution of Multifamily Loans**

| Geographic Distribution: MULTIFAMILY |                         | Geography: STATE OF FLORIDA |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography |       |       |       |  |
|--------------------------------------|-------------------------|-----------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|-------------------------------|-------|-------|-------|--|
| MA/Assessment Area:                  | Total Multifamily Loans |                             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies                               |              | Upper-Income Geographies |              | Overall | 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>                  |                         |                             |                        |              |                             |              |   |              |                          |              |         |                               |       |       |       |  |
| Fort Lauderdale MSA                  | 25                      | 13.74                       | 1.36                   | 0.00         | 15.78                       | 36.00        | 58.91   | 36.00        | 23.95                    | 28.00        | 3.30    | 0.00                          | 2.83  | 3.42  | 4.62  |  |
| Tampa-St Petersburg MSA              | 37                      | 20.33                       | 3.48                   | 0.00         | 15.51                       | 35.14        | 50.67   | 29.73        | 30.20                    | 35.14        | 8.00    | 0.00                          | 5.62  | 5.00  | 25.93 |  |
| <b>Limited Review:</b>               |                         |                             |                        |              |                             |              |   |              |                          |              |         |                               |       |       |       |  |
| Daytona Beach MSA                    | 6                       | 3.30                        | 3.74                   | 0.00         | 22.00                       | 33.33        | 70.31   | 66.67        | 3.95                     | 0.00         | 7.14    | 0.00                          | 0.00  | 11.54 | 0.00  |  |
| Florida Keys Non-Metro               | 0                       | 0.00                        | 0.00                   | 0.00         | 0.00                        | 0.00         | 31.80   | 0.00         | 68.20                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Fort Myers MSA                       | 6                       | 3.30                        | 0.86                   | 0.00         | 5.77                        | 0.00         | 66.84   | 100.00       | 26.53                    | 0.00         | 6.67    | 0.00                          | 0.00  | 7.14  | 0.00  |  |
| Fort Pierce MSA                      | 1                       | 0.55                        | 3.28                   | 0.00         | 9.29                        | 0.00         | 45.57   | 100.00       | 41.85                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Gainesville MSA                      | 2                       | 1.10                        | 11.34                  | 0.00         | 57.19                       | 50.00        | 15.27   | 0.00         | 16.21                    | 50.00        | 3.57    | 0.00                          | 0.00  | 0.00  | 7.14  |  |
| Highlands County Non-Metro           | 0                       | 0.00                        | 0.00                   | 0.00         | 13.66                       | 0.00         | 86.34   | 0.00         | 0.00                     | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Indian River Non-Metro               | 0                       | 0.00                        | 0.00                   | 0.00         | 1.95                        | 0.00         | 14.42   | 0.00         | 83.63                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Jacksonville MSA                     | 6                       | 3.30                        | 6.58                   | 16.67        | 16.36                       | 16.67        | 54.13   | 33.33        | 22.94                    | 33.33        | 7.32    | 50.00                         | 0.00  | 4.76  | 12.50 |  |
| Lakeland-Winter Haven MSA            | 7                       | 3.85                        | 3.12                   | 14.29        | 23.13                       | 14.29        | 58.30   | 71.43        | 15.45                    | 0.00         | 11.11   | 0.00                          | 12.50 | 12.50 | 0.00  |  |
| Madison-Taylor Non-Metro             | 0                       | 0.00                        | 0.00                   | 0.00         | 0.00                        | 0.00         | 100.00  | 0.00         | 0.00                     | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Melbourne-Titusville MSA             | 4                       | 2.20                        | 1.03                   | 0.00         | 33.05                       | 25.00        | 46.22   | 75.00        | 19.70                    | 0.00         | 10.00   | 0.00                          | 0.00  | 16.67 | 0.00  |  |
| Miami MSA                            | 46                      | 25.27                       | 13.42                  | 32.61        | 21.25                       | 32.61        | 36.01   | 26.09        | 29.33                    | 8.70         | 4.66    | 4.64                          | 6.06  | 3.39  | 3.70  |  |
| Naples MSA                           | 1                       | 0.55                        | 1.80                   | 0.00         | 2.10                        | 0.00         | 41.08   | 100.00       | 55.03                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Ocala MSA                            | 1                       | 0.55                        | 5.19                   | 0.00         | 6.21                        | 0.00         | 69.72   | 100.00       | 18.88                    | 0.00         | 11.11   | 0.00                          | 0.00  | 16.67 | 0.00  |  |
| Orlando MSA                          | 5                       | 2.75                        | 4.12                   | 20.00        | 15.36                       | 20.00        | 67.19   | 40.00        | 13.33                    | 20.00        | 2.78    | 0.00                          | 5.00  | 2.94  | 0.00  |  |
| Pensacola MSA                        | 1                       | 0.55                        | 5.99                   | 0.00         | 6.97                        | 0.00         | 43.43   | 100.00       | 43.61                    | 0.00         | 3.57    | 0.00                          | 0.00  | 8.33  | 0.00  |  |
| Punta Gorda MSA                      | 0                       | 0.00                        | 0.00                   | 0.00         | 18.49                       | 0.00         | 69.62   | 0.00         | 11.88                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Sarasota-Bradenton MSA               | 4                       | 2.20                        | 0.37                   | 0.00         | 18.70                       | 0.00         | 43.61   | 75.00        | 37.33                    | 25.00        | 4.88    | 0.00                          | 0.00  | 10.00 | 0.00  |  |
| Tallahassee MSA                      | 6                       | 3.30                        | 21.75                  | 50.00        | 33.81                       | 0.00         | 31.48   | 50.00        | 12.96                    | 0.00         | 6.25    | 33.33                         | 0.00  | 16.67 | 0.00  |  |
| Walton County Non-Metro              | 0                       | 0.00                        | 0.00                   | 0.00         | 3.13                        | 0.00         | 0.90  | 0.00         | 95.97                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| West Palm Beach MSA                  | 24                      | 13.19                       | 2.23                   | 8.33         | 24.05                       | 29.17        | 36.34   | 50.00        | 37.37                    | 12.50        | 9.92    | 25.00                         | 9.76  | 9.23  | 9.09  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES |                            | Geography: STATE OF FLORIDA |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | 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>                                |                            |                             |                        |              |                             |              |   |              |                          |              |         |                                |       |      |      |  |
| Fort Lauderdale MSA                                | 3,932                      | 13.39                       | 4.52                   | 5.14         | 14.92                       | 18.92        | 50.37   | 44.91        | 30.19                    | 31.03        | 3.33    | 4.42                           | 4.49  | 2.88 | 3.60 |  |
| Tampa-St Petersburg MSA                            | 3,769                      | 12.83                       | 1.16                   | 1.06         | 22.26                       | 19.42        | 43.05   | 42.03        | 33.40                    | 37.49        | 2.50    | 3.03                           | 2.12  | 2.44 | 2.99 |  |
| <b>Limited Review:</b>                             |                            |                             |                        |              |                             |              |   |              |                          |              |         |                                |       |      |      |  |
| Daytona Beach MSA                                  | 860                        | 2.93                        | 3.66                   | 4.19         | 15.92                       | 16.63        | 68.56   | 65.70        | 11.87                    | 13.49        | 2.98    | 3.93                           | 3.73  | 2.94 | 3.24 |  |
| Florida Keys Non-Metro                             | 81                         | 0.28                        | 0.00                   | 0.00         | 0.00                        | 0.00         | 40.89   | 54.32        | 59.11                    | 45.68        | 0.94    | 0.00                           | 0.00  | 1.34 | 0.91 |  |
| Fort Myers MSA                                     | 667                        | 2.27                        | 0.50                   | 0.30         | 9.42                        | 9.30         | 76.27   | 74.21        | 13.81                    | 16.19        | 2.06    | 2.33                           | 2.15  | 2.07 | 2.24 |  |
| Fort Pierce MSA                                    | 643                        | 2.19                        | 3.34                   | 2.18         | 16.25                       | 25.19        | 58.18   | 44.48        | 22.22                    | 28.15        | 3.00    | 2.55                           | 4.39  | 2.34 | 3.94 |  |
| Gainesville MSA                                    | 361                        | 1.23                        | 6.14                   | 5.26         | 31.03                       | 35.73        | 36.37   | 31.02        | 26.45                    | 27.98        | 3.19    | 6.15                           | 4.51  | 2.78 | 2.70 |  |
| Highlands County Non-Metro                         | 134                        | 0.46                        | 0.00                   | 0.00         | 7.13                        | 4.48         | 92.87   | 95.52        | 0.00                     | 0.00         | 2.39    | 0.00                           | 2.20  | 2.43 | 0.00 |  |
| Indian River Non-Metro                             | 424                        | 1.44                        | 0.00                   | 0.00         | 1.61                        | 1.18         | 42.91   | 43.63        | 55.49                    | 55.19        | 5.08    | 0.00                           | 5.56  | 5.48 | 5.21 |  |
| Jacksonville MSA                                   | 2,676                      | 9.11                        | 4.53                   | 5.64         | 18.45                       | 17.41        | 48.38   | 44.73        | 28.64                    | 32.21        | 3.89    | 6.09                           | 2.00  | 4.71 | 5.03 |  |
| Lakeland-Winter Haven MSA                          | 1,014                      | 3.45                        | 1.56                   | 1.97         | 19.27                       | 15.38        | 61.94   | 65.48        | 17.23                    | 17.16        | 4.23    | 4.42                           | 4.80  | 4.39 | 4.07 |  |
| Madison-Taylor Non-Metro                           | 64                         | 0.22                        | 0.00                   | 0.00         | 1.14                        | 6.25         | 98.86   | 93.75        | 0.00                     | 0.00         | 5.06    | 0.00                           | 12.50 | 5.35 | 0.00 |  |
| Melbourne-Titusville MSA                           | 1,371                      | 4.67                        | 1.05                   | 1.17         | 29.05                       | 30.78        | 51.16   | 47.26        | 18.54                    | 20.79        | 4.24    | 4.50                           | 5.50  | 3.81 | 4.33 |  |
| Miami MSA  | 4,261                      | 14.51                       | 8.82                   | 7.37         | 17.32                       | 19.48        | 31.73   | 26.00        | 42.14                    | 47.15        | 2.98    | 2.61                           | 3.48  | 2.71 | 3.04 |  |
| Naples MSA   | 471                        | 1.60                        | 1.43                   | 1.70         | 3.92                        | 1.70         | 57.32   | 56.48        | 37.33                    | 40.13        | 2.12    | 2.80                           | 0.64  | 2.06 | 2.48 |  |
| Ocala MSA  | 283                        | 0.96                        | 0.73                   | 1.06         | 6.32                        | 8.13         | 78.02   | 64.66        | 14.86                    | 26.15        | 1.71    | 0.00                           | 2.53  | 1.49 | 2.60 |  |
| Orlando MSA  | 3,351                      | 11.41                       | 2.93                   | 3.76         | 16.14                       | 17.91        | 55.32   | 49.54        | 25.58                    | 28.80        | 3.15    | 5.25                           | 3.75  | 2.99 | 3.33 |  |
| Pensacola MSA                                      | 346                        | 1.18                        | 7.22                   | 11.28        | 11.76                       | 13.95        | 58.79   | 48.66        | 19.76                    | 26.11        | 1.51    | 2.11                           | 1.80  | 1.28 | 1.95 |  |
| Punta Gorda MSA                                    | 149                        | 0.51                        | 0.00                   | 0.00         | 5.86                        | 2.01         | 89.39   | 91.95        | 4.74                     | 6.04         | 1.74    | 0.00                           | 0.42  | 1.89 | 1.79 |  |
| Sarasota-Bradenton MSA                             | 678                        | 2.31                        | 0.49                   | 0.15         | 18.85                       | 13.72        | 57.07   | 51.77        | 23.58                    | 34.37        | 1.60    | 0.00                           | 1.30  | 1.46 | 2.29 |  |
| Tallahassee MSA                                    | 214                        | 0.73                        | 6.19                   | 3.27         | 14.84                       | 15.42        | 40.27   | 36.45        | 38.03                    | 44.86        | 1.64    | 0.65                           | 1.72  | 1.74 | 1.78 |  |
| Walton County Non-Metro                            | 20                         | 0.07                        | 0.00                   | 0.00         | 18.91                       | 15.00        | 24.38   | 10.00        | 56.72                    | 75.00        | 0.80    | 0.00                           | 0.88  | 0.29 | 0.77 |  |
| West Palm Beach MSA                                | 3,599                      | 12.25                       | 2.05                   | 4.57         | 15.78                       | 15.93        | 43.60   | 40.37        | 37.28                    | 39.13        | 4.19    | 9.94                           | 3.47  | 4.03 | 4.37 |  |

\* Based on 2002 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 (2003).

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

| Geographic Distribution: SMALL LOANS TO FARMS |                        | Geography: STATE OF FLORIDA |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography* |       |       |        |  |
|---|------------------------|-----------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--------------------------------|-------|-------|--------|--|
| MA/Assessment Area:                           | Total Small Farm Loans |                             | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies                               |              | Upper-Income Geographies |              |         |                                |       |       |        |  |
|   | #                      | % 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>                           |                        |                             |                        |              |                             |              |   |              |                          |              |         |                                |       |       |        |  |
| Fort Lauderdale MSA                           | 23                     | 8.13                        | 2.78                   | 13.04        | 17.75                       | 17.39        | 51.63   | 21.74        | 27.84                    | 47.83        | 28.81   | 100.00                         | 40.00 | 27.78 | 24.24  |  |
| Tampa-St Petersburg MSA                       | 31                     | 10.95                       | 0.51                   | 0.00         | 25.59                       | 25.81        | 47.91   | 61.29        | 25.97                    | 12.90        | 11.19   | 0.00                           | 8.89  | 14.75 | 10.71  |  |
| <b>Limited Review:</b>                        |                        |                             |                        |              |                             |              |   |              |                          |              |         |                                |       |       |        |  |
| Daytona Beach MSA                             | 4                      | 1.41                        | 1.47                   | 0.00         | 8.45                        | 0.00         | 73.88   | 75.00        | 16.21                    | 25.00        | 4.26    | 0.00                           | 0.00  | 4.55  | 0.00   |  |
| Florida Keys Non-Metro                        | 0                      | 0.00                        | 0.00                   | 0.00         | 0.00                        | 0.00         | 30.70   | 0.00         | 69.30                    | 0.00         | 0.00    | 0.00                           | 0.00  | 0.00  | 0.00   |  |
| Fort Myers MSA                                | 11                     | 3.89                        | 0.52                   | 0.00         | 10.44                       | 0.00         | 77.57   | 63.64        | 11.48                    | 36.36        | 19.23   | 0.00                           | 0.00  | 23.53 | 33.33  |  |
| Fort Pierce MSA                               | 19                     | 6.71                        | 2.23                   | 15.79        | 11.05                       | 0.00         | 70.52   | 68.42        | 16.20                    | 15.79        | 25.00   | 50.00                          | 0.00  | 18.52 | 100.00 |  |
| Gainesville MSA                               | 7                      | 2.47                        | 1.64                   | 0.00         | 19.39                       | 28.57        | 61.68   | 42.86        | 17.29                    | 28.57        | 10.34   | 0.00                           | 14.29 | 5.88  | 25.00  |  |
| Highlands County Non-Metro                    | 15                     | 5.30                        | 0.00                   | 0.00         | 10.88                       | 6.67         | 89.12   | 93.33        | 0.00                     | 0.00         | 8.57    | 0.00                           | 10.00 | 8.62  | 0.00   |  |
| Indian River Non-Metro                        | 24                     | 8.48                        | 0.00                   | 0.00         | 2.19                        | 0.00         | 48.41   | 62.50        | 49.40                    | 37.50        | 23.21   | 0.00                           | 0.00  | 25.00 | 18.18  |  |
| Jacksonville MSA                              | 20                     | 7.07                        | 1.52                   | 0.00         | 17.67                       | 20.00        | 54.01   | 55.00        | 26.80                    | 25.00        | 16.98   | 0.00                           | 6.67  | 20.00 | 33.33  |  |
| Lakeland-Winter Haven MSA                     | 25                     | 8.83                        | 0.41                   | 0.00         | 12.79                       | 24.00        | 71.04   | 64.00        | 15.76                    | 12.00        | 7.74    | 0.00                           | 6.67  | 7.56  | 7.69   |  |
| Madison-Taylor Non-Metro                      | 5                      | 1.77                        | 0.00                   | 0.00         | 1.94                        | 0.00         | 98.06   | 100.00       | 0.00                     | 0.00         | 13.33   | 0.00                           | 0.00  | 16.67 | 0.00   |  |
| Melbourne-Titusville MSA                      | 7                      | 2.47                        | 0.76                   | 0.00         | 21.84                       | 28.57        | 61.30   | 57.14        | 16.02                    | 14.29        | 10.53   | 0.00                           | 0.00  | 16.67 | 0.00   |  |
| Miami MSA                                     | 4                      | 1.41                        | 3.51                   | 0.00         | 11.79                       | 25.00        | 36.29   | 0.00         | 48.41                    | 75.00        | 1.72    | 0.00                           | 0.00  | 0.00  | 2.86   |  |
| Naples MSA                                    | 7                      | 2.47                        | 1.50                   | 0.00         | 15.37                       | 0.00         | 62.18   | 71.43        | 20.95                    | 28.57        | 13.64   | 0.00                           | 0.00  | 44.44 | 33.33  |  |
| Ocala MSA                                     | 2                      | 0.71                        | 0.00                   | 0.00         | 5.79                        | 0.00         | 86.04   | 0.00         | 8.17                     | 100.00       | 0.54    | 0.00                           | 0.00  | 0.00  | 4.76   |  |
| Orlando MSA                                   | 31                     | 10.95                       | 0.84                   | 6.45         | 19.66                       | 22.58        | 58.42   | 48.39        | 21.08                    | 22.58        | 13.97   | 100.00                         | 7.69  | 14.71 | 22.73  |  |
| Pensacola MSA                                 | 2                      | 0.71                        | 2.10                   | 0.00         | 7.48                        | 0.00         | 72.18   | 100.00       | 17.98                    | 0.00         | 3.70    | 0.00                           | 0.00  | 4.00  | 0.00   |  |
| Punta Gorda MSA                               | 0                      | 0.00                        | 0.00                   | 0.00         | 4.81                        | 0.00         | 92.99   | 0.00         | 2.20                     | 0.00         | 0.00    | 0.00                           | 0.00  | 0.00  | 0.00   |  |
| Sarasota-Bradenton MSA                        | 8                      | 2.83                        | 0.28                   | 0.00         | 9.28                        | 25.00        | 66.88   | 37.50        | 23.56                    | 37.50        | 10.00   | 0.00                           | 16.67 | 8.82  | 13.33  |  |
| Tallahassee MSA                               | 0                      | 0.00                        | 2.25                   | 0.00         | 10.70                       | 0.00         | 40.00   | 0.00         | 47.04                    | 0.00         | 0.00    | 0.00                           | 0.00  | 0.00  | 0.00   |  |
| Walton County Non-Metro                       | 1                      | 0.35                        | 0.00                   | 0.00         | 34.19                       | 0.00         | 28.21   | 0.00         | 37.61                    | 100.00       | 7.69    | 0.00                           | 0.00  | 0.00  | 33.33  |  |
| West Palm Beach MSA                           | 37                     | 13.07                       | 2.86                   | 25.71        | 14.40                       | 8.57         | 52.17   | 34.29        | 30.13                    | 31.43        | 31.48   | 75.00                          | 33.33 | 27.27 | 31.25  |  |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF FLORIDA |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |      |      |      |  |
|--------------------------------------|---------------------------|-----------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|------|------|------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                             | Low-Income Borrowers      |                              | Moderate-Income Borrowers |                              | Middle-Income Borrowers                                 |                              | Upper-Income Borrowers    |                              | Overall | Low                       | Mod  | Mid  | Upp  |  |
|                                      | #                         | % 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> |         |                           |      |      |      |  |
| <b>Full Review:</b>                  |                           |                             |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Fort Lauderdale MSA                  | 2,601                     | 10.43                       | 19.63                     | 11.26                        | 18.27                     | 21.44                        | 22.51   | 21.13                        | 39.59                     | 46.18                        | 1.88    | 2.46                      | 1.81 | 1.50 | 2.03 |  |
| Tampa-St Petersburg MSA              | 3,725                     | 14.94                       | 18.05                     | 9.49                         | 19.51                     | 22.40                        | 23.38   | 23.06                        | 39.06                     | 45.05                        | 2.16    | 2.88                      | 2.25 | 1.83 | 2.16 |  |
| <b>Limited Review:</b>               |                           |                             |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Daytona Beach MSA                    | 1,200                     | 4.81                        | 17.16                     | 8.43                         | 20.24                     | 19.65                        | 24.21   | 23.54                        | 38.40                     | 48.38                        | 3.04    | 3.24                      | 2.72 | 2.81 | 3.30 |  |
| Florida Keys Non-Metro               | 136                       | 0.55                        | 11.57                     | 0.00                         | 13.28                     | 2.06                         | 19.95   | 4.12                         | 55.20                     | 93.81                        | 2.17    | 0.00                      | 0.00 | 1.32 | 2.29 |  |
| Fort Myers MSA                       | 1,321                     | 5.29                        | 16.34                     | 9.56                         | 20.25                     | 22.80                        | 24.98   | 23.66                        | 38.44                     | 43.98                        | 2.81    | 4.22                      | 3.58 | 2.81 | 2.35 |  |
| Fort Pierce MSA                      | 693                       | 2.78                        | 18.18                     | 11.92                        | 19.05                     | 24.64                        | 23.65   | 21.14                        | 39.12                     | 42.29                        | 2.42    | 3.01                      | 2.85 | 1.87 | 2.42 |  |
| Gainesville MSA                      | 241                       | 0.97                        | 23.11                     | 5.58                         | 16.68                     | 22.79                        | 18.96   | 15.35                        | 41.25                     | 56.28                        | 2.11    | 1.67                      | 1.79 | 1.44 | 2.61 |  |
| Highlands County Non-Metro           | 162                       | 0.65                        | 18.70                     | 10.32                        | 20.90                     | 16.77                        | 26.80   | 32.26                        | 33.59                     | 40.65                        | 6.13    | 8.62                      | 3.92 | 7.59 | 5.83 |  |
| Indian River Non-Metro               | 276                       | 1.11                        | 10.38                     | 8.10                         | 14.71                     | 17.41                        | 20.35   | 17.81                        | 54.57                     | 56.68                        | 2.68    | 3.03                      | 2.16 | 2.18 | 2.95 |  |
| Jacksonville MSA                     | 1,870                     | 7.50                        | 19.41                     | 7.99                         | 18.38                     | 19.60                        | 23.56   | 21.10                        | 38.65                     | 51.31                        | 2.44    | 2.14                      | 2.02 | 1.99 | 3.04 |  |
| Lakeland-Winter Haven MSA            | 870                       | 3.49                        | 18.38                     | 7.20                         | 19.11                     | 20.84                        | 24.10   | 26.43                        | 38.42                     | 45.53                        | 3.48    | 3.13                      | 3.20 | 3.26 | 3.91 |  |
| Madison-Taylor Non-Metro             | 25                        | 0.10                        | 25.40                     | 13.04                        | 18.76                     | 13.04                        | 18.80   | 26.09                        | 37.04                     | 47.83                        | 4.55    | 6.67                      | 2.00 | 4.00 | 5.71 |  |
| Melbourne-Titusville MSA             | 985                       | 3.95                        | 17.64                     | 13.13                        | 19.92                     | 21.85                        | 24.18   | 25.73                        | 38.26                     | 39.29                        | 2.46    | 3.12                      | 2.29 | 2.05 | 2.65 |  |
| Miami MSA                            | 1,569                     | 6.29                        | 23.32                     | 4.74                         | 16.40                     | 17.02                        | 19.19   | 21.76                        | 41.09                     | 56.48                        | 1.23    | 1.95                      | 1.42 | 0.96 | 1.26 |  |
| Naples MSA                           | 1,072                     | 4.29                        | 17.77                     | 15.22                        | 19.99                     | 23.48                        | 22.95   | 19.78                        | 39.29                     | 41.52                        | 3.72    | 7.16                      | 4.43 | 3.84 | 2.89 |  |
| Ocala MSA                            | 286                       | 1.15                        | 17.92                     | 8.57                         | 19.27                     | 17.96                        | 23.99   | 23.67                        | 38.82                     | 49.80                        | 2.52    | 3.18                      | 2.20 | 2.32 | 2.65 |  |
| Orlando MSA                          | 2,308                     | 9.25                        | 17.87                     | 8.46                         | 19.50                     | 21.05                        | 23.86   | 21.35                        | 38.76                     | 49.14                        | 1.62    | 2.18                      | 1.43 | 1.20 | 1.89 |  |
| Pensacola MSA                        | 225                       | 0.90                        | 20.52                     | 5.65                         | 18.10                     | 14.69                        | 21.88   | 21.47                        | 39.49                     | 58.19                        | 0.72    | 0.53                      | 0.55 | 0.54 | 0.91 |  |
| Punta Gorda MSA                      | 371                       | 1.49                        | 14.26                     | 7.06                         | 21.34                     | 22.60                        | 26.23   | 23.73                        | 38.16                     | 46.61                        | 3.02    | 3.55                      | 3.82 | 3.28 | 2.60 |  |
| Sarasota-Bradenton MSA               | 1,472                     | 5.90                        | 16.01                     | 9.47                         | 20.63                     | 21.47                        | 24.71   | 24.35                        | 38.65                     | 44.71                        | 2.86    | 4.11                      | 3.08 | 2.98 | 2.53 |  |
| Tallahassee MSA                      | 223                       | 0.89                        | 18.43                     | 9.55                         | 16.24                     | 19.60                        | 21.94   | 21.11                        | 43.38                     | 49.75                        | 1.44    | 1.53                      | 1.13 | 1.29 | 1.67 |  |
| Walton County Non-Metro              | 217                       | 0.87                        | 22.04                     | 2.99                         | 18.77                     | 0.00                         | 20.61   | 1.49                         | 38.58                     | 95.52                        | 1.47    | 0.00                      | 0.00 | 0.00 | 1.77 |  |
| West Palm Beach MSA                  | 3,094                     | 12.40                       | 18.84                     | 13.84                        | 19.04                     | 22.67                        | 22.59   | 21.36                        | 39.53                     | 42.13                        | 3.30    | 4.89                      | 3.27 | 2.67 | 3.31 |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 12.05% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF FLORIDA |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |       |       |       |  |
|---|------------------------------|-----------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|-------|-------|-------|--|
| MA/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 <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> |         |                           |       |       |       |  |
| <b>Full Review:</b>                     |                              |                             |                           |                              |                           |                              |   |                              |                           |                              |         |                           |       |       |       |  |
| Fort Lauderdale MSA                     | 705                          | 12.97                       | 19.63                     | 6.24                         | 18.27                     | 18.30                        | 22.51   | 27.23                        | 39.59                     | 48.23                        | 8.93    | 5.92                      | 9.40  | 9.79  | 8.79  |  |
| Tampa-St Petersburg MSA                 | 813                          | 14.95                       | 18.05                     | 10.70                        | 19.51                     | 17.96                        | 23.38   | 23.00                        | 39.06                     | 48.34                        | 5.08    | 5.74                      | 5.07  | 4.46  | 5.31  |  |
| <b>Limited Review:</b>                  |                              |                             |                           |                              |                           |                              |   |                              |                           |                              |         |                           |       |       |       |  |
| Daytona Beach MSA                       | 187                          | 3.44                        | 17.16                     | 15.51                        | 20.24                     | 26.74                        | 24.21   | 22.99                        | 38.40                     | 34.76                        | 5.04    | 5.05                      | 6.37  | 3.84  | 5.24  |  |
| Florida Keys Non-Metro                  | 16                           | 0.29                        | 11.57                     | 0.00                         | 13.28                     | 6.25                         | 19.95   | 12.50                        | 55.20                     | 81.25                        | 14.49   | 0.00                      | 100.0 | 0.00  | 14.75 |  |
| Fort Myers MSA                          | 238                          | 4.38                        | 16.34                     | 10.92                        | 20.25                     | 23.53                        | 24.98   | 26.89                        | 38.44                     | 38.66                        | 8.46    | 10.74                     | 11.40 | 8.13  | 6.79  |  |
| Fort Pierce MSA                         | 118                          | 2.17                        | 18.18                     | 9.32                         | 19.05                     | 16.10                        | 23.65   | 25.42                        | 39.12                     | 49.15                        | 5.16    | 8.11                      | 2.27  | 4.39  | 6.58  |  |
| Gainesville MSA                         | 21                           | 0.39                        | 23.11                     | 9.52                         | 16.68                     | 33.33                        | 18.96   | 28.57                        | 41.25                     | 28.57                        | 3.08    | 4.76                      | 6.98  | 4.92  | 1.20  |  |
| Highlands County Non-Metro              | 46                           | 0.85                        | 18.70                     | 15.22                        | 20.90                     | 30.43                        | 26.80   | 17.39                        | 33.59                     | 36.96                        | 9.54    | 6.15                      | 8.14  | 7.55  | 17.24 |  |
| Indian River Non-Metro                  | 54                           | 0.99                        | 10.38                     | 5.56                         | 14.71                     | 16.67                        | 20.35   | 25.93                        | 54.57                     | 51.85                        | 9.89    | 8.00                      | 10.81 | 10.91 | 9.59  |  |
| Jacksonville MSA                        | 410                          | 7.54                        | 19.41                     | 20.73                        | 18.38                     | 22.44                        | 23.56   | 28.54                        | 38.65                     | 28.29                        | 5.31    | 14.87                     | 5.86  | 4.80  | 3.45  |  |
| Lakeland-Winter Haven MSA               | 213                          | 3.92                        | 18.38                     | 10.80                        | 19.11                     | 23.94                        | 24.10   | 27.70                        | 38.42                     | 37.56                        | 6.03    | 3.67                      | 4.74  | 6.80  | 8.08  |  |
| Madison-Taylor Non-Metro                | 16                           | 0.29                        | 25.40                     | 18.75                        | 18.76                     | 18.75                        | 18.80   | 12.50                        | 37.04                     | 50.00                        | 16.67   | 33.33                     | 25.00 | 0.00  | 15.79 |  |
| Melbourne-Titusville MSA                | 275                          | 5.06                        | 17.64                     | 12.36                        | 19.92                     | 20.36                        | 24.18   | 27.27                        | 38.26                     | 40.00                        | 8.94    | 11.20                     | 9.46  | 10.27 | 7.31  |  |
| Miami MSA                               | 656                          | 12.07                       | 23.32                     | 6.11                         | 16.40                     | 15.27                        | 19.19   | 23.21                        | 41.09                     | 55.42                        | 6.63    | 4.70                      | 6.42  | 7.30  | 6.75  |  |
| Naples MSA                              | 102                          | 1.88                        | 17.77                     | 7.84                         | 19.99                     | 26.47                        | 22.95   | 26.47                        | 39.29                     | 39.22                        | 9.98    | 2.94                      | 13.89 | 11.54 | 10.95 |  |
| Ocala MSA                               | 47                           | 0.86                        | 17.92                     | 8.70                         | 19.27                     | 30.43                        | 23.99   | 23.91                        | 38.82                     | 36.96                        | 4.63    | 1.92                      | 6.36  | 5.65  | 3.70  |  |
| Orlando MSA                             | 389                          | 7.15                        | 17.87                     | 11.05                        | 19.50                     | 17.48                        | 23.86   | 24.68                        | 38.76                     | 46.79                        | 3.98    | 4.32                      | 3.47  | 3.17  | 4.65  |  |
| Pensacola MSA                           | 90                           | 1.66                        | 20.52                     | 6.67                         | 18.10                     | 18.89                        | 21.88   | 28.89                        | 39.49                     | 45.56                        | 2.90    | 0.00                      | 6.67  | 2.98  | 2.11  |  |
| Punta Gorda MSA                         | 75                           | 1.38                        | 14.26                     | 5.33                         | 21.34                     | 18.67                        | 26.23   | 22.67                        | 38.16                     | 53.33                        | 5.34    | 5.08                      | 3.67  | 7.32  | 5.12  |  |
| Sarasota-Bradenton MSA                  | 207                          | 3.81                        | 16.01                     | 12.56                        | 20.63                     | 25.12                        | 24.71   | 25.60                        | 38.65                     | 36.71                        | 4.51    | 3.98                      | 3.92  | 4.38  | 5.15  |  |
| Tallahassee MSA                         | 74                           | 1.36                        | 18.43                     | 12.16                        | 16.24                     | 13.51                        | 21.94   | 25.68                        | 43.38                     | 48.65                        | 9.00    | 21.43                     | 3.23  | 8.33  | 9.49  |  |
| Walton County Non-Metro                 | 1                            | 0.02                        | 22.04                     | 0.00                         | 18.77                     | 0.00                         | 20.61   | 0.00                         | 38.58                     | 100.00                       | 1.11    | 0.00                      | 0.00  | 0.00  | 2.70  |  |
| West Palm Beach MSA                     | 684                          | 12.58                       | 18.84                     | 8.80                         | 19.04                     | 17.89                        | 22.59   | 24.63                        | 39.53                     | 48.68                        | 12.46   | 15.05                     | 13.98 | 12.33 | 11.46 |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.07% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF FLORIDA |                  |                           |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                  |                        |                  |         | Market Share <sup>*</sup> |       |       |       |  |
|--|-------------------------------------|--------------|-----------------------------|------------------|---------------------------|------------------|---|------------------|------------------------|------------------|---------|---------------------------|-------|-------|-------|--|
| MA/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***             | % BANK Loans**** | % Families***   | % BANK Loans**** | % Families***          | % BANK Loans**** |         |                           |       |       |       |  |
| <b>Full Review:</b>                            |                                     |              |                             |                  |                           |                  |   |                  |                        |                  |         |                           |       |       |       |  |
| Fort Lauderdale MSA                            | 2,914                               | 9.38         | 19.63                       | 9.11             | 18.27                     | 18.99            | 22.51   | 23.44            | 39.59                  | 48.47            | 2.10    | 2.79                      | 2.11  | 1.78  | 2.16  |  |
| Tampa-St Petersburg MSA                        | 4,306                               | 13.86        | 18.05                       | 9.32             | 19.51                     | 19.47            | 23.38   | 23.06            | 39.06                  | 48.15            | 2.28    | 3.12                      | 2.30  | 2.13  | 2.21  |  |
| <b>Limited Review:</b>                         |                                     |              |                             |                  |                           |                  |   |                  |                        |                  |         |                           |       |       |       |  |
| Daytona Beach MSA                              | 1,470                               | 4.73         | 17.16                       | 9.63             | 20.24                     | 18.42            | 24.21   | 29.80            | 38.40                  | 42.15            | 4.08    | 4.79                      | 4.08  | 4.19  | 3.90  |  |
| Florida Keys Non-Metro                         | 159                                 | 0.51         | 11.57                       | 0.85             | 13.28                     | 2.54             | 19.95   | 13.56            | 55.20                  | 83.05            | 1.65    | 4.76                      | 1.71  | 2.49  | 1.50  |  |
| Fort Myers MSA                                 | 1,181                               | 3.80         | 16.34                       | 9.74             | 20.25                     | 21.32            | 24.98   | 26.78            | 38.44                  | 42.16            | 2.78    | 4.30                      | 3.43  | 3.14  | 2.23  |  |
| Fort Pierce MSA                                | 739                                 | 2.38         | 18.18                       | 9.66             | 19.05                     | 21.60            | 23.65   | 23.57            | 39.12                  | 45.17            | 2.70    | 3.39                      | 3.07  | 2.38  | 2.62  |  |
| Gainesville MSA                                | 441                                 | 1.42         | 23.11                       | 7.71             | 16.68                     | 21.89            | 18.96   | 24.63            | 41.25                  | 45.77            | 4.86    | 6.93                      | 6.95  | 5.05  | 4.03  |  |
| Highlands County Non-Metro                     | 170                                 | 0.55         | 18.70                       | 7.93             | 20.90                     | 20.73            | 26.80   | 28.05            | 33.59                  | 43.29            | 7.41    | 5.81                      | 9.60  | 7.66  | 6.61  |  |
| Indian River Non-Metro MSA                     | 336                                 | 1.08         | 10.38                       | 5.76             | 14.71                     | 17.63            | 20.35   | 20.00            | 54.57                  | 56.61            | 4.42    | 7.83                      | 6.17  | 4.27  | 3.93  |  |
| Jacksonville MSA                               | 3,218                               | 10.35        | 19.41                       | 11.95            | 18.38                     | 19.79            | 23.56   | 23.19            | 38.65                  | 45.07            | 3.66    | 5.97                      | 3.45  | 3.44  | 3.51  |  |
| Lakeland-Winter Haven MSA                      | 1,108                               | 3.57         | 18.38                       | 10.00            | 19.11                     | 21.73            | 24.10   | 28.56            | 38.42                  | 39.71            | 4.67    | 6.30                      | 5.41  | 4.63  | 4.09  |  |
| Madison-Taylor Non-Metro                       | 109                                 | 0.35         | 25.40                       | 6.60             | 18.76                     | 11.32            | 18.80   | 23.58            | 37.04                  | 58.49            | 17.46   | 21.05                     | 14.29 | 19.72 | 17.16 |  |
| Melbourne-Titusville MSA                       | 1,103                               | 3.55         | 17.64                       | 11.60            | 19.92                     | 23.89            | 24.18   | 25.67            | 38.26                  | 38.85            | 3.14    | 4.30                      | 4.18  | 2.79  | 2.64  |  |
| Miami MSA                                      | 2,951                               | 9.50         | 23.32                       | 7.04             | 16.40                     | 15.91            | 19.19   | 22.64            | 41.09                  | 54.42            | 2.47    | 4.34                      | 2.48  | 2.40  | 2.36  |  |
| Naples MSA                                     | 927                                 | 2.98         | 17.77                       | 13.50            | 19.99                     | 26.38            | 22.95   | 25.03            | 39.29                  | 35.09            | 3.19    | 5.78                      | 4.32  | 3.04  | 2.26  |  |
| Ocala MSA                                      | 422                                 | 1.36         | 17.92                       | 6.93             | 19.27                     | 13.57            | 23.99   | 24.65            | 38.82                  | 54.85            | 2.85    | 3.22                      | 1.71  | 2.16  | 3.67  |  |
| Orlando MSA                                    | 3,439                               | 11.07        | 17.87                       | 7.87             | 19.50                     | 17.76            | 23.86   | 23.92            | 38.76                  | 50.45            | 2.37    | 2.56                      | 2.18  | 2.00  | 2.63  |  |
| Pensacola MSA                                  | 650                                 | 2.09         | 20.52                       | 10.34            | 18.10                     | 22.93            | 21.88   | 23.87            | 39.49                  | 42.86            | 2.21    | 3.83                      | 2.70  | 2.19  | 1.91  |  |
| Punta Gorda MSA                                | 334                                 | 1.07         | 14.26                       | 7.53             | 21.34                     | 21.86            | 26.23   | 26.16            | 38.16                  | 44.44            | 2.27    | 2.23                      | 3.05  | 2.24  | 2.02  |  |
| Sarasota-Bradenton MSA                         | 1,365                               | 4.39         | 16.01                       | 8.94             | 20.63                     | 18.81            | 24.71   | 26.72            | 38.65                  | 45.53            | 2.38    | 3.65                      | 2.45  | 2.40  | 2.15  |  |
| Tallahassee MSA                                | 449                                 | 1.44         | 18.43                       | 8.29             | 16.24                     | 17.88            | 21.94   | 20.47            | 43.38                  | 53.37            | 2.50    | 3.05                      | 2.20  | 2.08  | 2.73  |  |
| Walton County Non-Metro                        | 244                                 | 0.79         | 22.04                       | 1.47             | 18.77                     | 5.88             | 20.61   | 8.82             | 38.58                  | 83.82            | 1.72    | 0.00                      | 0.68  | 0.85  | 1.99  |  |
| West Palm Beach MSA                            | 3,042                               | 9.79         | 18.84                       | 9.95             | 19.04                     | 19.54            | 22.59   | 24.01            | 39.53                  | 46.50            | 2.83    | 3.87                      | 2.78  | 2.68  | 2.73  |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 14.70% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF FLORIDA |   |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |                            |               |                         |
|--|---------------------------------|-----------------------------|---|------------------|---|--------------------------|----------------------------|---------------|-------------------------|
| 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>                              |                                 |                             |   |                  |   |                          |                            |               |                         |
| Fort Lauderdale MSA                              | 3,932                           | 13.39                       | 57.50   | 65.27            | 78.84   | 10.91                    | 10.25                      | 3.33          | 3.32                    |
| Tampa-St Petersburg MSA                          | 3,769                           | 12.83                       | 61.49   | 66.03            | 76.25   | 10.56                    | 13.19                      | 2.50          | 1.71                    |
| <b>Limited Review:</b>                           |                                 |                             |   |                  |   |                          |                            |               |                         |
| Daytona Beach MSA                                | 860                             | 2.93                        | 69.09   | 67.45            | 80.81   | 10.93                    | 8.26                       | 2.98          | 2.20                    |
| Florida Keys Non-Metro                           | 81                              | 0.28                        | 62.86   | 38.50            | 55.56   | 23.46                    | 20.99                      | 0.94          | 0.14                    |
| Fort Myers MSA                                   | 667                             | 2.27                        | 62.68   | 69.27            | 82.46   | 7.95                     | 9.60                       | 2.06          | 1.25                    |
| Fort Pierce MSA                                  | 643                             | 2.19                        | 63.69   | 62.94            | 78.23   | 9.64                     | 12.13                      | 3.00          | 2.94                    |
| Gainesville MSA                                  | 361                             | 1.23                        | 66.92   | 71.18            | 70.64   | 16.07                    | 13.30                      | 3.19          | 3.17                    |
| Highlands County Non-Metro                       | 134                             | 0.46                        | 67.93   | 89.61            | 91.79   | 5.97                     | 2.24                       | 2.39          | 3.40                    |
| Indian River Non-Metro                           | 424                             | 1.44                        | 64.69   | 58.38            | 71.23   | 12.74                    | 16.04                      | 5.08          | 4.41                    |
| Jacksonville MSA                                 | 2,676                           | 9.11                        | 66.30   | 57.89            | 69.88   | 13.79                    | 16.33                      | 3.89          | 3.44                    |
| Lakeland-Winter Haven MSA                        | 1,014                           | 3.45                        | 68.80   | 72.39            | 84.02   | 7.00                     | 8.97                       | 4.23          | 3.22                    |
| Madison-Taylor Non-Metro                         | 64                              | 0.22                        | 75.51   | 73.68            | 87.50   | 6.25                     | 6.25                       | 5.06          | 7.93                    |
| Melbourne-Titusville MSA                         | 1,371                           | 4.67                        | 67.57   | 68.07            | 75.78   | 13.13                    | 11.09                      | 4.24          | 4.80                    |
| Miami MSA  | 4,261                           | 14.51                       | 54.92   | 60.45            | 78.20   | 10.49                    | 11.31                      | 2.98          | 2.10                    |
| Naples MSA                                       | 471                             | 1.60                        | 60.97   | 66.29            | 74.52   | 9.13                     | 16.35                      | 2.12          | 1.15                    |
| Ocala MSA  | 283                             | 0.96                        | 65.67   | 52.03            | 61.48   | 17.67                    | 20.85                      | 1.71          | 1.30                    |
| Orlando MSA                                      | 3,351                           | 11.41                       | 63.93   | 59.82            | 74.25   | 12.89                    | 12.86                      | 3.15          | 2.43                    |
| Pensacola MSA                                    | 346                             | 1.18                        | 70.20   | 81.48            | 82.66   | 11.85                    | 5.49                       | 1.51          | 0.75                    |
| Punta Gorda MSA                                  | 149                             | 0.51                        | 66.51   | 72.13            | 75.84   | 12.75                    | 11.41                      | 1.74          | 1.20                    |
| Sarasota-Bradenton MSA                           | 678                             | 2.31                        | 63.22   | 63.12            | 73.16   | 13.57                    | 13.27                      | 1.60          | 1.26                    |
| Tallahassee MSA                                  | 214                             | 0.73                        | 63.09   | 74.23            | 63.08   | 22.90                    | 14.02                      | 1.64          | 1.54                    |
| Walton County Non-Metro                          | 20                              | 0.07                        | 68.88   | 75.00            | 80.00   | 10.00                    | 10.00                      | 0.80          | 0.47                    |
| West Palm Beach MSA                              | 3,599                           | 12.25                       | 60.43   | 65.17            | 69.30   | 14.67                    | 16.03                      | 4.19          | 5.28                    |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 57.13% 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: STATE OF FLORIDA |  |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |                            |               |                         |
|---|----------------------------|-----------------------------|--|------------------|---|--------------------------|----------------------------|---------------|-------------------------|
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                         |                            |                             |  |                  |   |                          |                            |               |                         |
| Fort Lauderdale MSA                         | 23                         | 8.13                        | 92.33                                      | 41.20            | 73.91   | 8.70                     | 17.39                      | 28.81         | 15.15                   |
| Tampa-St Petersburg MSA                     | 31                         | 10.95                       | 90.97                                      | 44.44            | 64.50   | 25.80                    | 9.70                       | 11.19         | 4.55                    |
| <b>Limited Review:</b>                      |                            |                             |  |                  |   |                          |                            |               |                         |
| Daytona Beach MSA                           | 4                          | 1.41                        | 90.86                                      | 66.67            | 50.00   | 25.00                    | 25.00                      | 4.26          | 3.03                    |
| Florida Keys Non-Metro                      | 0                          | 0.00                        | 95.35                                      | 0.00             | 0.00  | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Fort Myers MSA                              | 11                         | 3.89                        | 91.11                                      | 100.00           | 100.00  | 0.00                     | 0.00                       | 19.23         | 21.74                   |
| Fort Pierce MSA                             | 19                         | 6.71                        | 89.72                                      | 33.33            | 35.00   | 50.00                    | 15.00                      | 25.00         | 18.75                   |
| Gainesville MSA                             | 7                          | 2.47                        | 92.99                                      | 83.30            | 85.71   | 0.00                     | 14.29                      | 10.34         | 10.00                   |
| Highlands County Non-Metro                  | 15                         | 5.30                        | 86.62                                      | 44.44            | 40.00   | 20.00                    | 40.00                      | 8.57          | 6.06                    |
| Indian River Non-Metro                      | 24                         | 8.48                        | 87.65                                      | 22.22            | 36.00   | 20.00                    | 44.00                      | 23.21         | 7.69                    |
| Jacksonville MSA                            | 20                         | 7.07                        | 91.98                                      | 87.50            | 85.00   | 0.00                     | 15.00                      | 16.98         | 18.92                   |
| Lakeland-Winter Haven MSA                   | 25                         | 8.83                        | 88.61                                      | 31.57            | 53.84   | 15.38                    | 30.78                      | 7.74          | 3.00                    |
| Madison-Taylor Non-Metro                    | 5                          | 1.77                        | 96.12                                      | 100.00           | 100.00  | 0.00                     | 0.00                       | 13.33         | 16.67                   |
| Melbourne-Titusville MSA                    | 7                          | 2.47                        | 95.62                                      | 80.00            | 57.14   | 28.57                    | 14.29                      | 10.53         | 10.00                   |
| Miami MSA                                   | 4                          | 1.41                        | 90.71                                      | 75.00            | 75.00   | 25.00                    | 0.00                       | 1.72          | 1.37                    |
| Naples MSA                                  | 7                          | 2.47                        | 89.39                                      | 66.67            | 57.14   | 42.86                    | 0.00                       | 13.64         | 15.79                   |
| Ocala MSA                                   | 2                          | 0.71                        | 93.06                                      | 100.00           | 0.00  | 100.00                   | 0.00                       | 0.54          | 0.63                    |
| Orlando MSA                                 | 31                         | 10.95                       | 90.68                                      | 56.52            | 74.30   | 19.35                    | 6.35                       | 13.97         | 10.00                   |
| Pensacola MSA                               | 2                          | 0.71                        | 95.28                                      | 100.00           | 100.00  | 0.00                     | 0.00                       | 3.70          | 5.56                    |
| Punta Gorda MSA                             | 0                          | 0.00                        | 94.79                                      | 0.00             | 0.00  | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Sarasota-Bradenton MSA                      | 8                          | 2.83                        | 89.03                                      | 50.00            | 75.00   | 25.00                    | 0.00                       | 10.00         | 7.14                    |
| Tallahassee MSA                             | 0                          | 0.00                        | 92.68                                      | 0.00             | 0.00  | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Walton County Non-Metro                     | 1                          | 0.35                        | 89.74                                      | 0.00             | 0.00  | 100.00                   | 0.00                       | 7.69          | 0.00                    |
| West Palm Beach MSA                         | 37                         | 13.07                       | 89.65                                      | 31.25            | 64.86   | 16.22                    | 18.92                      | 31.48         | 20.00                   |

Institution ID: Wachovia Bank, N.A.

\* Based on 2002 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 - 2003).

\*\*\*\* 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 21.55% of small loans to farms originated and purchased by the bank.



Table 14. Qualified Investments

| QUALIFIED INVESTMENTS      |                           |                             |                            |           |                   |   |            |                        |           |
|----------------------------|---------------------------|-----------------------------|----------------------------|-----------|-------------------|---|------------|------------------------|-----------|
|                            |                           | Geography: STATE OF FLORIDA |                            |           |                   | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |            |                        |           |
| 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>        |                           |                             |                            |           |                   |   |            |                        |           |
| Fort Lauderdale MSA        | 4                         | 2,170                       | 91                         | 11,827    | 95                | 13,998  | 1.87       | 6                      | 7,263     |
| Tampa-St. Petersburg MSA   | 9                         | 72,240                      | 109                        | 59,427    | 118               | 131,667   | 17.59      | 10                     | 33,565    |
| <b>Limited Review:</b>     |                           |                             |                            |           |                   |   |            |                        |           |
| Daytona Beach MSA          | 1                         | 11,394                      | 42                         | 11,260    | 43                | 22,655  | 3.03       | 3                      | 9,562     |
| Florida Keys Non-Metro     | 0                         | -                           | 17                         | 9         | 17                | 9   | 0.01       | 0                      | -         |
| Fort Myers MSA             | 3                         | 21,526                      | 36                         | 6,579     | 39                | 28,104  | 3.76       | 2                      | 6,022     |
| Fort Pierce MSA            | 1                         | 9,189                       | 19                         | 68        | 20                | 9,257   | 1.24       | 1                      | 21        |
| Gainesville MSA            | 1                         | 37                          | 21                         | 69        | 22                | 106   | 0.01       | 2                      | 21        |
| Highlands County Non-Metro | 0                         | -                           | 20                         | 12        | 20                | 12  | 0.01       | 0                      | -         |
| Indian River Non-Metro     | 0                         | -                           | 19                         | 10        | 19                | 10  | 0.01       | 0                      | -         |
| Jacksonville MSA           | 10                        | 38,119                      | 38                         | 21,910    | 48                | 60,029  | 8.02       | 5                      | 21,699    |
| Lakeland-Winter Haven MSA  | 0                         | -                           | 24                         | 4,767     | 24                | 4,767   | 0.64       | 2                      | 4,717     |
| Madison/Taylor Non-Metro   | 0                         | -                           | 17                         | 9         | 17                | 9   | 0.01       | 0                      | -         |
| Melbourne-Titusville MSA   | 0                         | -                           | 30                         | 92        | 30                | 92  | 0.01       | 1                      | 21        |
| Miami MSA                  | 5                         | 34,640                      | 77                         | 52,288    | 82                | 86,928  | 11.61      | 2                      | 12,393    |
| Naples MSA                 | 1                         | 3,438                       | 29                         | 72        | 30                | 3,510   | 0.47       | 2                      | 21        |
| Ocala MSA                  | 4                         | 26,784                      | 19                         | 7,379     | 23                | 34,163  | 4.56       | 2                      | 5,826     |
| Orlando MSA                | 17                        | 133,839                     | 90                         | 54,244    | 107               | 188,082   | 25.13      | 9                      | 20,402    |
| Pensacola MSA              | 3                         | 506                         | 19                         | 70        | 22                | 577   | 0.08       | 4                      | 21        |
| Punta Gorda MSA            | 0                         | -                           | 20                         | 73        | 20                | 73  | 0.01       | 1                      | 21        |
| Sarasota-Bradenton MSA     | 2                         | 10,214                      | 27                         | 4,392     | 29                | 14,606  | 1.95       | 2                      | 4,322     |
| Tallahassee MSA            | 0                         | -                           | 26                         | 4,834     | 26                | 4,834   | 0.65       | 2                      | 2,373     |
| Walton County Non-Metro    | 0                         | -                           | 19                         | 13        | 19                | 13  | 0.01       | 0                      | -         |
| West Palm Beach MSA        | 8                         | 29,749                      | 76                         | 1,189     | 84                | 30,937  | 4.13       | 3                      | 21        |
| Statewide/Regional:        | 1                         | 113,986                     | 0                          | -         | 1                 | 113,986   | 15.23      | 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: STATE OF FLORIDA   |                                |                    |                                |   |       |        |        |                          |                      |   |     |     |     |                                       |       |       |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |       |        |        |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>   |                                |                    |                                |   |       |        |        |                          |                      |   |     |     |     |                                       |       |       |       |
| Fort Lauderdale MSA   | 13.91                          | 78                 | 12.32                          | 2.56  | 20.51 | 47.44  | 29.49  | 3                        | 7                    | 0   | -1  | -4  | 1   | 3.34                                  | 26.66 | 43.13 | 26.88 |
| Tampa-St. Petersburg MSA  | 12.64                          | 95                 | 15.01                          | 2.11  | 27.37 | 45.26  | 25.26  | 6                        | 10                   | 0   | -1  | -1  | -2  | 2.35                                  | 24.52 | 45.81 | 27.32 |
| <b>Limited Review:</b>  |                                |                    |                                |   |       |        |        |                          |                      |   |     |     |     |                                       |       |       |       |
| Daytona Beach MSA   | 4.03                           | 29                 | 4.58                           | 0.00  | 20.69 | 75.86  | 3.45   | 0                        | 1                    | 0   | -1  | 0   | 0   | 0.89                                  | 14.76 | 71.25 | 13.09 |
| Florida Keys Non-Metro  | .29                            | 3                  | 0.47                           | 0.00  | 0.00  | 33.33  | 66.67  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 32.59 | 67.41 |
| Fort Myers MSA  | 2.98                           | 25                 | 3.95                           | 0.00  | 32.00 | 40.00  | 28.00  | 0                        | 2                    | 0   | 0   | -1  | -1  | 1.95                                  | 17.89 | 61.13 | 19.03 |
| Fort Pierce MSA   | 2.18                           | 15                 | 2.37                           | 6.67  | 33.33 | 40.00  | 20.00  | 0                        | 1                    | 0   | -1  | 0   | 0   | 3.58                                  | 17.57 | 57.55 | 21.31 |
| Gainesville MSA   | 1.26                           | 8                  | 1.26                           | 0.00  | 37.50 | 37.50  | 25.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 18.92                                 | 25.59 | 32.99 | 22.49 |
| Highlands County Non-Metro  | .54                            | 5                  | 0.79                           | 0.00  | 60.00 | 40.00  | 0.00   | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 16.73 | 83.27 | 0.00  |
| Indian River Non-Metro  | 1.22                           | 9                  | 1.42                           | 0.00  | 0.00  | 77.78  | 22.22  | 0                        | 2                    | 0   | 0   | -2  | 0   | 0.00                                  | 4.54  | 57.08 | 38.38 |
| Jacksonville MSA  | 9.94                           | 51                 | 8.06                           | 5.88  | 17.65 | 49.02  | 27.45  | 2                        | 2                    | 0   | 0   | 0   | 0   | 3.29                                  | 20.97 | 52.56 | 23.18 |
| Lakeland-Winter Haven MSA   | 2.16                           | 24                 | 3.79                           | 0.00  | 33.33 | 41.67  | 25.00  | 3                        | 0                    | 0   | 0   | 2   | 1   | 0.51                                  | 19.53 | 58.13 | 21.83 |
| Madison-Taylor Non-Metro  | .24                            | 2                  | 0.32                           | 0.00  | 0.00  | 100.00 | 0.00   | 0                        | 1                    | 0   | -1  | 0   | 0   | 0.00                                  | 42.18 | 57.80 | 0.00  |
| Melbourne-Titusville MSA  | 3.43                           | 22                 | 3.48                           | 0.00  | 40.91 | 27.27  | 31.82  | 0                        | 7                    | 0   | -3  | -3  | -1  | 1.34                                  | 19.21 | 51.27 | 28.17 |
| Miami MSA   | 15.30                          | 64                 | 10.11                          | 6.25  | 14.06 | 34.38  | 45.31  | 2                        | 10                   | 0   | -1  | -2  | -5  | 4.89                                  | 28.61 | 35.68 | 30.79 |
| Naples MSA  | 2.49                           | 17                 | 2.69                           | 0.00  | 11.76 | 29.41  | 58.82  | 3                        | 4                    | 0   | 0   | -2  | 1   | 7.48                                  | 18.77 | 45.24 | 28.51 |
| Ocala MSA   | .83                            | 5                  | 0.79                           | 0.00  | 0.00  | 40.00  | 60.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.80                                  | 4.61  | 76.20 | 18.39 |
| Orlando MSA   | 7.32                           | 47                 | 7.42                           | 2.13  | 21.28 | 51.06  | 25.53  | 0                        | 6                    | 0   | 0   | -4  | -2  | 1.63                                  | 22.82 | 48.01 | 27.55 |
| Pensacola MSA   | .78                            | 8                  | 1.26                           | 0.00  | 37.50 | 62.50  | 0.00   | 0                        | 1                    | 0   | 0   | -1  | 0   | 2.03                                  | 22.09 | 53.96 | 21.92 |
| Punta Gorda MSA   | .69                            | 6                  | 0.95                           | 0.00  | 0.00  | 83.33  | 16.67  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 6.13  | 84.24 | 9.63  |
| Sarasota-Bradenton MSA  | 2.97                           | 21                 | 3.32                           | 0.00  | 19.05 | 57.14  | 23.81  | 1                        | 3                    | 0   | 0   | -3  | 1   | 0.67                                  | 25.18 | 52.78 | 21.37 |
| Tallahassee MSA   | .99                            | 6                  | 0.95                           | 0.00  | 50.00 | 16.67  | 33.33  | 0                        | 1                    | 0   | 0   | -1  | 0   | 17.94                                 | 14.36 | 36.23 | 30.39 |
| Walton County Non-Metro   | .07                            | 3                  | 0.47                           | 0.00  | 0.00  | 0.00   | 100.00 | 1                        | 1                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 76.02 | 23.98 |
| West Palm Beach MSA   | 13.75                          | 90                 | 14.22                          | 3.33  | 23.33 | 36.67  | 36.67  | 6                        | 14                   | -1  | -1  | -1  | -5  | 4.21                                  | 29.32 | 33.88 | 32.37 |

Table 1. Lending Volume

| LENDING VOLUME                |                                     | Geography: STATE OF GEORGIA |            |                           |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                               |            |                      |           |                                      |
|-------------------------------|-------------------------------------|-----------------------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002):    | % 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                   | 82.35                               | 19,133                      | 3,605,003  | 10,243                    | 1,342,461  | 39  | 4,183      | 359                           | 876,843    | 29,774               | 5,831,491 | 85.19                                |
| <b>Limited Review:</b>        |                                     |                             |            |                           |            |   |            |                               |            |                      |           |                                      |
| Athens MSA                    | 0.36                                | 60                          | 7,416      | 73                        | 13,003     | 0   | 0          | 0                             | 0          | 133                  | 20,419    | .74                                  |
| Bulloch County Non-Metro      | 0.24                                | 67                          | 6,703      | 20                        | 2,385      | 0   | 0          | 3                             | 8,835      | 90                   | 17,923    | .25                                  |
| Columbus MSA                  | 2.02                                | 552                         | 55,899     | 171                       | 23,912     | 4   | 586        | 3                             | 9,600      | 730                  | 89,997    | 2.05                                 |
| Dalton-Rome-Calhoun Non-Metro | 3.53                                | 948                         | 77,053     | 320                       | 53,207     | 6   | 402        | 2                             | 8,765      | 1,276                | 139,427   | 3.02                                 |
| Hall-Lumpkin Non-Metro        | 2.01                                | 510                         | 81,004     | 210                       | 26,779     | 4   | 251        | 2                             | 623        | 726                  | 108,657   | 2.01                                 |
| Hinesville Non-Metro          | 0.31                                | 77                          | 5,174      | 31                        | 4,459      | 1   | 36         | 0                             | 0          | 109                  | 9,669     | .17                                  |
| Macon MSA                     | 1.28                                | 187                         | 25,697     | 270                       | 41,662     | 4   | 483        | 2                             | 7,907      | 463                  | 75,749    | 1.37                                 |
| Savannah MSA                  | 7.26                                | 1,869                       | 311,317    | 748                       | 105,676    | 4   | 738        | 5                             | 1,165      | 2,626                | 418,896   | 4.84                                 |
| Sumter County Non-Metro       | 0.63                                | 133                         | 12,023     | 76                        | 11,776     | 18  | 1,103      | 0                             | 0          | 227                  | 24,902    | .35                                  |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

| Geographic Distribution: HOME PURCHASE                  |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |       |      |
|---|---------------------------|--------------------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|--|------|------|-------|------|
| Geography: STATE OF GEORGIA                             |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |       |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |       |      |
| MA/Assessment Area:                                     | Total Home Purchase Loans |                          | Low-Income Geographies           |              | Moderate-Income Geographies      |              | Middle-Income Geographies        |              | Upper-Income Geographies         |              | Market Share (%) by Geography <sup>*</sup> |      |      |       |      |
|   | #                         | % of Total <sup>**</sup> | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | Overall                                    | Low  | Mod  | Mid   | Upp  |
| <b>Full Review:</b>                                     |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |       |      |
| Atlanta MSA   | 6,275                     | 81.78                    | 2.95                             | 3.53         | 14.58                            | 11.85        | 45.73                            | 44.58        | 36.74                            | 40.04        | 1.80                                       | 2.70 | 2.19 | 1.47  | 2.17 |
| <b>Limited Review:</b>                                  |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |       |      |
| Athens MSA  | 22                        | 0.29                     | 4.45                             | 4.55         | 15.23                            | 4.55         | 30.04                            | 31.82        | 50.29                            | 59.09        | 0.69                                       | 0.00 | 0.56 | 0.88  | 0.66 |
| Bulloch County Non-Metro                                | 14                        | 0.18                     | 0.00                             | 0.00         | 7.81                             | 28.57        | 68.11                            | 28.57        | 24.09                            | 42.86        | 1.04                                       | 0.00 | 6.98 | 0.26  | 1.36 |
| Columbus MSA  | 123                       | 1.60                     | 4.04                             | 2.46         | 11.49                            | 2.46         | 41.03                            | 34.43        | 43.43                            | 60.66        | 1.42                                       | 3.70 | 0.54 | 1.23  | 1.53 |
| Dalton-Rome-Calhoun Non-Metro                           | 330                       | 4.33                     | 0.00                             | 0.00         | 7.18                             | 3.64         | 41.68                            | 48.79        | 51.14                            | 47.58        | 4.26                                       | 0.00 | 2.86 | 5.14  | 3.80 |
| Hall-Lumpkin Non-Metro                                  | 128                       | 1.68                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 33.50                            | 19.53        | 66.50                            | 80.47        | 1.44                                       | 0.00 | 0.00 | 1.39  | 1.46 |
| Hinesville Non-Metro                                    | 22                        | 0.29                     | 0.00                             | 0.00         | 8.12                             | 0.00         | 91.88                            | 100.00       | 0.00                             | 0.00         | 0.98                                       | 0.00 | 0.00 | 0.99  | 0.00 |
| Macon MSA   | 69                        | 0.91                     | 6.49                             | 5.80         | 13.37                            | 2.90         | 46.92                            | 31.88        | 33.22                            | 59.42        | 0.51                                       | 0.79 | 0.18 | 0.40  | 0.65 |
| Savannah MSA  | 604                       | 7.92                     | 3.19                             | 3.64         | 14.82                            | 7.78         | 47.34                            | 38.58        | 34.64                            | 50.00        | 3.72                                       | 7.91 | 4.46 | 3.60  | 3.60 |
| Sumter County Non-Metro                                 | 78                        | 1.02                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 100.00                           | 100.00       | 0.00                             | 0.00         | 19.92                                      | 0.00 | 0.00 | 19.92 | 0.00 |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

| Geographic Distribution: HOME IMPROVEMENT               |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|-------|-------|------|
| Geography: STATE OF GEORGIA                             |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| 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>                                     |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| Atlanta MSA   | 1,113                        | 75.41        | 2.95                   | 2.52         | 14.58                       | 10.24        | 45.73                     | 52.11        | 36.74                    | 35.13        | 5.80                           | 7.89 | 4.63  | 6.05  | 5.78 |
| <b>Limited Review:</b>                                  |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| Athens MSA  | 1                            | 0.07         | 4.45                   | 0.00         | 15.23                       | 0.00         | 30.04                     | 0.00         | 50.29                    | 100.00       | 0.72                           | 0.00 | 0.00  | 0.00  | 1.59 |
| Bulloch County Non-Metro                                | 7                            | 0.47         | 0.00                   | 0.00         | 7.81                        | 14.29        | 68.11                     | 85.71        | 24.09                    | 0.00         | 5.41                           | 0.00 | 16.67 | 4.35  | 0.00 |
| Columbus MSA  | 40                           | 2.71         | 4.04                   | 2.50         | 11.49                       | 7.50         | 41.03                     | 42.50        | 43.43                    | 47.50        | 3.72                           | 6.67 | 3.08  | 1.14  | 5.94 |
| Dalton-Rome-Calhoun Non-Metro                           | 108                          | 7.32         | 0.00                   | 0.00         | 7.18                        | 2.78         | 41.68                     | 54.63        | 51.14                    | 42.59        | 10.36                          | 0.00 | 0.00  | 16.76 | 7.44 |
| Hall-Lumpkin Non-Metro                                  | 71                           | 4.81         | 0.00                   | 0.00         | 0.00                        | 0.00         | 33.50                     | 46.48        | 66.50                    | 53.52        | 9.91                           | 0.00 | 0.00  | 12.82 | 8.44 |
| Hinesville Non-Metro                                    | 7                            | 0.47         | 0.00                   | 0.00         | 8.12                        | 0.00         | 91.88                     | 100.00       | 0.00                     | 0.00         | 4.00                           | 0.00 | 0.00  | 4.50  | 0.00 |
| Macon MSA   | 9                            | 0.61         | 6.49                   | 0.00         | 13.37                       | 0.00         | 46.92                     | 22.22        | 33.22                    | 77.78        | 1.73                           | 0.00 | 0.00  | 0.63  | 4.31 |
| Savannah MSA  | 109                          | 7.38         | 3.19                   | 2.75         | 14.82                       | 20.18        | 47.34                     | 42.20        | 34.64                    | 34.86        | 9.23                           | 0.00 | 10.71 | 11.11 | 7.04 |
| Sumter County Non-Metro                                 | 11                           | 0.75         | 0.00                   | 0.00         | 0.00                        | 0.00         | 100.00                    | 100.00       | 0.00                     | 0.00         | 34.62                          | 0.00 | 0.00  | 34.62 | 0.00 |

\* Based on 2002 Peer Mortgage Data SE Regions.

\*\* 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 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: STATE OF GEORGIA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|-----------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low  | Mod  | Mid  | Upp                         |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                              |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                             |  |  |  |  |   |  |  |  |  |
| Atlanta MSA                                      | 11,728                              | 81.63        | 2.95                   | 1.79         | 14.58                       | 10.16        | 45.73                     | 43.12        | 36.74                    | 44.93        | 2.40                           | 2.33 | 2.36 | 2.18 | 2.65                        |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                           |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                             |  |  |  |  |   |  |  |  |  |
| Athens MSA                                       | 37                                  | 0.26         | 4.45                   | 2.70         | 15.23                       | 13.51        | 30.04                     | 37.84        | 50.29                    | 45.95        | 0.84                           | 1.39 | 1.48 | 0.92 | 0.68                        |  |  |  |  |   |  |  |  |  |
| Bulloch County Non-Metro                         | 45                                  | 0.31         | 0.00                   | 0.00         | 7.81                        | 26.67        | 68.11                     | 57.78        | 24.09                    | 15.56        | 1.17                           | 0.00 | 6.76 | 0.72 | 1.00                        |  |  |  |  |   |  |  |  |  |
| Columbus MSA                                     | 386                                 | 2.69         | 4.04                   | 1.81         | 11.49                       | 8.29         | 41.03                     | 43.78        | 43.43                    | 46.11        | 3.34                           | 5.10 | 3.69 | 3.26 | 3.31                        |  |  |  |  |   |  |  |  |  |
| Dalton-Rome-Calhoun Non-Metro                    | 509                                 | 3.54         | 0.00                   | 0.00         | 7.18                        | 2.75         | 41.68                     | 41.65        | 51.14                    | 55.60        | 3.25                           | 0.00 | 2.68 | 3.13 | 3.38                        |  |  |  |  |   |  |  |  |  |
| Hall-Lumpkin Non-Metro                           | 310                                 | 2.16         | 0.00                   | 0.00         | 0.00                        | 0.00         | 33.50                     | 24.84        | 66.50                    | 75.16        | 1.96                           | 0.00 | 0.00 | 1.53 | 2.13                        |  |  |  |  |   |  |  |  |  |
| Hinesville Non-Metro                             | 48                                  | 0.33         | 0.00                   | 0.00         | 8.12                        | 2.08         | 91.88                     | 97.92        | 0.00                     | 0.00         | 1.16                           | 0.00 | 0.00 | 1.18 | 0.00                        |  |  |  |  |   |  |  |  |  |
| Macon MSA  | 107                                 | 0.75         | 6.49                   | 5.61         | 13.37                       | 6.54         | 46.92                     | 28.97        | 33.22                    | 58.88        | 0.54                           | 0.93 | 0.52 | 0.38 | 0.65                        |  |  |  |  |   |  |  |  |  |
| Savannah MSA                                     | 1,153                               | 8.03         | 3.19                   | 2.34         | 14.82                       | 8.85         | 47.34                     | 34.43        | 34.64                    | 54.29        | 5.06                           | 3.88 | 4.44 | 4.00 | 6.10                        |  |  |  |  |   |  |  |  |  |
| Sumter County Non-Metro                          | 44                                  | 0.31         | 0.00                   | 0.00         | 0.00                        | 0.00         | 100.00                    | 100.00       | 0.00                     | 0.00         | 5.70                           | 0.00 | 0.00 | 5.70 | 0.00                        |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       | Geography: STATE OF GEORGIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|-----------------------------|-----|-----|--|--|---|--|--|--|--|
| 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 | Overall | Low   | Mod                         | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                             |     |     |  |  |   |  |  |  |  |
| Atlanta MSA                          | 17                      | 60.71        | 11.12                  | 25.00        | 20.31                       | 12.50        | 46.72                     | 50.00        | 21.85                    | 12.50        | 4.17                           | 8.00         | 2.50    | 5.06  | 0.00                        |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                             |     |     |  |  |   |  |  |  |  |
| Athens MSA                           | 0                       | 0.00         | 27.31                  | 0.00         | 13.60                       | 0.00         | 23.18                     | 0.00         | 35.91                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Bulloch County Non-Metro             | 1                       | 3.57         | 0.00                   | 0.00         | 59.08                       | 100.00       | 33.63                     | 0.00         | 7.29                     | 0.00         | 25.00                          | 0.00         | 50.00   | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Columbus MSA                         | 3                       | 10.71        | 25.81                  | 0.00         | 18.32                       | 0.00         | 24.05                     | 66.67        | 31.82                    | 33.33        | 6.90                           | 0.00         | 0.00    | 25.00 | 0.00                        |     |     |  |  |   |  |  |  |  |
| Dalton-Rome-Calhoun Non-Metro        | 1                       | 3.57         | 0.00                   | 0.00         | 16.36                       | 0.00         | 49.55                     | 0.00         | 34.08                    | 100.00       | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Hall-Lumpkin Non-Metro               | 1                       | 3.57         | 0.00                   | 0.00         | 0.00                        | 0.00         | 26.56                     | 100.00       | 73.44                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Hinesville Non-Metro                 | 0                       | 0.00         | 0.00                   | 0.00         | 21.09                       | 0.00         | 78.91                     | 0.00         | 0.00                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Macon MSA                            | 2                       | 7.14         | 12.01                  | 0.00         | 8.40                        | 0.00         | 50.39                     | 100.00       | 29.19                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Savannah MSA                         | 3                       | 10.71        | 12.94                  | 33.33        | 14.43                       | 0.00         | 48.01                     | 33.33        | 24.61                    | 33.33        | 3.85                           | 14.29        | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |
| Sumter County Non-Metro              | 0                       | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 100.00                    | 0.00         | 0.00                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                        |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF GEORGIA                             |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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   | 10,243                     | 84.22        | 3.57                   | 3.21         | 13.00                       | 9.96         | 44.04                     | 41.11        | 39.39                    | 45.72        | 3.34                           | 3.67 | 2.65 | 3.00 | 4.03 |
| <b>Limited Review:</b>                                  |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Athens MSA  | 73                         | 0.60         | 18.26                  | 15.28        | 11.87                       | 9.72         | 26.39                     | 34.72        | 43.48                    | 40.28        | 0.99                           | 0.96 | 1.32 | 1.30 | 0.80 |
| Bulloch County Non-Metro                                | 20                         | 0.16         | 0.00                   | 0.00         | 16.89                       | 10.53        | 48.18                     | 31.58        | 34.93                    | 57.89        | 0.29                           | 0.00 | 0.00 | 0.27 | 0.30 |
| Columbus MSA  | 171                        | 1.39         | 9.59                   | 10.78        | 16.83                       | 14.37        | 29.28                     | 26.35        | 44.20                    | 48.50        | 1.80                           | 2.70 | 2.04 | 1.65 | 1.66 |
| Dalton-Rome-Calhoun Non-Metro                           | 320                        | 2.65         | 0.00                   | 0.00         | 9.96                        | 5.36         | 47.07                     | 44.16        | 42.96                    | 50.47        | 2.06                           | 0.00 | 1.28 | 1.72 | 2.81 |
| Hall-Lumpkin Non-Metro                                  | 210                        | 1.73         | 0.00                   | 0.00         | 0.00                        | 0.00         | 35.85                     | 41.06        | 64.15                    | 58.94        | 1.23                           | 0.00 | 0.00 | 1.42 | 1.14 |
| Hinesville Non-Metro                                    | 31                         | 0.26         | 0.00                   | 0.00         | 11.34                       | 3.23         | 88.66                     | 96.77        | 0.00                     | 0.00         | 2.67                           | 0.00 | 0.00 | 3.26 | 0.00 |
| Macon MSA   | 270                        | 2.23         | 13.21                  | 19.85        | 12.31                       | 8.24         | 41.64                     | 22.10        | 32.83                    | 49.81        | 1.49                           | 3.15 | 0.83 | 0.92 | 2.00 |
| Savannah MSA  | 748                        | 6.15         | 6.21                   | 3.98         | 11.98                       | 10.29        | 45.13                     | 43.48        | 36.45                    | 42.25        | 3.55                           | 2.88 | 3.57 | 3.49 | 4.04 |
| Sumter County Non-Metro                                 | 76                         | 0.60         | 0.00                   | 0.00         | 0.00                        | 0.00         | 100.00                    | 100.00       | 0.00                     | 0.00         | 4.05                           | 0.00 | 0.00 | 3.84 | 0.00 |

\* Based on 2002 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 (2002).



Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |       |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|------|-------|-------|
| Geography: STATE OF GEORGIA                             |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |       |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |       |
| 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>                                     |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |       |
| Atlanta MSA   | 39                     | 48.75        | 1.40                   | 0.00         | 11.83                       | 10.26        | 53.37                     | 69.23        | 33.40                    | 20.51        | 8.13                           | 0.00  | 5.66 | 7.62  | 12.77 |
| <b>Limited Review:</b>                                  |                        |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |       |
| Athens MSA  | 0                      | 0.00         | 10.16                  | 0.00         | 8.59                        | 0.00         | 29.69                     | 0.00         | 51.56                    | 0.00         | 0.00                           | 0.00  | 0.00 | 0.00  | 0.00  |
| Bulloch County Non-Metro                                | 0                      | 0.00         | 0.00                   | 0.00         | 7.69                        | 0.00         | 82.05                     | 0.00         | 10.26                    | 0.00         | 0.00                           | 0.00  | 0.00 | 0.00  | 0.00  |
| Columbus MSA  | 4                      | 5.00         | 3.04                   | 0.00         | 9.13                        | 0.00         | 40.43                     | 100.00       | 46.52                    | 0.00         | 11.76                          | 0.00  | 0.00 | 28.57 | 0.00  |
| Dalton-Rome-Calhoun Non-Metro                           | 6                      | 7.50         | 0.00                   | 0.00         | 4.59                        | 0.00         | 47.70                     | 83.33        | 47.70                    | 16.67        | 2.47                           | 0.00  | 0.00 | 1.92  | 3.70  |
| Hall-Lumpkin Non-Metro                                  | 4                      | 5.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 37.28                     | 0.00         | 62.72                    | 100.00       | 4.62                           | 0.00  | 0.00 | 0.00  | 11.54 |
| Hinesville Non-Metro                                    | 1                      | 1.25         | 0.00                   | 0.00         | 5.56                        | 0.00         | 94.44                     | 100.00       | 0.00                     | 0.00         | 0.00                           | 0.00  | 0.00 | 0.00  | 0.00  |
| Macon MSA   | 4                      | 5.00         | 7.21                   | 50.00        | 14.73                       | 0.00         | 46.71                     | 0.00         | 31.35                    | 50.00        | 4.44                           | 20.00 | 0.00 | 0.00  | 10.00 |
| Savannah MSA  | 4                      | 5.00         | 1.00                   | 25.00        | 7.02                        | 25.00        | 56.19                     | 25.00        | 35.12                    | 25.00        | 4.55                           | 0.00  | 0.00 | 0.00  | 33.33 |
| Sumter County Non-Metro                                 | 18                     | 22.50        | 0.00                   | 0.00         | 0.00                        | 0.00         | 100.00                    | 100.00       | 0.00                     | 0.00         | 18.52                          | 0.00  | 0.00 | 18.52 | 0.00  |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF GEORGIA |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |       |       |       |  |
|--------------------------------------|---------------------------|-----------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|-------|-------|-------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                             | Low-Income Borrowers      |                              | Moderate-Income Borrowers |                              | Middle-Income Borrowers                                 |                              | Upper-Income Borrowers    |                              | Overall | Low                       | Mod   | Mid   | Upp   |  |
|                                      | #                         | % 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> |         |                           |       |       |       |  |
| <b>Full Review:</b>                  |                           |                             |                           |                              |                           |                              |   |                              |                           |                              |         |                           |       |       |       |  |
| Atlanta MSA                          | 6,275                     | 81.78                       | 19.05                     | 11.12                        | 17.94                     | 23.66                        | 23.55   | 21.02                        | 39.46                     | 44.20                        | 1.60    | 1.80                      | 1.33  | 1.28  | 2.13  |  |
| <b>Limited Review:</b>               |                           |                             |                           |                              |                           |                              |   |                              |                           |                              |         |                           |       |       |       |  |
| Athens MSA                           | 22                        | 0.29                        | 25.25                     | 9.52                         | 17.12                     | 9.50                         | 18.32   | 28.60                        | 39.31                     | 52.38                        | 0.75    | 0.84                      | 0.82  | 0.90  | 0.62  |  |
| Bulloch County Non-Metro             | 14                        | 0.18                        | 21.81                     | 0.00                         | 15.88                     | 14.29                        | 21.12   | 21.43                        | 41.20                     | 64.29                        | 1.15    | 0.00                      | 2.11  | 0.00  | 1.61  |  |
| Columbus MSA                         | 123                       | 1.60                        | 20.99                     | 3.42                         | 17.17                     | 14.53                        | 20.29   | 18.80                        | 41.55                     | 63.25                        | 1.64    | 0.43                      | 1.14  | 1.40  | 2.16  |  |
| Dalton-Rome-Calhoun Non-Metro        | 330                       | 4.33                        | 15.54                     | 7.12                         | 14.49                     | 37.46                        | 20.94   | 23.53                        | 49.02                     | 31.89                        | 4.72    | 6.70                      | 6.74  | 3.98  | 3.61  |  |
| Hall-Lumpkin Non-Metro               | 128                       | 1.68                        | 13.91                     | 0.00                         | 13.08                     | 11.70                        | 20.37   | 25.20                        | 52.64                     | 63.11                        | 1.31    | 0.00                      | 1.12  | 1.08  | 1.56  |  |
| Hinesville Non-Metro                 | 22                        | 0.29                        | 21.62                     | 30.77                        | 26.36                     | 0.00                         | 22.22   | 23.08                        | 29.81                     | 46.15                        | 0.49    | 2.44                      | 0.00  | 0.51  | 0.63  |  |
| Macon MSA                            | 69                        | 0.91                        | 22.89                     | 1.89                         | 15.69                     | 20.75                        | 21.04   | 16.98                        | 40.38                     | 60.38                        | 0.40    | 0.00                      | 0.21  | 0.28  | 0.73  |  |
| Savannah MSA                         | 604                       | 7.92                        | 22.09                     | 8.53                         | 16.51                     | 21.90                        | 21.59   | 20.96                        | 39.81                     | 48.61                        | 3.49    | 4.90                      | 3.75  | 2.54  | 3.76  |  |
| Sumter County Non-Metro              | 78                        | 1.02                        | 26.04                     | 6.41                         | 15.97                     | 15.38                        | 18.38   | 28.21                        | 39.61                     | 50.00                        | 24.23   | 50.00                     | 18.60 | 22.73 | 25.33 |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 19.82% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF GEORGIA                             |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |       |       |       |       |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |       |       |       |       |
| 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> | Overall                   | Low   | Mod   | Mid   | Upp   |
| <b>Full Review:</b>                                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |       |       |       |       |
| Atlanta MSA   | 1,113                        | 75.41                    | 19.05                     | 11.06                        | 17.94                     | 24.10                        | 23.55                     | 26.26                        | 39.46                     | 38.58                        | 6.15                      | 4.76  | 5.93  | 5.80  | 7.22  |
| <b>Limited Review:</b>                                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |       |       |       |       |
| Athens MSA  | 1                            | 0.07                     | 25.25                     | 0.00                         | 17.12                     | 0.00                         | 18.32                     | 0.00                         | 39.31                     | 100.00                       | 0.75                      | 0.00  | 0.00  | 0.00  | 2.00  |
| Bulloch County Non-Metro                                | 7                            | 0.47                     | 21.81                     | 14.29                        | 15.88                     | 14.29                        | 21.12                     | 14.29                        | 41.20                     | 57.14                        | 5.71                      | 0.00  | 100.0 | 0.00  | 4.17  |
| Columbus MSA  | 40                           | 2.71                     | 20.99                     | 2.50                         | 17.17                     | 15.00                        | 20.29                     | 30.00                        | 41.55                     | 52.50                        | 4.12                      | 2.00  | 2.00  | 6.45  | 4.71  |
| Dalton-Rome-Calhoun Non-Metro                           | 108                          | 7.32                     | 15.54                     | 7.41                         | 14.49                     | 24.07                        | 20.94                     | 28.70                        | 49.02                     | 39.81                        | 10.49                     | 9.52  | 11.82 | 12.20 | 8.85  |
| Hall-Lumpkin Non-Metro                                  | 71                           | 4.81                     | 13.91                     | 5.63                         | 13.08                     | 25.35                        | 20.37                     | 40.85                        | 52.64                     | 28.17                        | 10.50                     | 0.00  | 19.35 | 16.39 | 6.09  |
| Hinesville Non-Metro                                    | 7                            | 0.47                     | 21.62                     | 0.00                         | 26.36                     | 0.00                         | 22.22                     | 28.57                        | 29.81                     | 71.43                        | 4.20                      | 0.00  | 0.00  | 4.76  | 8.51  |
| Macon MSA   | 9                            | 0.61                     | 22.89                     | 11.11                        | 15.69                     | 0.00                         | 21.04                     | 66.67                        | 40.38                     | 22.22                        | 1.86                      | 1.79  | 0.00  | 4.71  | 1.04  |
| Savannah MSA  | 109                          | 7.38                     | 22.09                     | 10.09                        | 16.51                     | 12.84                        | 21.59                     | 24.77                        | 39.81                     | 52.29                        | 10.23                     | 11.63 | 4.00  | 4.88  | 16.20 |
| Sumter County Non-Metro                                 | 11                           | 0.75                     | 26.04                     | 9.09                         | 15.97                     | 45.45                        | 18.38                     | 27.27                        | 39.61                     | 18.18                        | 34.62                     | 25.00 | 60.00 | 30.00 | 28.57 |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.07% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF GEORGIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|-----------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                         | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                             |     |     |  |  |   |  |  |  |  |
| Atlanta MSA                                    | 11,728                              | 81.63                    | 19.05                     | 9.64                         | 17.94                     | 20.86                        | 23.55                     | 23.30                        | 39.46                     | 46.20                        | 2.23                      | 2.40                         | 2.13    | 1.94 | 2.45                        |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                             |     |     |  |  |   |  |  |  |  |
| Athens MSA                                     | 37                                  | 0.26                     | 25.25                     | 4.76                         | 17.12                     | 23.81                        | 18.32                     | 19.05                        | 39.31                     | 52.38                        | 0.64                      | 0.00                         | 0.82    | 0.81 | 0.59                        |     |     |  |  |   |  |  |  |  |
| Bulloch County Non-Metro                       | 45                                  | 0.31                     | 21.81                     | 0.00                         | 15.88                     | 14.29                        | 21.12                     | 4.76                         | 41.20                     | 80.95                        | 1.39                      | 0.00                         | 2.68    | 0.41 | 1.64                        |     |     |  |  |   |  |  |  |  |
| Columbus MSA                                   | 386                                 | 2.69                     | 20.99                     | 5.38                         | 17.17                     | 13.88                        | 20.29                     | 26.06                        | 41.55                     | 54.67                        | 3.90                      | 3.08                         | 2.63    | 4.12 | 4.23                        |     |     |  |  |   |  |  |  |  |
| Dalton-Rome-Calhoun Non-Metro                  | 509                                 | 3.54                     | 15.54                     | 5.20                         | 14.49                     | 19.33                        | 20.94                     | 22.25                        | 49.02                     | 53.22                        | 3.60                      | 4.92                         | 4.05    | 3.20 | 3.55                        |     |     |  |  |   |  |  |  |  |
| Hall-Lumpkin Non-Metro                         | 310                                 | 2.16                     | 13.91                     | 2.32                         | 13.08                     | 11.97                        | 20.37                     | 22.39                        | 52.64                     | 63.32                        | 2.06                      | 0.60                         | 2.84    | 1.84 | 2.06                        |     |     |  |  |   |  |  |  |  |
| Hinesville Non-Metro                           | 48                                  | 0.33                     | 21.62                     | 2.78                         | 26.36                     | 5.56                         | 22.22                     | 30.56                        | 29.81                     | 61.11                        | 2.45                      | 0.00                         | 3.39    | 4.32 | 1.58                        |     |     |  |  |   |  |  |  |  |
| Macon MSA                                      | 107                                 | 0.75                     | 22.89                     | 10.98                        | 15.69                     | 19.51                        | 21.04                     | 20.73                        | 40.38                     | 48.78                        | 0.57                      | 0.71                         | 0.65    | 0.42 | 0.59                        |     |     |  |  |   |  |  |  |  |
| Savannah MSA                                   | 1,153                               | 8.03                     | 22.09                     | 7.30                         | 16.51                     | 16.02                        | 21.59                     | 23.33                        | 39.81                     | 53.35                        | 5.30                      | 6.48                         | 5.60    | 5.70 | 4.94                        |     |     |  |  |   |  |  |  |  |
| Sumter County Non-Metro                        | 44                                  | 0.31                     | 26.04                     | 4.88                         | 15.97                     | 14.63                        | 18.38                     | 12.20                        | 39.61                     | 68.29                        | 6.23                      | 10.00                        | 8.51    | 2.90 | 6.67                        |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 21.52% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 | Geography: <b>STATE OF GEORGIA</b> |   |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
|---|---------------------------------|------------------------------------|---|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| 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   | 10,243                          | 84.22                              | 61.85   | 64.69            | 71.70  | 12.80                    | 15.40                      | 4.67          | 5.34                    |
| <b>Limited Review:</b>                                  |                                 |                                    |   |                  |  |                          |                            |               |                         |
| Athens MSA  | 73                              | 0.60                               | 65.95   | 59.38            | 61.60  | 15.10                    | 23.30                      | 0.99          | 1.02                    |
| Bulloch County Non-Metro                                | 20                              | 0.16                               | 68.50   | 66.67            | 65.00  | 20.00                    | 15.00                      | 0.29          | 0.16                    |
| Columbus MSA  | 171                             | 1.39                               | 68.67   | 70.73            | 69.00  | 12.30                    | 18.70                      | 1.80          | 1.25                    |
| Dalton-Rome-Calhoun Non-Metro                           | 320                             | 2.65                               | 65.72   | 53.98            | 64.10  | 15.00                    | 20.90                      | 2.06          | 1.30                    |
| Hall-Lumpkin Non-Metro                                  | 210                             | 1.73                               | 63.63   | 66.67            | 68.10  | 17.10                    | 14.80                      | 1.23          | 1.07                    |
| Hinesville Non-Metro                                    | 31                              | 0.26                               | 64.50   | 71.43            | 64.50  | 16.10                    | 19.40                      | 2.67          | 4.85                    |
| Macon MSA   | 270                             | 2.23                               | 68.98   | 64.52            | 62.60  | 18.10                    | 19.30                      | 1.49          | 2.03                    |
| Savannah MSA  | 748                             | 6.15                               | 67.42   | 64.88            | 68.90  | 15.00                    | 16.20                      | 3.55          | 4.80                    |
| Sumter County Non-Metro                                 | 76                              | 0.60                               | 66.08   | 73.13            | 55.30  | 28.90                    | 15.80                      | 4.05          | 6.03                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 33.09% 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: STATE OF GEORGIA                             |                            |              |  |                  |  |                          |                            |               |                         |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |  |                  |  |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                     |                            |              |  |                  |  |                          |                            |               |                         |
| Atlanta MSA   | 39                         | 48.75        | 91.44                                      | 76.67            | 61.54  | 28.21                    | 10.26                      | 9.38          | 12.00                   |
| <b>Limited Review:</b>                                  |                            |              |  |                  |  |                          |                            |               |                         |
| Athens MSA  | 0                          | 0.00         | 92.97                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Bulloch County Non-Metro                                | 0                          | 0.00         | 93.85                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Columbus MSA  | 4                          | 5.00         | 91.74                                      | 75.00            | 50.00  | 50.00                    | 0.00                       | 11.76         | 13.33                   |
| Dalton-Rome-Calhoun Non-Metro                           | 6                          | 7.50         | 95.05                                      | 0.00             | 83.33  | 16.67                    | 0.00                       | 2.47          | 0.00                    |
| Hall-Lumpkin Non-Metro                                  | 4                          | 5.00         | 90.94                                      | 100.00           | 75.00  | 25.00                    | 0.00                       | 4.62          | 1.69                    |
| Hinesville Non-Metro                                    | 1                          | 1.25         | 100.00                                     | 100.00           | 100.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Macon MSA   | 4                          | 5.00         | 94.98                                      | 100.00           | 50.00  | 50.00                    | 0.00                       | 4.44          | 2.70                    |
| Savannah MSA  | 4                          | 5.00         | 91.97                                      | 100.00           | 25.00  | 50.00                    | 25.00                      | 4.55          | 5.26                    |
| Sumter County Non-Metro                                 | 18                         | 22.50        | 88.29                                      | 84.60            | 77.78  | 22.22                    | 0.00                       | 18.52         | 12.86                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 27.50% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS                               |                           |           |                            |           |                   |           |            |                        |           |
|---|---------------------------|-----------|----------------------------|-----------|-------------------|-----------|------------|------------------------|-----------|
| Geography: STATE OF GEORGIA                         |                           |           |                            |           |                   |           |            |                        |           |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                           |           |                            |           |                   |           |            |                        |           |
| 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   | 20                        | 57,946    | 377                        | 61,808    | 397               | 119,755   | 45.75      | 32                     | 23,448    |
| <b>Limited Review:</b>                              |                           |           |                            |           |                   |           |            |                        |           |
| Athens MSA  | 1                         | 2,962     | 2                          | 69        | 3                 | 3,031     | 1.16       | 1                      | 21        |
| Bulloch County Non-Metro                            | 0                         | 3,411     | 2                          | 6,406     | 3                 | 9,817     | 3.75       | 2                      | 1,093     |
| Columbus MSA  | 0                         | -         | 15                         | 9,548     | 15                | 9,548     | 3.65       | 4                      | 8,484     |
| Dalton-Rome-Calhoun Non-Metro                       | 2                         | 6,527     | 0                          | -         | 2                 | 6,527     | 2.49       | 0                      | -         |
| Hall-Lumpkin Non-Metro                              | 0                         | -         | 5                          | 17,700    | 5                 | 17,700    | 6.76       | 2                      | 3,929     |
| Hinesville Non-Metro                                | 0                         | -         | 0                          | -         | 0                 | -         | 0.00       | 0                      | -         |
| Macon MSA   | 4                         | 18,447    | 11                         | 13,936    | 15                | 32,383    | 12.37      | 8                      | 8,756     |
| Savannah MSA  | 1                         | 6,518     | 8                          | 10,171    | 9                 | 16,689    | 6.37       | 3                      | 6,518     |
| Sumter County Non-Metro                             | 0                         | -         | 1                          | 5         | 1                 | 5         | 0.01       | 0                      | -         |
| Statewide/Regional:                                 | 1                         | 46,332    | 0                          | -         | 1                 | 46,332    | 17.70      | 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: STATE OF GEORGIA Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                                |                    |                                |   |        |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| 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   | 85.19                          | 157                | 77.34                          | 4.46  | 19.11  | 37.58  | 38.85 | 5                        | 25                   | -1  | -3  | -7  | -9  | 6.05                                  | 22.00 | 41.75 | 30.20 |
| <b>Limited Review:</b>  |                                |                    |                                |   |        |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Athens MSA  | .74                            | 2                  | 0.99                           | 50.00   | 0.00   | 50.00  | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 17.62                                 | 30.78 | 20.96 | 30.64 |
| Bulloch County Non-Metro  | .25                            | 1                  | 0.49                           | 0.00  | 0.00   | 100.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 69.71 | 30.29 |
| Columbus MSA  | 2.05                           | 10                 | 4.92                           | 0.00  | 30.00  | 40.00  | 20.00 | 0                        | 1                    | -1  | 0   | 0   | 0   | 8.26                                  | 20.70 | 35.77 | 34.40 |
| Dalton-Rome-Calhoun Non-Metro   | 3.02                           | 7                  | 3.46                           | 0.00  | 42.86  | 28.57  | 28.57 | 0                        | 2                    | 0   | 0   | -1  | -1  | 0.00                                  | 15.62 | 49.81 | 34.57 |
| Hall-Lumpkin Non-Metro  | 2.01                           | 5                  | 2.46                           | 0.00  | 20.00  | 60.00  | 20.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 2.23  | 38.79 | 58.97 |
| Hinesville Non-Metro  | .17                            | 1                  | 0.49                           | 0.00  | 0.00   | 100.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 32.07 | 67.93 | 0.00  |
| Macon MSA   | 1.37                           | 4                  | 1.97                           | 25.00   | 25.00  | 25.00  | 25.00 | 0                        | 3                    | -2  | -1  | 0   | 0   | 10.75                                 | 22.65 | 37.22 | 29.37 |
| Savannah MSA  | 4.84                           | 15                 | 7.39                           | 6.67  | 33.33  | 46.67  | 13.33 | 0                        | 4                    | 0   | -1  | -1  | -2  | 7.65                                  | 25.65 | 44.37 | 22.32 |
| Sumter County Non-Metro   | .35                            | 1                  | 0.49                           | 0.00  | 100.00 | 0.00   | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 23.27 | 76.73 | 0.00  |



Table 1. Lending Volume

| LENDING VOLUME  |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
|---|-------------------------------------|---------------|------------|---------------------------|------------|----------------------|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| Geography: STATE OF MARYLAND                            |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                                     |               |            |                           |            |                      |            |                               |            |                      |           |                                      |
| MA/Assessment Area (2002):                              | % 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   | 100.00                              | 6,682         | 904,095    | 3,197                     | 348,468    | 53                   | 7,644      | 10                            | 90,597     | 9,942                | 1,350,804 | 100.00                               |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           | Geography: STATE OF MARYLAND |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography* |      |      |      |  |
|--|---------------------------|------------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--------------------------------|------|------|------|--|
| MA/Assessment Area:                    | Total Home Purchase 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                          | 1,353                     | 100.00                       | 2.87                   | 2.44         | 15.11                       | 19.62        | 47.68   | 40.64        | 34.34                    | 37.31        | 0.77    | 1.61                           | 1.06 | 0.65 | 0.82 |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: STATE OF MARYLAND |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| 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>                       |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| Baltimore MSA                             | 226                          | 100.00       | 2.87                   | 2.21         | 15.11                       | 12.39        | 47.68                     | 48.23        | 34.34                    | 37.17        | 1.45                           | 1.67 | 1.44 | 1.53 | 1.33                         |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: STATE OF MARYLAND |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low  | Mod  | Mid  | Upp                          |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                              |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| Baltimore MSA                                    | 5,098                               | 100.00       | 2.87                   | 1.47         | 15.11                       | 9.52         | 47.68                     | 47.29        | 34.34                    | 41.72        | 1.82                           | 3.21 | 2.94 | 1.88 | 1.62                         |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: STATE OF MARYLAND |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low  | Mod  | Mid  | Upp                          |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| Baltimore MSA                        | 5                       | 100.00       | 9.68                   | 0.00         | 18.81                       | 40.00        | 53.55                     | 40.00        | 17.97                    | 20.00        | 0.00                           | 0.00 | 0.00 | 0.00 | 0.00                         |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF MARYLAND                            |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Baltimore MSA   | 3,197                      | 100.00       | 4.95                   | 4.22         | 15.75                       | 13.56        | 43.12                     | 44.79        | 35.85                    | 36.88        | 2.90                           | 2.90 | 3.10 | 2.80 | 2.90 |

\* Based on 2002 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 (2002).

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

| Geographic Distribution: <b>SMALL LOANS TO FARMS</b> |                        |              |                        |              |                             |              |  |              |                          |              |                                |      |        |       |       |
|--|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|--|--------------|--------------------------|--------------|--------------------------------|------|--------|-------|-------|
| Geography: <b>STATE OF MARYLAND</b>                  |                        |              |                        |              |                             |              | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |              |                          |              |                                |      |        |       |       |
| 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  | 53                     | 100.00       | 1.00                   | 0.00         | 3.62                        | 3.77         | 47.91  | 62.26        | 47.48                    | 33.96        | 21.09                          | 0.00 | 100.00 | 24.62 | 17.54 |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE                    |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
|---|---------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------|------|------|------|
| Geography: STATE OF MARYLAND                            |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| MA/Assessment Area:                                     | Total Home Purchase 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> | Overall                   | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                                     |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |      |
| Baltimore MSA   | 1,353                     | 100.00                   | 19.57                     | 11.49                        | 17.83                     | 25.96                        | 23.78                     | 22.77                        | 38.82                     | 39.79                        | 0.57                      | 0.61 | 0.62 | 0.46 | 0.62 |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 30.52% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: STATE OF MARYLAND |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------|------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| 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> | Overall                   | Low  | Mod  | Mid  | Upp                          |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| Baltimore MSA                           | 226                          | 100.00                   | 19.57                     | 12.39                        | 17.83                     | 18.14                        | 23.78                     | 23.01                        | 38.82                     | 46.46                        | 1.71                      | 2.95 | 1.28 | 1.45 | 1.76                         |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF MARYLAND |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                          | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                              |     |     |  |  |   |  |  |  |  |
| Baltimore MSA                                  | 5,098                               | 100.00                   | 19.57                     | 9.90                         | 17.83                     | 18.04                        | 23.78                     | 25.01                        | 38.82                     | 47.05                        | 1.66                      | 2.97                         | 1.81    | 1.62 | 1.49                         |     |     |  |  |   |  |  |  |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 32.25% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 |              |   |                  |  |                          |                            |               |                         |
|---|---------------------------------|--------------|---|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF MARYLAND</b>                     |                                 |              |   |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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   | 3,197                           | 100.00       | 69.61   | 49.47            | 76.90  | 12.00                    | 11.10                      | 2.84          | 1.90                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 61.56% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|--|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF MARYLAND</b>                |                            |              |  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |  |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |  |  |                          |                            |               |                         |
| Baltimore MSA                                      | 53                         | 100.00       | 92.07                                      | 50.00  | 60.38  | 18.87                    | 20.75                      | 21.09         | 12.82                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 28.30% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS |                                       |                              |                            |           |                   |   |            |                                    |           |
|-----------------------|---------------------------------------|------------------------------|----------------------------|-----------|-------------------|---|------------|------------------------------------|-----------|
|                       |                                       | Geography: STATE OF MARYLAND |                            |           |                   | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |            |                                    |           |
| MA/Assessment Area:   | Prior Period Investments <sup>*</sup> |                              | Current Period Investments |           | Total Investments |   |            | Unfunded Commitments <sup>**</sup> |           |
|                       | #                                     | \$(000's)                    | #                          | \$(000's) | #                 | \$(000's)   | % of Total | #                                  | \$(000's) |
| <b>Full Review:</b>   |                                       |                              |                            |           |                   |   |            |                                    |           |
| Baltimore MSA         | 12                                    | 18,389                       | 57                         | 11,271    | 69                | 29,660  | 74.71      | 5                                  | 10,594    |
| Statewide/Regional:   | 1                                     | 10,040                       | 0                          | -         | 1                 | 10,040  | 25.29      | 0                                  | -         |

<sup>\*</sup> 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

<sup>\*\*</sup> '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: STATE OF MARYLAND                      |       |       |       | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                      |   |     |     |     |                                       |       |       |       |
| 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   | 100.00                         | 58                 | 100.00                         | 8.62  | 17.24 | 43.10 | 31.03 | 0   | 0                    | 0   | 0   | 0   | 0   | 9.07                                  | 20.23 | 39.47 | 30.83 |

Table 1. Lending Volume

| LENDING VOLUME             |                                     | Geography: STATE OF NEW JERSEY |            |                           |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                               |            |                      |           |                                      |
|----------------------------|-------------------------------------|--------------------------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002): | % 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>        |                                     |                                |            |                           |            |   |            |                               |            |                      |           |                                      |
| Monmouth MSA               | 21.58                               | 7,954                          | 1,228,254  | 2,761                     | 336,265    | 25  | 2,621      | 3                             | 7,939      | 10,743               | 1,575,079 | 20.16                                |
| Newark MSA                 | 29.39                               | 9,438                          | 1,686,863  | 5,156                     | 683,495    | 15  | 1,679      | 16                            | 100,788    | 14,625               | 2,472,825 | 31.84                                |
| <b>Limited Review:</b>     |                                     |                                |            |                           |            |   |            |                               |            |                      |           |                                      |
| Atlantic-Cape May MSA      | 5.79                                | 2,442                          | 371,380    | 431                       | 45,284     | 6   | 1,171      | 2                             | 7,691      | 2,881                | 425,526   | 2.51                                 |
| Bergen Passaic MSA         | 16.12                               | 5,427                          | 990,843    | 2,568                     | 328,112    | 24  | 3,381      | 2                             | 17,018     | 8,021                | 1,339,354 | 13.97                                |
| Jersey City MSA            | 4.14                                | 1,521                          | 248,154    | 534                       | 65,706     | 3   | 600        | 2                             | 6,980      | 2,060                | 321,440   | 2.93                                 |
| Middlesex-Somerset MSA     | 16.78                               | 5,705                          | 975,369    | 2,615                     | 377,677    | 23  | 3,369      | 9                             | 19,882     | 8,352                | 1,376,297 | 20.97                                |
| Trenton MSA                | 6.19                                | 2,069                          | 267,672    | 1,001                     | 143,178    | 7   | 898        | 1                             | 2,531      | 3,078                | 414,279   | 7.66                                 |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

| Geographic Distribution: HOME PURCHASE                  |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |      |
|---|---------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-------------------------------|------|------|------|------|
| Geography: STATE OF NEW JERSEY                          |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |      |
| 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 | Overall                       | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                                     |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |      |
| Monmouth MSA  | 2,004                     | 22.04        | 1.02                   | 2.31         | 23.04                       | 25.41        | 46.18                     | 50.28        | 29.76                    | 22.01        | 3.18                          | 6.60 | 4.17 | 3.11 | 2.43 |
| Newark MSA  | 2,327                     | 25.66        | 1.98                   | 6.28         | 11.73                       | 15.11        | 44.58                     | 44.94        | 41.71                    | 33.66        | 2.69                          | 3.74 | 2.72 | 2.78 | 2.46 |
| <b>Limited Review:</b>                                  |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |      |
| Atlantic-Cape May MSA                                   | 744                       | 8.21         | 0.75                   | 0.54         | 13.64                       | 9.29         | 65.06                     | 75.77        | 20.55                    | 14.27        | 2.45                          | 2.78 | 1.95 | 2.60 | 2.15 |
| Bergen Passaic MSA                                      | 1,644                     | 18.14        | 0.79                   | 3.29         | 11.01                       | 28.44        | 56.56                     | 50.55        | 31.64                    | 17.72        | 3.34                          | 5.45 | 7.75 | 2.73 | 2.21 |
| Jersey City MSA   | 456                       | 5.04         | 0.60                   | 0.66         | 10.42                       | 17.76        | 59.59                     | 55.70        | 29.40                    | 25.44        | 2.45                          | 1.61 | 3.67 | 2.11 | 2.54 |
| Middlesex-Somerset MSA                                  | 1,427                     | 15.73        | 0.55                   | 1.90         | 9.24                        | 10.67        | 63.87                     | 56.18        | 26.34                    | 31.25        | 2.39                          | 1.75 | 2.47 | 2.32 | 2.51 |
| Trenton MSA   | 471                       | 5.19         | 3.12                   | 2.34         | 12.89                       | 15.32        | 49.99                     | 44.47        | 34.00                    | 37.87        | 2.60                          | 2.98 | 5.03 | 2.46 | 2.22 |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.



**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |      | Geography: STATE OF NEW JERSEY |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|-------|------|--------------------------------|--|--|--|--|---|--|--|--|--|
| 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>                       |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |      |                                |  |  |  |  |   |  |  |  |  |
| Monmouth MSA                              | 702                          | 27.34        | 1.02                   | 1.71         | 23.04                       | 16.95        | 46.18                     | 50.28        | 29.76                    | 31.05        | 5.02                           | 6.35 | 5.30  | 5.04 | 4.84                           |  |  |  |  |   |  |  |  |  |
| Newark MSA                                | 548                          | 21.34        | 1.98                   | 4.38         | 11.73                       | 12.04        | 44.58                     | 50.18        | 41.71                    | 33.39        | 3.05                           | 6.93 | 2.52  | 3.07 | 2.94                           |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                    |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |      |                                |  |  |  |  |   |  |  |  |  |
| Atlantic-Cape May MSA                     | 171                          | 6.66         | 0.75                   | 1.75         | 13.64                       | 7.02         | 65.06                     | 70.76        | 20.55                    | 20.47        | 4.38                           | 8.33 | 4.55  | 4.58 | 3.51                           |  |  |  |  |   |  |  |  |  |
| Bergen Passaic MSA                        | 453                          | 17.64        | 0.79                   | 2.43         | 11.01                       | 16.56        | 56.56                     | 54.53        | 31.64                    | 26.49        | 3.94                           | 7.53 | 6.03  | 3.97 | 3.10                           |  |  |  |  |   |  |  |  |  |
| Jersey City MSA                           | 99                           | 3.86         | 0.60                   | 0.00         | 10.42                       | 9.09         | 59.59                     | 65.66        | 29.40                    | 25.25        | 3.20                           | 0.00 | 2.88  | 3.44 | 2.94                           |  |  |  |  |   |  |  |  |  |
| Middlesex-Somerset MSA                    | 404                          | 15.73        | 0.55                   | 0.74         | 9.24                        | 11.14        | 63.87                     | 61.39        | 26.34                    | 26.73        | 3.01                           | 8.00 | 3.29  | 2.99 | 2.90                           |  |  |  |  |   |  |  |  |  |
| Trenton MSA                               | 191                          | 7.44         | 3.12                   | 2.09         | 12.89                       | 9.42         | 49.99                     | 48.69        | 34.00                    | 39.79        | 8.27                           | 0.00 | 12.35 | 8.74 | 7.22                           |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE        |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |      |
|---|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|------|------|
| Geography: STATE OF NEW JERSEY                          |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |      |
| 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 | Overall                        | Low   | Mod   | Mid  | Upp  |
| <b>Full Review:</b>                                     |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |      |
| Monmouth MSA  | 5,238                               | 23.00        | 1.02                   | 0.73         | 23.04                       | 18.20        | 46.18                     | 50.55        | 29.76                    | 30.52        | 3.92                           | 6.44  | 4.91  | 3.83 | 3.58 |
| Newark MSA  | 6,505                               | 28.56        | 1.98                   | 2.49         | 11.73                       | 13.39        | 44.58                     | 42.21        | 41.71                    | 41.90        | 3.96                           | 6.86  | 6.36  | 3.94 | 3.51 |
| <b>Limited Review:</b>                                  |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |      |
| Atlantic-Cape May MSA                                   | 1,517                               | 6.66         | 0.75                   | 0.59         | 13.64                       | 7.12         | 65.06                     | 73.76        | 20.55                    | 18.52        | 4.20                           | 8.05  | 3.11  | 4.30 | 4.27 |
| Bergen Passaic MSA                                      | 3,311                               | 14.54        | 0.79                   | 1.39         | 11.01                       | 15.46        | 56.56                     | 54.18        | 31.64                    | 28.96        | 2.97                           | 7.78  | 5.62  | 2.94 | 2.28 |
| Jersey City MSA   | 933                                 | 4.10         | 0.60                   | 1.29         | 10.42                       | 13.50        | 59.59                     | 58.74        | 29.40                    | 25.94        | 4.05                           | 6.30  | 4.56  | 4.15 | 3.57 |
| Middlesex-Somerset MSA                                  | 3,868                               | 16.98        | 0.55                   | 0.31         | 9.24                        | 6.05         | 63.87                     | 61.44        | 26.34                    | 32.20        | 3.30                           | 2.64  | 2.80  | 3.37 | 3.28 |
| Trenton MSA   | 1,401                               | 6.15         | 3.12                   | 2.93         | 12.89                       | 13.42        | 49.99                     | 52.32        | 34.00                    | 31.33        | 5.40                           | 15.50 | 15.95 | 6.28 | 3.44 |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       | Geography: STATE OF NEW JERSEY |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|--------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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 | Overall | Low   | Mod                            | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                                |     |     |  |  |   |  |  |  |  |
| Monmouth MSA                         | 10                      | 7.04         | 5.69                   | 10.00        | 33.30                       | 30.00        | 46.54                     | 30.00        | 14.47                    | 30.00        | 2.56                           | 7.69         | 0.00    | 0.00  | 25.00                          |     |     |  |  |   |  |  |  |  |
| Newark MSA                           | 58                      | 40.85        | 22.88                  | 12.07        | 31.86                       | 48.28        | 33.13                     | 25.86        | 12.10                    | 13.79        | 8.36                           | 5.97         | 6.59    | 11.32 | 11.63                          |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                                |     |     |  |  |   |  |  |  |  |
| Atlantic-Cape May MSA                | 10                      | 7.04         | 7.76                   | 0.00         | 30.42                       | 50.00        | 51.16                     | 40.00        | 10.66                    | 10.00        | 12.82                          | 0.00         | 15.38   | 9.52  | 20.00                          |     |     |  |  |   |  |  |  |  |
| Bergen Passaic MSA                   | 19                      | 13.38        | 8.65                   | 21.05        | 24.09                       | 52.63        | 57.19                     | 21.05        | 10.07                    | 5.26         | 5.42                           | 12.00        | 6.41    | 2.44  | 5.56                           |     |     |  |  |   |  |  |  |  |
| Jersey City MSA                      | 33                      | 23.24        | 3.74                   | 0.00         | 20.74                       | 21.21        | 56.29                     | 66.67        | 19.24                    | 9.09         | 5.37                           | 0.00         | 4.31    | 6.07  | 2.63                           |     |     |  |  |   |  |  |  |  |
| Middlesex-Somerset MSA               | 6                       | 4.23         | 3.11                   | 0.00         | 22.62                       | 66.67        | 64.52                     | 33.33        | 9.75                     | 0.00         | 6.25                           | 0.00         | 8.70    | 6.67  | 0.00                           |     |     |  |  |   |  |  |  |  |
| Trenton MSA                          | 6                       | 4.23         | 8.36                   | 16.67        | 15.48                       | 0.00         | 52.82                     | 83.33        | 23.34                    | 0.00         | 20.00                          | 50.00        | 0.00    | 25.00 | 0.00                           |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES |                            |              |                        |              |                             |              |   |              |                          |              |                                |      |      |      |      |
|--|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF NEW JERSEY                     |                            |              |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |                                |      |      |      |      |
| 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>                                |                            |              |                        |              |                             |              |   |              |                          |              |                                |      |      |      |      |
| Monmouth MSA                                       | 2,761                      | 18.33        | 1.46                   | 1.23         | 15.97                       | 13.27        | 47.86   | 45.28        | 34.69                    | 40.22        | 4.70                           | 6.21 | 3.80 | 4.30 | 5.70 |
| Newark MSA   | 5,156                      | 34.22        | 6.89                   | 6.73         | 12.82                       | 11.97        | 41.64   | 40.88        | 38.62                    | 40.41        | 5.30                           | 6.65 | 5.38 | 5.20 | 5.10 |
| <b>Limited Review:</b>                             |                            |              |                        |              |                             |              |   |              |                          |              |                                |      |      |      |      |
| Atlantic-Cape May MSA                              | 431                        | 2.86         | 0.88                   | 0.71         | 17.33                       | 10.24        | 62.68   | 65.48        | 19.01                    | 23.57        | 2.34                           | 2.70 | 1.51 | 2.36 | 3.27 |
| Bergen Passaic MSA                                 | 2,568                      | 17.05        | 3.16                   | 2.49         | 14.84                       | 15.75        | 53.16   | 51.97        | 28.74                    | 29.79        | 3.34                           | 3.34 | 3.45 | 3.31 | 3.53 |
| Jersey City MSA                                    | 534                        | 3.54         | 1.21                   | 1.32         | 17.44                       | 15.82        | 56.78   | 62.34        | 24.17                    | 20.53        | 2.72                           | 3.57 | 3.08 | 2.99 | 2.13 |
| Middlesex-Somerset MSA                             | 2,615                      | 17.36        | 2.39                   | 2.39         | 9.71                        | 9.17         | 62.17   | 60.42        | 25.69                    | 28.02        | 4.31                           | 6.15 | 4.60 | 4.21 | 4.55 |
| Trenton MSA  | 1,001                      | 6.64         | 7.45                   | 7.25         | 10.04                       | 10.32        | 44.58   | 42.80        | 37.92                    | 39.63        | 5.90                           | 9.51 | 7.60 | 5.38 | 5.95 |

\* Based on 2002 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 (2002).

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANSTO FARMS            |                        |              |                        |              |                             |              |                           |              |                          |              |                                |        |        |       |       |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------|--------|-------|-------|
| Geography: STATE OF NEW JERSEY                          |                        |              |                        |              |                             |              |                           |              |                          |              |                                |        |        |       |       |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |              |                        |              |                             |              |                           |              |                          |              |                                |        |        |       |       |
| 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>                                     |                        |              |                        |              |                             |              |                           |              |                          |              |                                |        |        |       |       |
| Monmouth MSA  | 25                     | 24.27        | 0.12                   | 0.00         | 12.18                       | 8.00         | 47.71                     | 48.00        | 39.99                    | 44.00        | 39.39                          | 0.00   | 100.00 | 80.00 | 15.79 |
| Newark MSA  | 15                     | 14.56        | 0.61                   | 0.00         | 4.12                        | 13.33        | 52.08                     | 66.67        | 43.19                    | 20.00        | 29.63                          | 0.00   | 50.00  | 44.44 | 25.00 |
| <b>Limited Review:</b>                                  |                        |              |                        |              |                             |              |                           |              |                          |              |                                |        |        |       |       |
| Atlantic-Cape May MSA                                   | 6                      | 5.83         | 0.18                   | 0.00         | 9.60                        | 0.00         | 75.36                     | 83.33        | 14.86                    | 16.67        | 27.78                          | 0.00   | 0.00   | 27.27 | 50.00 |
| Bergen Passaic MSA                                      | 24                     | 23.30        | 0.74                   | 0.00         | 6.36                        | 4.17         | 55.95                     | 79.17        | 36.88                    | 16.67        | 58.82                          | 0.00   | 0.00   | 72.73 | 40.00 |
| Jersey City MSA   | 3                      | 2.91         | 0.00                   | 0.00         | 9.46                        | 66.67        | 54.05                     | 33.33        | 35.14                    | 0.00         | 66.67                          | 0.00   | 100.00 | 50.00 | 0.00  |
| Middlesex-Somerset MSA                                  | 23                     | 22.33        | 0.33                   | 0.00         | 4.05                        | 0.00         | 61.34                     | 65.22        | 34.28                    | 34.78        | 60.71                          | 0.00   | 0.00   | 69.23 | 61.54 |
| Trenton MSA   | 7                      | 6.80         | 2.13                   | 28.57        | 3.99                        | 0.00         | 47.07                     | 28.57        | 46.81                    | 42.86        | 40.00                          | 100.00 | 0.00   | 25.00 | 50.00 |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF NEW JERSEY |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |      |      |      |  |
|--------------------------------------|---------------------------|--------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|------|------|------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                                | Low-Income Borrowers      |                              | Moderate-Income Borrowers |                              | Middle-Income Borrowers                                 |                              | Upper-Income Borrowers    |                              | Overall | Low                       | Mod  | Mid  | Upp  |  |
|                                      | #                         | % 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> |         |                           |      |      |      |  |
| <b>Full Review:</b>                  |                           |                                |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Monmouth MSA                         | 2,004                     | 22.04                          | 18.33                     | 8.70                         | 18.83                     | 22.86                        | 24.47   | 21.99                        | 38.37                     | 46.46                        | 3.04    | 4.38                      | 3.82 | 2.34 | 2.96 |  |
| Newark MSA                           | 2,327                     | 25.66                          | 20.05                     | 9.74                         | 17.75                     | 25.06                        | 23.61   | 25.70                        | 38.60                     | 39.50                        | 2.46    | 4.61                      | 2.91 | 2.07 | 2.26 |  |
| <b>Limited Review:</b>               |                           |                                |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Atlantic-Cape May MSA                | 744                       | 8.21                           | 18.11                     | 2.69                         | 19.24                     | 17.24                        | 24.17   | 16.16                        | 38.48                     | 63.91                        | 2.09    | 1.44                      | 2.18 | 1.30 | 2.40 |  |
| Bergen Passaic MSA                   | 1,644                     | 18.14                          | 18.58                     | 9.23                         | 18.93                     | 26.39                        | 23.58   | 27.62                        | 38.91                     | 36.76                        | 2.74    | 7.82                      | 4.56 | 2.16 | 1.96 |  |
| Jersey City MSA                      | 456                       | 5.04                           | 22.91                     | 2.14                         | 16.23                     | 12.60                        | 21.11   | 20.38                        | 39.75                     | 64.88                        | 2.58    | 2.08                      | 3.15 | 2.00 | 2.76 |  |
| Middlesex-Somerset MSA               | 1,427                     | 15.73                          | 15.60                     | 12.53                        | 19.79                     | 25.33                        | 27.19   | 27.43                        | 37.42                     | 34.71                        | 2.25    | 3.01                      | 2.11 | 2.09 | 2.28 |  |
| Trenton MSA                          | 471                       | 5.19                           | 18.87                     | 16.01                        | 18.20                     | 24.41                        | 24.03   | 28.08                        | 38.90                     | 31.50                        | 2.68    | 3.44                      | 2.78 | 3.60 | 1.85 |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 23.70% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: STATE OF NEW JERSEY |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------|-------|-------|--------------------------------|--|--|--|--|---|--|--|--|--|
| 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> | Overall                   | Low  | Mod   | Mid   | Upp                            |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |       |       |                                |  |  |  |  |   |  |  |  |  |
| Monmouth MSA                            | 702                          | 27.34                    | 18.33                     | 6.98                         | 18.83                     | 20.51                        | 24.47                     | 28.21                        | 38.37                     | 44.30                        | 5.41                      | 6.14 | 6.58  | 5.77  | 4.69                           |  |  |  |  |   |  |  |  |  |
| Newark MSA                              | 548                          | 21.34                    | 20.05                     | 7.50                         | 17.75                     | 19.93                        | 23.61                     | 28.52                        | 38.60                     | 44.06                        | 3.33                      | 4.39 | 2.55  | 3.31  | 3.52                           |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |       |       |                                |  |  |  |  |   |  |  |  |  |
| Atlantic-Cape May MSA                   | 171                          | 6.66                     | 18.11                     | 5.85                         | 19.24                     | 15.79                        | 24.17                     | 22.81                        | 38.48                     | 55.56                        | 4.66                      | 5.94 | 6.23  | 3.21  | 4.83                           |  |  |  |  |   |  |  |  |  |
| Bergen Passaic MSA                      | 453                          | 17.64                    | 18.58                     | 5.08                         | 18.93                     | 15.23                        | 23.58                     | 30.46                        | 38.91                     | 49.23                        | 4.26                      | 3.50 | 3.47  | 4.69  | 4.39                           |  |  |  |  |   |  |  |  |  |
| Jersey City MSA                         | 99                           | 3.86                     | 22.91                     | 5.15                         | 16.23                     | 9.28                         | 21.11                     | 31.96                        | 39.75                     | 53.61                        | 3.24                      | 0.00 | 3.11  | 3.80  | 3.41                           |  |  |  |  |   |  |  |  |  |
| Middlesex-Somerset MSA                  | 404                          | 15.73                    | 15.60                     | 7.44                         | 19.79                     | 26.05                        | 27.19                     | 30.52                        | 37.42                     | 35.98                        | 3.33                      | 2.46 | 3.79  | 3.57  | 3.01                           |  |  |  |  |   |  |  |  |  |
| Trenton MSA                             | 191                          | 7.44                     | 18.87                     | 12.57                        | 18.20                     | 21.47                        | 24.03                     | 23.56                        | 38.90                     | 42.41                        | 9.29                      | 9.89 | 11.88 | 10.04 | 7.61                           |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.16% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF NEW JERSEY |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|--------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                            | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                |     |     |  |  |   |  |  |  |  |
| Monmouth MSA                                   | 5,238                               | 23.00                    | 18.33                     | 6.48                         | 18.83                     | 18.31                        | 24.47                     | 27.90                        | 38.37                     | 47.30                        | 4.12                      | 5.80                         | 4.41    | 4.08 | 3.89                           |     |     |  |  |   |  |  |  |  |
| Newark MSA                                     | 6,505                               | 28.56                    | 20.05                     | 5.79                         | 17.75                     | 20.14                        | 23.61                     | 30.42                        | 38.60                     | 43.65                        | 4.21                      | 4.84                         | 5.14    | 4.58 | 3.61                           |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                |     |     |  |  |   |  |  |  |  |
| Atlantic-Cape May MSA                          | 1,517                               | 6.66                     | 18.11                     | 2.55                         | 19.24                     | 10.54                        | 24.17                     | 23.38                        | 38.48                     | 63.52                        | 4.04                      | 3.45                         | 3.46    | 4.39 | 4.05                           |     |     |  |  |   |  |  |  |  |
| Bergen Passaic MSA                             | 3,311                               | 14.54                    | 18.58                     | 5.26                         | 18.93                     | 19.53                        | 23.58                     | 29.97                        | 38.91                     | 45.25                        | 2.97                      | 4.38                         | 3.96    | 3.00 | 2.52                           |     |     |  |  |   |  |  |  |  |
| Jersey City MSA                                | 933                                 | 4.10                     | 22.91                     | 2.15                         | 16.23                     | 11.00                        | 21.11                     | 31.98                        | 39.75                     | 54.87                        | 4.53                      | 4.20                         | 4.47    | 5.30 | 4.19                           |     |     |  |  |   |  |  |  |  |
| Middlesex-Somerset MSA                         | 3,868                               | 16.98                    | 15.60                     | 8.94                         | 19.79                     | 24.21                        | 27.19                     | 31.41                        | 37.42                     | 35.44                        | 3.43                      | 4.09                         | 3.82    | 3.42 | 3.10                           |     |     |  |  |   |  |  |  |  |
| Trenton MSA                                    | 1,401                               | 6.15                     | 18.87                     | 10.76                        | 18.20                     | 22.87                        | 24.03                     | 26.85                        | 38.90                     | 39.52                        | 6.00                      | 11.52                        | 8.70    | 6.71 | 4.29                           |     |     |  |  |   |  |  |  |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 15.71% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 | Geography: <b>STATE OF NEW JERSEY</b> |   |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
|---|---------------------------------|---------------------------------------|---|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| 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>                                     |                                 |                                       |   |                  |  |                          |                            |               |                         |
| Monmouth MSA  | 2,761                           | 18.33                                 | 78.95   | 50.94            | 74.40  | 12.90                    | 12.70                      | 4.59          | 2.68                    |
| Newark MSA  | 5,156                           | 34.22                                 | 79.22   | 46.22            | 73.10  | 12.70                    | 14.20                      | 5.08          | 2.70                    |
| <b>Limited Review</b>                                   |                                 |                                       |   |                  |  |                          |                            |               |                         |
| Atlantic-Cape May MSA                                   | 431                             | 2.86                                  | 80.09   | 71.35            | 76.10  | 13.50                    | 10.40                      | 2.34          | 2.07                    |
| Bergen Passaic MSA                                      | 2,568                           | 17.05                                 | 77.58   | 51.21            | 74.60  | 11.80                    | 13.50                      | 3.34          | 2.04                    |
| Jersey City MSA   | 534                             | 3.54                                  | 78.40   | 54.71            | 73.80  | 14.40                    | 11.80                      | 2.72          | 2.31                    |
| Middlesex-Somerset MSA                                  | 2,615                           | 17.36                                 | 76.62   | 46.43            | 71.50  | 12.70                    | 15.80                      | 4.31          | 2.38                    |
| Trenton MSA   | 1,001                           | 6.64                                  | 79.47   | 39.62            | 72.50  | 12.90                    | 14.60                      | 5.90          | 3.57                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 62.40% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |                  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF NEW JERSEY</b>              |                            |              |  |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |                  |  |                          |                            |               |                         |
| Monmouth MSA                                       | 25                         | 24.27        | 92.10                                      | 50.00            | 73.07  | 15.38                    | 11.55                      | 39.39         | 33.33                   |
| Newark MSA   | 15                         | 14.56        | 92.38                                      | 75.00            | 73.33  | 6.67                     | 20.00                      | 29.63         | 40.00                   |
| <b>Limited Review:</b>                             |                            |              |  |                  |  |                          |                            |               |                         |
| Atlantic-Cape May MSA                              | 6                          | 5.83         | 90.04                                      | 66.67            | 28.6   | 28.6                     | 42.9                       | 27.78         | 27.27                   |
| Bergen Passaic MSA                                 | 24                         | 23.30        | 90.98                                      | 63.60            | 54.17  | 20.83                    | 25.00                      | 58.82         | 54.55                   |
| Jersey City MSA                                    | 3                          | 2.91         | 90.54                                      | 0.00             | 66.67  | 0.00                     | 33.33                      | 66.67         | 0.00                    |
| Middlesex-Somerset MSA                             | 23                         | 22.33        | 92.24                                      | 57.10            | 43.48  | 43.48                    | 13.04                      | 60.71         | 50.00                   |
| Trenton MSA  | 7                          | 6.80         | 92.55                                      | 100.00           | 57.14  | 42.86                    | 0.00                       | 40.00         | 37.50                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 16.50% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS                               |                           |           |                            |           |                   |           |            |                        |           |
|---|---------------------------|-----------|----------------------------|-----------|-------------------|-----------|------------|------------------------|-----------|
| Geography: STATE OF NEW JERSEY                      |                           |           |                            |           |                   |           |            |                        |           |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                           |           |                            |           |                   |           |            |                        |           |
| 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>                                 |                           |           |                            |           |                   |           |            |                        |           |
| Monmouth MSA  | 5                         | 19,549    | 100                        | 2,077     | 105               | 21,627    | 12.26      | 5                      | 930       |
| Newark MSA  | 9                         | 25,790    | 216                        | 7,600     | 225               | 33,390    | 18.93      | 7                      | 2,961     |
| <b>Limited Review:</b>                              |                           |           |                            |           |                   |           |            |                        |           |
| Atlantic-Cape May MSA                               | 0                         | -         | 79                         | 351       | 79                | 351       | 0.20       | 1                      | 21        |
| Bergen-Passaic MSA                                  | 2                         | 2,668     | 132                        | 701       | 134               | 3,369     | 1.91       | 3                      | 21        |
| Jersey City MSA                                     | 1                         | 3,657     | 94                         | 477       | 95                | 4,135     | 2.34       | 1                      | 21        |
| Middlesex-Somerset MSA                              | 4                         | 6,702     | 142                        | 11,285    | 146               | 17,987    | 10.20      | 6                      | 7,141     |
| Trenton MSA   | 3                         | 2,266     | 153                        | 32,002    | 156               | 34,268    | 19.43      | 4                      | 818       |
| Statewide/Regional:                                 | 1                         | 61,253    | 0                          | 0         | 1                 | 61,253    | 34.73      | 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: STATE OF NEW JERSEY                                      |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>   |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Monmouth MSA  | 20.16                          | 64                 | 23.02                          | 7.81  | 15.63 | 40.63 | 35.94 | 1                        | 2                    | 0   | -1  | 0   | 0   | 4.83                                  | 17.89 | 49.02 | 28.26 |
| Newark MSA  | 31.84                          | 87                 | 31.29                          | 4.60  | 19.54 | 37.93 | 37.93 | 0                        | 5                    | 0   | -1  | -2  | -2  | 11.30                                 | 22.71 | 31.96 | 34.03 |
| <b>Limited Review:</b>  |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Atlantic-Cape May MSA   | 2.51                           | 11                 | 3.96                           | 9.09  | 9.09  | 63.64 | 18.18 | 0                        | 0                    | 0   | 0   | 0   | 0   | 3.06                                  | 18.31 | 56.10 | 21.95 |
| Bergen-Passaic MSA  | 13.97                          | 44                 | 15.83                          | 4.55  | 15.91 | 52.27 | 27.27 | 0                        | 0                    | 0   | 0   | 0   | 0   | 8.11                                  | 19.63 | 44.04 | 28.19 |
| Jersey City MSA   | 2.93                           | 13                 | 4.68                           | 0.00  | 30.77 | 61.54 | 7.69  | 1                        | 1                    | 0   | 0   | 0   | 0   | 0.70                                  | 23.02 | 48.71 | 27.55 |
| Middlesex-Somerset MSA  | 20.97                          | 41                 | 14.75                          | 2.44  | 14.63 | 58.54 | 24.39 | 3                        | 9                    | 0   | -3  | -2  | -1  | 4.62                                  | 19.18 | 49.90 | 26.02 |
| Trenton MSA   | 7.66                           | 18                 | 6.47                           | 5.56  | 27.78 | 27.78 | 38.89 | 0                        | 0                    | 0   | 0   | 0   | 0   | 11.94                                 | 14.87 | 37.03 | 35.63 |

Table 1. Lending Volume

| LENDING VOLUME             |                                     | Geography: STATE OF NEW YORK |            |                           |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                               |            |                      |           |                                      |
|----------------------------|-------------------------------------|------------------------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002): | % 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>        |                                     |                              |            |                           |            |   |            |                               |            |                      |           |                                      |
| New York MSA               | 80.84                               | 3,126                        | 714,208    | 1,573                     | 207,509    | 2   | 500        | 10                            | 41,730     | 4,711                | 963,947   | 91.10                                |
| <b>Limited Review:</b>     |                                     |                              |            |                           |            |   |            |                               |            |                      |           |                                      |
| Dutchess County MSA        | 13.73                               | 580                          | 76,180     | 219                       | 19,151     | 1   | 50         | 0                             | 0          | 800                  | 95,381    | 6.28                                 |
| Ulster County Non Metro    | 5.42                                | 247                          | 28,259     | 69                        | 6,472      | 0   | 0          | 0                             | 0          | 316                  | 34,731    | 2.64                                 |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           | Geography: STATE OF NEW YORK |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography* |      |      |      |  |
|--|---------------------------|------------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--------------------------------|------|------|------|--|
| MA/Assessment Area:                    | Total Home Purchase 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>                    |                           |                              |                        |              |                             |              |   |              |                          |              |         |                                |      |      |      |  |
| New York MSA                           | 767                       | 76.58                        | 0.05                   | 0.00         | 1.68                        | 2.48         | 8.45  | 7.58         | 89.81                    | 89.80        | 1.46    | 0.00                           | 1.91 | 0.86 | 1.51 |  |
| <b>Limited Review:</b>                 |                           |                              |                        |              |                             |              |   |              |                          |              |         |                                |      |      |      |  |
| Dutchess County MSA                    | 153                       | 15.32                        | 1.50                   | 3.27         | 8.81                        | 5.23         | 73.20   | 75.16        | 16.48                    | 16.34        | 1.55    | 3.13                           | 1.11 | 1.51 | 1.79 |  |
| Ulster County Non Metro                | 81                        | 8.11                         | 0.00                   | 0.00         | 2.51                        | 4.94         | 34.97   | 50.62        | 62.52                    | 44.44        | 1.86    | 0.00                           | 1.75 | 2.72 | 1.32 |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              | Geography: STATE OF NEW YORK |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | 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>                       |                              |                              |                        |              |                             |              |   |              |                          |              |         |                                |      |       |      |  |
| New York MSA                              | 405                          | 84.38                        | 0.05                   | 0.49         | 1.68                        | 3.46         | 8.45  | 14.32        | 89.81                    | 81.73        | 6.37    | 0.00                           | 7.46 | 14.15 | 5.66 |  |
| <b>Limited Review:</b>                    |                              |                              |                        |              |                             |              |   |              |                          |              |         |                                |      |       |      |  |
| Dutchess County MSA                       | 61                           | 12.71                        | 1.50                   | 3.28         | 8.81                        | 4.92         | 73.20   | 72.13        | 16.48                    | 19.67        | 3.65    | 4.35                           | 0.00 | 3.90  | 3.88 |  |
| Ulster County Non Metro                   | 14                           | 2.92                         | 0.00                   | 0.00         | 2.51                        | 0.00         | 34.97   | 28.57        | 62.52                    | 71.43        | 1.60    | 0.00                           | 0.00 | 0.95  | 2.09 |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: STATE OF NEW YORK |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low  | Mod  | Mid  | Upp                          |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                              |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| New York MSA                                     | 1,951                               | 79.18        | 0.05                   | 0.05         | 1.68                        | 1.69         | 8.45                      | 6.25         | 89.81                    | 92.00        | 2.43                           | 3.23 | 2.03 | 2.22 | 2.45                         |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                           |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| Dutchess County MSA                              | 362                                 | 14.69        | 1.50                   | 1.38         | 8.81                        | 8.01         | 73.20                     | 72.38        | 16.48                    | 18.23        | 1.98                           | 0.89 | 2.47 | 1.89 | 2.24                         |  |  |  |  |   |  |  |  |  |
| Ulster County Non Metro                          | 152                                 | 6.13         | 0.00                   | 0.00         | 2.51                        | 3.97         | 34.97                     | 27.15        | 62.52                    | 68.87        | 1.85                           | 0.00 | 2.53 | 1.61 | 1.95                         |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.



**Table 5. Geographic Distribution of Multifamily Loans**

| Geographic Distribution: MULTIFAMILY                    |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |      |
|---|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|------|-------|------|
| Geography: STATE OF NEW YORK                            |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |      |
| 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 | Overall                        | Low   | Mod  | Mid   | Upp  |
| <b>Full Review:</b>                                     |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |      |
| New York MSA  | 3                       | 42.86        | 1.39                   | 0.00         | 22.44                       | 0.00         | 27.93                     | 33.33        | 48.17                    | 66.67        | 0.35                           | 0.00  | 0.00 | 0.00  | 1.19 |
| <b>Limited Review:</b>                                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |       |      |
| Dutchess County MSA                                     | 4                       | 57.14        | 12.32                  | 25.00        | 20.36                       | 0.00         | 62.50                     | 75.00        | 3.25                     | 0.00         | 11.11                          | 33.33 | 0.00 | 13.33 | 0.00 |
| Ulster County Non Metro                                 | 0                       | 0.00         | 0.00                   | 0.00         | 6.00                        | 0.00         | 40.50                     | 0.00         | 53.50                    | 0.00         | 0.00                           | 0.00  | 0.00 | 0.00  | 0.00 |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF NEW YORK                            |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| New York MSA  | 1,553                      | 84.52        | 1.83                   | 1.22         | 5.60                        | 5.67         | 11.77                     | 10.76        | 80.77                    | 82.35        | 2.00                           | 2.30 | 2.00 | 1.80 | 2.10 |
| <b>Limited Review:</b>                                  |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Dutchess County MSA                                     | 216                        | 11.77        | 7.41                   | 2.78         | 13.55                       | 3.70         | 65.14                     | 65.28        | 13.89                    | 28.24        | 2.00                           | 0.63 | 1.03 | 1.90 | 3.56 |
| Ulster County Non Metro                                 | 66                         | 3.71         | 0.00                   | 0.00         | 2.72                        | 1.52         | 35.90                     | 34.85        | 61.38                    | 63.64        | 0.69                           | 0.00 | 0.92 | 0.72 | 0.73 |

\* Based on 2002 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 (2002).

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

| Geographic Distribution: <b>SMALL LOANS TO FARMS</b> |                        |              |                        |              |                             |              |  |              |                          |              |                                |      |      |        |        |
|--|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|--|--------------|--------------------------|--------------|--------------------------------|------|------|--------|--------|
| Geography: <b>STATE OF NEW YORK</b>                  |                        |              |                        |              |                             |              | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |              |                          |              |                                |      |      |        |        |
| 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>                                  |                        |              |                        |              |                             |              |  |              |                          |              |                                |      |      |        |        |
| New York MSA   | 2                      | 66.67        | 0.35                   | 0.00         | 2.02                        | 0.00         | 8.55   | 50.00        | 88.97                    | 50.00        | 8.70                           | 0.00 | 0.00 | 100.00 | 6.67   |
| <b>Limited Review:</b>                               |                        |              |                        |              |                             |              |  |              |                          |              |                                |      |      |        |        |
| Dutchess County MSA                                  | 1                      | 33.33        | 0.34                   | 0.00         | 12.41                       | 0.00         | 75.17  | 0.00         | 12.07                    | 100.00       | 8.33                           | 0.00 | 0.00 | 0.00   | 100.00 |
| Ulster County Non Metro                              | 0                      | 0.00         | 0.00                   | 0.00         | 0.52                        | 0.00         | 31.94  | 0.00         | 67.54                    | 0.00         | 0.00                           | 0.00 | 0.00 | 0.00   | 0.00   |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF NEW YORK |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |      |      |      |  |
|--------------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|------|------|------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                              | Low-Income Borrowers      |                              | Moderate-Income Borrowers |                              | Middle-Income Borrowers                                 |                              | Upper-Income Borrowers    |                              | Overall | Low                       | Mod  | Mid  | Upp  |  |
|                                      | #                         | % 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> |         |                           |      |      |      |  |
| <b>Full Review:</b>                  |                           |                              |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| New York MSA                         | 767                       | 76.58                        | 11.75                     | 1.40                         | 10.26                     | 6.69                         | 16.40   | 16.81                        | 61.59                     | 75.30                        | 1.36    | 1.16                      | 1.13 | 1.19 | 1.45 |  |
| <b>Limited Review:</b>               |                           |                              |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Dutchess County MSA                  | 153                       | 15.32                        | 16.73                     | 2.26                         | 19.15                     | 18.05                        | 28.13   | 33.08                        | 35.99                     | 46.62                        | 1.57    | 0.82                      | 1.50 | 1.73 | 1.59 |  |
| Ulster County Non Metro              | 81                        | 8.11                         | 12.15                     | 1.45                         | 13.82                     | 5.80                         | 20.85   | 36.23                        | 53.18                     | 56.52                        | 1.71    | 3.03                      | 2.15 | 2.34 | 1.41 |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 21.89% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: STATE OF NEW YORK |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------|-------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| 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> | Overall                   | Low  | Mod   | Mid  | Upp                          |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |       |      |                              |  |  |  |  |   |  |  |  |  |
| New York MSA                            | 405                          | 84.38                    | 11.75                     | 1.24                         | 10.26                     | 11.19                        | 16.40                     | 20.40                        | 61.59                     | 67.16                        | 7.20                      | 4.48 | 13.88 | 6.88 | 6.53                         |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |       |      |                              |  |  |  |  |   |  |  |  |  |
| Dutchess County MSA                     | 61                           | 12.71                    | 16.73                     | 8.20                         | 19.15                     | 19.67                        | 28.13                     | 29.51                        | 35.99                     | 42.62                        | 3.97                      | 4.41 | 4.46  | 4.72 | 2.97                         |  |  |  |  |   |  |  |  |  |
| Ulster County Non Metro                 | 14                           | 2.92                     | 12.15                     | 0.00                         | 13.82                     | 21.43                        | 20.85                     | 21.43                        | 53.18                     | 57.14                        | 1.81                      | 0.00 | 1.61  | 1.75 | 1.99                         |  |  |  |  |   |  |  |  |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 0.58% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 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: STATE OF NEW YORK |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------|------|------|------------------------------|--|--|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | Overall                   | Low  | Mod  | Mid  | Upp                          |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| New York MSA                                   | 1,951                               | 79.18                    | 11.75                     | 0.93                         | 10.26                     | 6.31                         | 16.40                     | 18.41                        | 61.59                     | 74.35                        | 2.29                      | 2.12 | 2.65 | 2.32 | 2.25                         |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |      |      |      |                              |  |  |  |  |   |  |  |  |  |
| Dutchess County MSA                            | 362                                 | 14.69                    | 16.73                     | 5.98                         | 19.15                     | 14.29                        | 28.13                     | 28.90                        | 35.99                     | 50.83                        | 2.02                      | 3.19 | 1.35 | 1.76 | 2.35                         |  |  |  |  |   |  |  |  |  |
| Ulster County Non Metro                        | 152                                 | 6.13                     | 12.15                     | 1.80                         | 13.82                     | 13.51                        | 20.85                     | 20.72                        | 53.18                     | 63.96                        | 1.59                      | 1.61 | 2.66 | 1.74 | 1.40                         |  |  |  |  |   |  |  |  |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 23.72% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 | Geography: <b>STATE OF NEW YORK</b> |   |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
|---|---------------------------------|-------------------------------------|---|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| 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>                                     |                                 |                                     |   |                  |  |                          |                            |               |                         |
| New York MSA  | 1,573                           | 84.52                               | 66.55   | 50.09            | 73.50  | 12.80                    | 13.70                      | 1.65          | 0.84                    |
| <b>Limited Review:</b>                                  |                                 |                                     |   |                  |  |                          |                            |               |                         |
| Dutchess County MSA                                     | 219                             | 11.77                               | 73.28   | 64.79            | 81.70  | 12.04                    | 6.02                       | 1.79          | 1.12                    |
| Ulster County Non Metro                                 | 69                              | 3.71                                | 72.20   | 53.57            | 76.80  | 16.67                    | 7.58                       | 0.69          | 0.60                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 65.34% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |                  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF NEW YORK</b>                |                            |              |  |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |                  |  |                          |                            |               |                         |
| New York MSA                                       | 2                          | 66.67        | 91.45                                      | 0.00             | 0.00   | 100.00                   | 0.00                       | 8.70          | 0.00                    |
| <b>Limited Review:</b>                             |                            |              |  |                  |  |                          |                            |               |                         |
| Dutchess County MSA                                | 1                          | 33.33        | 93.28                                      | 0.00             | 100.00   | 0.00                     | 0.00                       | 8.33          | 0.00                    |
| Ulster County Non Metro                            | 0                          | 0.00         | 88.22                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 33.33% of small loans to farms originated and purchased by the bank.



Table 14. Qualified Investments

| QUALIFIED INVESTMENTS   |                                       |                              |                            |           |                   |   |            |                                    |           |
|-------------------------|---------------------------------------|------------------------------|----------------------------|-----------|-------------------|---|------------|------------------------------------|-----------|
|                         |                                       | Geography: STATE OF NEW YORK |                            |           |                   | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |            |                                    |           |
| MA/Assessment Area:     | Prior Period Investments <sup>*</sup> |                              | Current Period Investments |           | Total Investments |   |            | Unfunded Commitments <sup>**</sup> |           |
|                         | #                                     | \$(000's)                    | #                          | \$(000's) | #                 | \$(000's)   | % of Total | #                                  | \$(000's) |
| <b>Full Review:</b>     |                                       |                              |                            |           |                   |   |            |                                    |           |
| New York MSA            | 12                                    | 40,039                       | 165                        | 50,598    | 177               | 90,638  | 88.66      | 6                                  | 20,282    |
| <b>Limited Review:</b>  |                                       |                              |                            |           |                   |   |            |                                    |           |
| Dutchess County MSA     | 0                                     | -                            | 11                         | 83        | 11                | 83  | 0.08       | 1                                  | 21        |
| Ulster County Non-Metro | 0                                     | -                            | 2                          | 8         | 2                 | 8   | 0.01       | 0                                  | -         |
| Statewide/Regional:     | 1                                     | 11,503                       | 0                          | -         | 1                 | 11,503  | 11.25      | 0                                  | -         |

<sup>\*</sup> 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

<sup>\*\*</sup> '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: STATE OF NEW YORK  |                                |                    |                                |   |      |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |      |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>   |                                |                    |                                |   |      |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| New York MSA  | 91.10                          | 44                 | 89.80                          | 0.00  | 4.55 | 9.09  | 86.36 | 1                        | 3                    | 0   | 0   | -1  | -1  | 1.90                                  | 12.15 | 15.78 | 70.16 |
| <b>Limited Review:</b>  |                                |                    |                                |   |      |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Dutchess County MSA   | 6.28                           | 3                  | 6.12                           | 0.00  | 0.00 | 66.67 | 33.33 | 0                        | 0                    | 0   | 0   | 0   | 0   | 4.86                                  | 12.13 | 64.73 | 18.19 |
| Ulster County Non-Metro   | 2.64                           | 2                  | 4.08                           | 0.00  | 0.00 | 50.00 | 50.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 3.16  | 46.77 | 50.06 |

Table 1. Lending Volume

| LENDING VOLUME              |                                     | Geography: STATE OF NORTH CAROLINA |           |                           |           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |           |                               |           |                      |           |                                      |
|-----------------------------|-------------------------------------|------------------------------------|-----------|---------------------------|-----------|---|-----------|-------------------------------|-----------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002):  | % 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              | 20.63                               | 6,678                              | 924,695   | 3,082                     | 472,884   | 32  | 3,573     | 70                            | 78,890    | 9,862                | 1,480,042 | 28.56                                |
| Raleigh MSA                 | 23.18                               | 7,566                              | 1,498,237 | 3,358                     | 514,079   | 38  | 4,187     | 119                           | 145,240   | 11,081               | 2,161,743 | 24.45                                |
| <b>Limited Review:</b>      |                                     |                                    |           |                           |           |   |           |                               |           |                      |           |                                      |
| Albemarle Non-Metro         | 0.73                                | 247                                | 31,193    | 99                        | 11,273    | 3   | 433       | 0                             | 0         | 349                  | 42,899    | .86                                  |
| Asheville MSA               | 5.59                                | 1,671                              | 234,052   | 990                       | 143,606   | 11  | 1,569     | 2                             | 240       | 2,674                | 379,467   | 5.42                                 |
| Eastern NC Non-Metro        | 6.33                                | 1,437                              | 183,856   | 1,322                     | 153,037   | 262   | 38,109    | 6                             | 5,065     | 3,027                | 380,067   | 4.93                                 |
| Fayetteville MSA            | 2.19                                | 702                                | 65,054    | 307                       | 48,130    | 3   | 300       | 34                            | 27,526    | 1,046                | 141,010   | 1.51                                 |
| Goldensboro MSA             | 0.89                                | 180                                | 17,298    | 211                       | 27,135    | 27  | 3,858     | 7                             | 2,954     | 425                  | 51,245    | 1.15                                 |
| Greenville MSA              | 2.49                                | 698                                | 108,317   | 416                       | 77,246    | 56  | 9,544     | 21                            | 21,596    | 1,191                | 216,703   | 2.08                                 |
| Hickory MSA                 | 4.91                                | 1,679                              | 170,848   | 655                       | 106,975   | 6   | 564       | 7                             | 2,311     | 2,347                | 280,698   | 4.97                                 |
| Jacksonville MSA            | 1.48                                | 435                                | 43,320    | 254                       | 27,117    | 12  | 1,424     | 6                             | 13,832    | 707                  | 85,693    | .66                                  |
| Lee-Moore Non-Metro         | 2.06                                | 765                                | 138,783   | 219                       | 37,021    | 1   | 100       | 2                             | 2,902     | 987                  | 178,806   | 1.53                                 |
| Northeastern NC Non-Metro   | 3.66                                | 1,094                              | 176,355   | 589                       | 68,045    | 67  | 10,949    | 2                             | 5,700     | 1,752                | 261,049   | 2.39                                 |
| Northwestern NC Non-Metro   | 3.75                                | 1,170                              | 134,613   | 592                       | 73,428    | 28  | 3,642     | 1                             | 519       | 1,791                | 212,202   | 3.75                                 |
| Person County Non-Metro     | 0.43                                | 127                                | 13,999    | 69                        | 9,760     | 8   | 437       | 0                             | 0         | 204                  | 24,196    | .48                                  |
| Rockingham County Non-Metro | 0.92                                | 317                                | 26,412    | 110                       | 15,244    | 11  | 616       | 2                             | 1334      | 440                  | 43,606    | .95                                  |
| Rocky Mount MSA             | 2.07                                | 681                                | 72,990    | 275                       | 58,738    | 28  | 5,699     | 4                             | 727       | 988                  | 138,154   | 1.14                                 |
| Sampson County Non-Metro    | 0.53                                | 132                                | 9,031     | 83                        | 10,711    | 36  | 7,592     | 2                             | 1,586     | 253                  | 28,920    | .33                                  |
| Southern NC Non-Metro       | 1.10                                | 278                                | 20,330    | 228                       | 23,868    | 17  | 2,945     | 1                             | 356       | 524                  | 47,499    | 1.27                                 |
| Statesville Non-Metro       | 2.94                                | 970                                | 170,316   | 426                       | 65,978    | 8   | 738       | 4                             | 324       | 1,408                | 237,356   | 2.17                                 |
| Western NC Non-Metro        | 8.69                                | 3,128                              | 397,753   | 1,001                     | 108,703   | 22  | 2,287     | 3                             | 15,703    | 4,154                | 524,446   | 6.77                                 |
| Wilmington MSA              | 3.99                                | 1,305                              | 267,487   | 598                       | 89,316    | 3   | 325       | 3                             | 362       | 1,909                | 357,490   | 3.61                                 |
| Wilson Non-Metro            | 1.44                                | 339                                | 37,903    | 329                       | 39,095    | 22  | 2,832     | 1                             | 1,199     | 691                  | 81,029    | 1.00                                 |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

| Geographic Distribution: HOME PURCHASE |                           | Geography: STATE OF NORTH CAROLINA |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography <sup>7</sup> |      |      |      |  |
|--|---------------------------|------------------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--|------|------|------|--|
| MA/Assessment Area:                    | Total Home Purchase 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>                    |                           |                                    |                        |              |                             |              |   |              |                          |              |         |  |      |      |      |  |
| Greensboro MSA                         | 2,070                     | 20.29                              | 0.92                   | 0.97         | 10.70                       | 7.34         | 64.92   | 52.66        | 23.47                    | 39.03        | 3.23    | 4.11                                       | 2.74 | 3.09 | 3.55 |  |
| Raleigh MSA                            | 2,639                     | 25.80                              | 1.28                   | 1.41         | 19.97                       | 7.22         | 46.72   | 51.22        | 32.03                    | 40.12        | 3.15    | 2.92                                       | 2.02 | 2.86 | 4.11 |  |
| <b>Limited Review:</b>                 |                           |                                    |                        |              |                             |              |   |              |                          |              |         |  |      |      |      |  |
| Albemarle Non-Metro                    | 43                        | 0.42                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 78.43   | 83.72        | 21.57                    | 16.28        | 3.81    | 0.00                                       | 0.00 | 3.89 | 3.49 |  |
| Asheville MSA                          | 503                       | 4.93                               | 0.37                   | 0.60         | 12.19                       | 9.54         | 71.05   | 67.79        | 16.37                    | 22.07        | 3.73    | 0.00                                       | 2.80 | 3.57 | 5.41 |  |
| Eastern NC Non-Metro                   | 450                       | 4.41                               | 0.82                   | 0.00         | 8.65                        | 7.78         | 70.08   | 59.11        | 20.45                    | 33.11        | 4.22    | 0.00                                       | 7.75 | 4.29 | 3.61 |  |
| Fayetteville MSA                       | 162                       | 1.59                               | 0.85                   | 0.00         | 10.19                       | 4.32         | 69.03   | 62.35        | 19.93                    | 33.33        | 1.68    | 0.00                                       | 1.35 | 1.38 | 2.62 |  |
| Goldsboro MSA                          | 45                        | 0.44                               | 0.10                   | 0.00         | 5.77                        | 4.44         | 77.10   | 68.89        | 17.03                    | 26.67        | 1.53    | 0.00                                       | 1.61 | 1.23 | 2.74 |  |
| Greenville MSA                         | 319                       | 3.13                               | 4.03                   | 0.63         | 17.85                       | 5.02         | 45.05   | 36.68        | 33.06                    | 57.68        | 3.92    | 3.70                                       | 2.11 | 3.18 | 4.96 |  |
| Hickory MSA                            | 436                       | 4.27                               | 0.00                   | 0.00         | 5.99                        | 2.98         | 87.50   | 83.26        | 6.51                     | 13.76        | 4.22    | 0.00                                       | 3.92 | 3.84 | 8.39 |  |
| Jacksonville MSA                       | 222                       | 2.17                               | 0.00                   | 0.00         | 3.55                        | 4.07         | 79.85   | 81.00        | 16.60                    | 14.93        | 3.67    | 0.00                                       | 4.17 | 3.37 | 5.35 |  |
| Lee-Moore Non-Metro                    | 404                       | 3.96                               | 0.00                   | 0.00         | 3.15                        | 0.25         | 44.55   | 25.99        | 52.30                    | 73.76        | 8.43    | 0.00                                       | 1.56 | 7.40 | 9.13 |  |
| Northeastern NC Non-Metro              | 464                       | 4.55                               | 0.99                   | 0.00         | 22.81                       | 1.94         | 53.18   | 46.77        | 23.02                    | 51.29        | 7.25    | 0.00                                       | 2.07 | 7.89 | 7.16 |  |
| Northwestern NC Non-Metro              | 273                       | 2.68                               | 0.00                   | 0.00         | 7.04                        | 5.86         | 90.70   | 82.05        | 2.26                     | 12.09        | 5.74    | 0.00                                       | 7.00 | 5.73 | 5.24 |  |
| Person County Non-Metro                | 30                        | 0.29                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 76.75   | 93.33        | 23.25                    | 6.67         | 2.53    | 0.00                                       | 0.00 | 3.28 | 0.00 |  |
| Rockingham County Non-Metro            | 77                        | 0.75                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 56.96   | 49.35        | 43.04                    | 50.65        | 3.14    | 0.00                                       | 0.00 | 2.43 | 3.77 |  |
| Rocky Mount MSA                        | 273                       | 2.68                               | 0.10                   | 0.00         | 11.43                       | 3.30         | 69.54   | 58.97        | 18.92                    | 37.73        | 6.39    | 0.00                                       | 1.63 | 5.64 | 9.44 |  |
| Sampson County Non-Metro               | 36                        | 0.35                               | 0.00                   | 0.00         | 20.39                       | 19.44        | 79.61   | 80.56        | 0.00                     | 0.00         | 2.96    | 0.00                                       | 0.00 | 3.48 | 0.00 |  |
| Southern NC Non-Metro                  | 69                        | 0.68                               | 2.58                   | 1.45         | 28.86                       | 10.14        | 62.09   | 62.32        | 6.47                     | 26.09        | 2.38    | 0.00                                       | 1.04 | 2.34 | 5.56 |  |
| Statesville Non-Metro                  | 252                       | 2.46                               | 0.00                   | 0.00         | 1.36                        | 0.40         | 30.94   | 20.32        | 67.69                    | 79.28        | 3.83    | 0.00                                       | 0.00 | 2.37 | 4.42 |  |
| Western NC Non-Metro                   | 872                       | 8.53                               | 0.00                   | 0.00         | 8.43                        | 7.24         | 77.01   | 76.67        | 14.56                    | 16.09        | 5.43    | 0.00                                       | 7.12 | 5.57 | 4.54 |  |
| Wilmington MSA                         | 494                       | 4.84                               | 4.23                   | 1.01         | 12.53                       | 5.26         | 43.73   | 41.50        | 39.51                    | 52.23        | 4.45    | 2.56                                       | 3.77 | 3.85 | 5.35 |  |
| Wilson Non-Metro                       | 80                        | 0.78                               | 2.32                   | 2.50         | 12.87                       | 5.00         | 55.37   | 27.50        | 29.44                    | 65.00        | 4.40    | 4.00                                       | 2.74 | 2.02 | 6.99 |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              | Geography: STATE OF NORTH CAROLINA |                        |              |                             |              |                           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |              |                                |       |       |      |       |
|---|------------------------------|------------------------------------|------------------------|--------------|-----------------------------|--------------|---------------------------|---|--------------------------|--------------|--------------------------------|-------|-------|------|-------|
| 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                            | 202                          | 18.53                              | 0.92                   | 0.00         | 10.70                       | 5.45         | 64.92                     | 71.78   | 23.47                    | 22.77        | 3.82                           | 0.00  | 3.23  | 3.75 | 4.59  |
| Raleigh MSA                               | 195                          | 17.89                              | 1.28                   | 1.54         | 19.97                       | 16.41        | 46.72                     | 55.90   | 32.03                    | 26.15        | 4.37                           | 0.00  | 2.51  | 5.03 | 4.81  |
| <b>Limited Review:</b>                    |                              |                                    |                        |              |                             |              |                           |   |                          |              |                                |       |       |      |       |
| Albemarle Non-Metro                       | 10                           | 0.92                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 78.43                     | 100.00  | 21.57                    | 0.00         | 1.32                           | 0.00  | 0.00  | 1.75 | 0.00  |
| Asheville MSA                             | 78                           | 7.16                               | 0.37                   | 0.00         | 12.19                       | 15.38        | 71.05                     | 64.10   | 16.37                    | 20.51        | 5.86                           | 0.00  | 7.32  | 6.25 | 2.44  |
| Eastern NC Non-Metro                      | 77                           | 7.06                               | 0.82                   | 0.00         | 8.65                        | 6.49         | 70.08                     | 85.71   | 20.45                    | 7.79         | 6.75                           | 0.00  | 2.27  | 9.06 | 1.20  |
| Fayetteville MSA                          | 27                           | 2.48                               | 0.85                   | 0.00         | 10.19                       | 11.11        | 69.03                     | 70.37   | 19.93                    | 18.52        | 2.93                           | 0.00  | 4.65  | 2.68 | 3.13  |
| Goldsboro MSA                             | 13                           | 1.19                               | 0.10                   | 0.00         | 5.77                        | 0.00         | 77.10                     | 92.31   | 17.03                    | 7.69         | 3.68                           | 0.00  | 0.00  | 3.55 | 6.67  |
| Greenville MSA                            | 14                           | 1.28                               | 4.03                   | 0.00         | 17.85                       | 35.71        | 45.05                     | 14.29   | 33.06                    | 50.00        | 3.16                           | 0.00  | 3.70  | 2.41 | 4.65  |
| Hickory MSA                               | 83                           | 7.61                               | 0.00                   | 0.00         | 5.99                        | 7.23         | 87.50                     | 85.54   | 6.51                     | 7.23         | 4.26                           | 0.00  | 5.36  | 4.13 | 4.88  |
| Jacksonville MSA                          | 13                           | 1.19                               | 0.00                   | 0.00         | 3.55                        | 0.00         | 79.85                     | 84.62   | 16.60                    | 15.38        | 1.57                           | 0.00  | 0.00  | 1.64 | 1.59  |
| Lee-Moore Non-Metro                       | 7                            | 0.64                               | 0.00                   | 0.00         | 3.15                        | 0.00         | 44.55                     | 28.57   | 52.30                    | 71.43        | 2.07                           | 0.00  | 0.00  | 1.12 | 3.13  |
| Northeastern NC Non-Metro                 | 50                           | 4.59                               | 0.99                   | 0.00         | 22.81                       | 10.00        | 53.18                     | 56.00   | 23.02                    | 34.00        | 8.94                           | 0.00  | 5.71  | 8.39 | 11.94 |
| Northwestern NC Non-Metro                 | 56                           | 5.14                               | 0.00                   | 0.00         | 7.04                        | 16.07        | 90.70                     | 76.79   | 2.26                     | 7.14         | 8.33                           | 0.00  | 25.00 | 6.56 | 20.00 |
| Person County Non-Metro                   | 10                           | 0.92                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 76.75                     | 50.00   | 23.25                    | 50.00        | 2.41                           | 0.00  | 0.00  | 1.52 | 5.88  |
| Rockingham County Non-Metro               | 10                           | 0.92                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 56.96                     | 60.00   | 43.04                    | 40.00        | 1.75                           | 0.00  | 0.00  | 3.13 | 0.00  |
| Rocky Mount MSA                           | 15                           | 1.38                               | 0.10                   | 0.00         | 11.43                       | 20.00        | 69.54                     | 60.00   | 18.92                    | 20.00        | 2.24                           | 0.00  | 4.35  | 1.94 | 2.56  |
| Sampson County Non-Metro                  | 8                            | 0.73                               | 0.00                   | 0.00         | 20.39                       | 0.00         | 79.61                     | 100.00  | 0.00                     | 0.00         | 6.25                           | 0.00  | 0.00  | 7.41 | 0.00  |
| Southern NC Non-Metro                     | 38                           | 3.49                               | 2.58                   | 0.00         | 28.86                       | 23.68        | 62.09                     | 55.26   | 6.47                     | 21.05        | 6.38                           | 0.00  | 1.59  | 8.62 | 16.67 |
| Statesville Non-Metro                     | 15                           | 1.38                               | 0.00                   | 0.00         | 1.36                        | 0.00         | 30.94                     | 26.67   | 67.69                    | 73.33        | 3.85                           | 0.00  | 0.00  | 1.41 | 4.91  |
| Western NC Non-Metro                      | 132                          | 12.11                              | 0.00                   | 0.00         | 8.43                        | 19.70        | 77.01                     | 71.97   | 14.56                    | 8.33         | 8.08                           | 0.00  | 38.71 | 6.53 | 5.32  |
| Wilmington MSA                            | 30                           | 2.75                               | 4.23                   | 10.00        | 12.53                       | 3.33         | 43.73                     | 53.33   | 39.51                    | 33.33        | 3.86                           | 11.11 | 0.00  | 5.49 | 2.56  |
| Wilson Non-Metro                          | 7                            | 0.64                               | 2.32                   | 0.00         | 12.87                       | 14.29        | 55.37                     | 57.14   | 29.44                    | 28.57        | 4.26                           | 0.00  | 8.33  | 2.86 | 8.33  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     | Geography: STATE OF NORTH CAROLINA |                        |              |                             |              |                           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |              |                                |       |       |      |       |
|--|-------------------------------------|------------------------------------|------------------------|--------------|-----------------------------|--------------|---------------------------|---|--------------------------|--------------|--------------------------------|-------|-------|------|-------|
| 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 | Overall                        | Low   | Mod   | Mid  | Upp   |
| <b>Full Review:</b>                              |                                     |                                    |                        |              |                             |              |                           |   |                          |              |                                |       |       |      |       |
| Greensboro MSA                                   | 4,398                               | 21.73                              | 0.92                   | 0.66         | 10.70                       | 6.30         | 64.92                     | 55.87   | 23.47                    | 37.17        | 4.62                           | 3.96  | 3.61  | 4.21 | 5.55  |
| Raleigh MSA                                      | 4,719                               | 23.31                              | 1.28                   | 0.76         | 19.97                       | 10.18        | 46.72                     | 50.27   | 32.03                    | 38.80        | 4.07                           | 4.69  | 3.85  | 4.00 | 4.22  |
| <b>Limited Review:</b>                           |                                     |                                    |                        |              |                             |              |                           |   |                          |              |                                |       |       |      |       |
| Albemarle Non-Metro                              | 194                                 | 0.96                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 78.43                     | 78.87   | 21.57                    | 21.13        | 8.01                           | 0.00  | 0.00  | 7.37 | 11.21 |
| Asheville MSA                                    | 1,087                               | 5.37                               | 0.37                   | 0.55         | 12.19                       | 9.38         | 71.05                     | 68.63   | 16.37                    | 21.44        | 3.74                           | 1.43  | 3.09  | 3.51 | 5.01  |
| Eastern NC Non-Metro                             | 907                                 | 4.48                               | 0.82                   | 0.22         | 8.65                        | 6.28         | 70.08                     | 62.07   | 20.45                    | 31.42        | 4.81                           | 7.14  | 4.97  | 5.04 | 4.43  |
| Fayetteville MSA                                 | 512                                 | 2.53                               | 0.85                   | 0.59         | 10.19                       | 5.47         | 69.03                     | 66.80   | 19.93                    | 27.15        | 3.30                           | 0.00  | 2.23  | 3.28 | 3.59  |
| Goldsboro MSA                                    | 121                                 | 0.60                               | 0.10                   | 0.00         | 5.77                        | 5.79         | 77.10                     | 73.55   | 17.03                    | 20.66        | 2.20                           | 0.00  | 5.13  | 1.92 | 2.87  |
| Greenville MSA                                   | 357                                 | 1.76                               | 4.03                   | 3.36         | 17.85                       | 8.68         | 45.05                     | 33.33   | 33.06                    | 54.62        | 4.78                           | 12.68 | 5.88  | 3.37 | 5.40  |
| Hickory MSA                                      | 1,157                               | 5.72                               | 0.00                   | 0.00         | 5.99                        | 3.63         | 87.50                     | 87.73   | 6.51                     | 8.64         | 4.43                           | 0.00  | 4.27  | 4.41 | 4.68  |
| Jacksonville MSA                                 | 198                                 | 0.98                               | 0.00                   | 0.00         | 3.55                        | 1.01         | 79.85                     | 75.25   | 16.60                    | 23.74        | 2.96                           | 0.00  | 0.00  | 3.14 | 2.49  |
| Lee-Moore Non-Metro                              | 353                                 | 1.74                               | 0.00                   | 0.00         | 3.15                        | 1.70         | 44.55                     | 26.91   | 52.30                    | 71.39        | 3.75                           | 0.00  | 0.00  | 3.72 | 3.86  |
| Northeastern NC Non-Metro                        | 579                                 | 2.86                               | 0.99                   | 0.17         | 22.81                       | 3.80         | 53.18                     | 43.35   | 23.02                    | 52.68        | 5.72                           | 0.00  | 5.03  | 5.27 | 6.18  |
| Northwestern NC Non-Metro                        | 841                                 | 4.15                               | 0.00                   | 0.00         | 7.04                        | 8.10         | 90.70                     | 86.79   | 2.26                     | 5.12         | 7.01                           | 0.00  | 11.45 | 6.78 | 6.34  |
| Person County Non-Metro                          | 87                                  | 0.43                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 76.75                     | 71.26   | 23.25                    | 28.74        | 4.60                           | 0.00  | 0.00  | 4.53 | 4.82  |
| Rockingham County Non-Metro                      | 230                                 | 1.14                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 56.96                     | 41.74   | 43.04                    | 58.26        | 4.28                           | 0.00  | 0.00  | 3.76 | 4.74  |
| Rocky Mount MSA                                  | 388                                 | 1.92                               | 0.10                   | 0.26         | 11.43                       | 6.70         | 69.54                     | 60.31   | 18.92                    | 32.73        | 6.12                           | 33.33 | 7.26  | 5.22 | 8.21  |
| Sampson County Non-Metro                         | 88                                  | 0.43                               | 0.00                   | 0.00         | 20.39                       | 15.91        | 79.61                     | 84.09   | 0.00                     | 0.00         | 3.65                           | 0.00  | 2.79  | 3.83 | 0.00  |
| Southern NC Non-Metro                            | 171                                 | 0.85                               | 2.58                   | 0.58         | 28.86                       | 17.54        | 62.09                     | 56.73   | 6.47                     | 25.15        | 3.70                           | 0.00  | 1.80  | 3.24 | 10.53 |
| Statesville Non-Metro                            | 703                                 | 3.47                               | 0.00                   | 0.00         | 1.36                        | 0.43         | 30.94                     | 24.04   | 67.69                    | 75.53        | 5.95                           | 0.00  | 2.38  | 6.08 | 5.94  |
| Western NC Non-Metro                             | 2,120                               | 10.47                              | 0.00                   | 0.00         | 8.43                        | 8.54         | 77.01                     | 74.56   | 14.56                    | 16.89        | 5.91                           | 0.00  | 10.87 | 5.69 | 5.48  |
| Wilmington MSA                                   | 777                                 | 3.84                               | 4.23                   | 2.96         | 12.53                       | 5.79         | 43.73                     | 39.12   | 39.51                    | 52.12        | 4.16                           | 4.07  | 3.07  | 3.93 | 4.49  |
| Wilson Non-Metro                                 | 252                                 | 1.25                               | 2.32                   | 1.98         | 12.87                       | 5.16         | 55.37                     | 40.48   | 29.44                    | 52.38        | 8.64                           | 4.76  | 3.97  | 8.25 | 9.96  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 5. Geographic Distribution of Multifamily Loans**

| Geographic Distribution: MULTIFAMILY |                         | Geography: STATE OF NORTH CAROLINA |                        |              |                             |              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |              |                          |              |         | Market Share (%) by Geography |       |       |       |  |
|--------------------------------------|-------------------------|------------------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|-------------------------------|-------|-------|-------|--|
| MA/Assessment Area:                  | Total Multifamily Loans |                                    | Low-Income Geographies |              | Moderate-Income Geographies |              | Middle-Income Geographies                               |              | Upper-Income Geographies |              | Overall | 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>                  |                         |                                    |                        |              |                             |              |   |              |                          |              |         |                               |       |       |       |  |
| Greensboro MSA                       | 8                       | 14.04                              | 7.19                   | 12.50        | 17.16                       | 37.50        | 55.04   | 37.50        | 20.61                    | 12.50        | 4.21    | 20.00                         | 9.52  | 1.69  | 0.00  |  |
| Raleigh MSA                          | 13                      | 22.81                              | 10.15                  | 0.00         | 16.30                       | 15.38        | 41.49   | 53.85        | 31.82                    | 30.77        | 5.26    | 0.00                          | 0.00  | 3.70  | 25.00 |  |
| <b>Limited Review:</b>               |                         |                                    |                        |              |                             |              |   |              |                          |              |         |                               |       |       |       |  |
| Albemarle Non-Metro                  | 0                       | 0.00                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 47.77   | 0.00         | 52.23                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Asheville MSA                        | 3                       | 5.26                               | 4.57                   | 0.00         | 34.90                       | 33.33        | 50.36   | 0.00         | 10.17                    | 66.67        | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Eastern NC Non-Metro                 | 3                       | 5.26                               | 6.04                   | 0.00         | 21.06                       | 33.33        | 32.83   | 66.67        | 40.07                    | 0.00         | 16.67   | 0.00                          | 0.00  | 100.0 | 0.00  |  |
| Fayetteville MSA                     | 1                       | 1.75                               | 4.96                   | 0.00         | 31.05                       | 0.00         | 49.50   | 100.00       | 14.49                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Goldston MSA                         | 1                       | 1.75                               | 4.84                   | 0.00         | 17.68                       | 100.00       | 49.32   | 0.00         | 28.16                    | 0.00         | 33.33   | 0.00                          | 33.33 | 0.00  | 0.00  |  |
| Greenville MSA                       | 8                       | 14.04                              | 6.70                   | 0.00         | 12.97                       | 0.00         | 28.63   | 25.00        | 51.69                    | 75.00        | 17.39   | 0.00                          | 0.00  | 0.00  | 20.00 |  |
| Hickory MSA                          | 3                       | 5.26                               | 0.00                   | 0.00         | 10.98                       | 0.00         | 75.15   | 66.67        | 13.87                    | 33.33        | 4.35    | 0.00                          | 0.00  | 5.56  | 0.00  |  |
| Jacksonville MSA                     | 2                       | 3.51                               | 0.00                   | 0.00         | 5.66                        | 0.00         | 85.15   | 50.00        | 9.20                     | 50.00        | 25.00   | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Lee-Moore Non-Metro                  | 1                       | 1.75                               | 0.00                   | 0.00         | 12.36                       | 0.00         | 47.77   | 100.00       | 39.86                    | 0.00         | 50.00   | 0.00                          | 0.00  | 50.00 | 0.00  |  |
| Northeastern NC Non-Metro            | 1                       | 1.75                               | 12.11                  | 0.00         | 10.05                       | 0.00         | 27.09   | 0.00         | 50.75                    | 100.00       | 16.67   | 0.00                          | 0.00  | 0.00  | 100.0 |  |
| Northwestern NC Non-Metro            | 0                       | 0.00                               | 0.00                   | 0.00         | 3.93                        | 0.00         | 75.56   | 0.00         | 20.51                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Person County Non-Metro              | 0                       | 0.00                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 84.87   | 0.00         | 15.13                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Rockingham County Non-Metro          | 0                       | 0.00                               | 0.00                   | 0.00         | 0.00                        | 0.00         | 65.21   | 0.00         | 34.79                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Rocky Mount MSA                      | 5                       | 8.77                               | 1.24                   | 0.00         | 17.12                       | 0.00         | 31.66   | 80.00        | 49.97                    | 20.00        | 12.50   | 0.00                          | 0.00  | 100.0 | 0.00  |  |
| Sampson County Non-Metro             | 0                       | 0.00                               | 0.00                   | 0.00         | 2.24                        | 0.00         | 97.76   | 0.00         | 0.00                     | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Southern NC Non-Metro                | 0                       | 0.00                               | 15.34                  | 0.00         | 17.12                       | 0.00         | 43.49   | 0.00         | 24.06                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Statesville Non-Metro                | 0                       | 0.00                               | 0.00                   | 0.00         | 0.31                        | 0.00         | 19.98   | 0.00         | 79.71                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |
| Western NC Non-Metro                 | 4                       | 7.02                               | 0.00                   | 0.00         | 11.30                       | 0.00         | 73.63   | 50.00        | 15.07                    | 50.00        | 14.29   | 0.00                          | 0.00  | 7.69  | 25.00 |  |
| Wilmington MSA                       | 4                       | 7.02                               | 11.38                  | 0.00         | 21.12                       | 0.00         | 40.94   | 75.00        | 26.56                    | 25.00        | 23.08   | 0.00                          | 0.00  | 33.33 | 0.00  |  |
| Wilson Non-Metro                     | 0                       | 0.00                               | 9.80                   | 0.00         | 26.00                       | 0.00         | 37.00   | 0.00         | 30.50                    | 0.00         | 0.00    | 0.00                          | 0.00  | 0.00  | 0.00  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: <b>SMALL LOANS TO BUSINESSES</b> |                            | Geography: <b>STATE OF NORTH CAROLINA</b> |                        |              |                             |              |                           | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |              |                                |      |      |      |       |
|---|----------------------------|---|------------------------|--------------|-----------------------------|--------------|---------------------------|--|--------------------------|--------------|--------------------------------|------|------|------|-------|
| 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>                                       |                            |   |                        |              |                             |              |                           |  |                          |              |                                |      |      |      |       |
| Greensboro MSA  | 3,082                      | 20.25                                     | 1.83                   | 1.41         | 18.77                       | 17.97        | 56.11                     | 49.61  | 23.29                    | 31.01        | 3.70                           | 3.98 | 3.56 | 3.25 | 4.60  |
| Raleigh MSA   | 3,358                      | 22.10                                     | 2.64                   | 2.87         | 17.95                       | 12.87        | 47.83                     | 42.76  | 30.65                    | 41.50        | 4.00                           | 5.86 | 3.17 | 3.32 | 5.40  |
| <b>Limited Review:</b>                                    |                            |   |                        |              |                             |              |                           |  |                          |              |                                |      |      |      |       |
| Albemarle Non-Metro                                       | 99                         | 0.70                                      | 0.00                   | 0.00         | 0.00                        | 0.00         | 77.11                     | 84.69  | 22.89                    | 15.31        | 3.82                           | 0.00 | 0.00 | 4.63 | 2.17  |
| Asheville MSA   | 990                        | 6.50                                      | 0.84                   | 0.61         | 26.64                       | 32.82        | 58.08                     | 52.50  | 14.45                    | 14.07        | 4.70                           | 2.70 | 6.55 | 4.54 | 3.79  |
| Eastern NC Non-Metro                                      | 1,322                      | 8.71                                      | 0.74                   | 0.08         | 15.30                       | 11.88        | 64.03                     | 71.49  | 19.93                    | 16.55        | 5.38                           | 0.00 | 5.99 | 6.07 | 3.80  |
| Fayetteville MSA  | 307                        | 2.03                                      | 7.47                   | 7.57         | 17.53                       | 9.87         | 53.68                     | 47.04  | 21.33                    | 35.53        | 2.91                           | 5.08 | 2.37 | 2.59 | 3.81  |
| Goldsboro MSA   | 211                        | 1.40                                      | 5.00                   | 0.48         | 15.37                       | 14.29        | 56.88                     | 61.43  | 22.75                    | 23.81        | 2.67                           | 0.00 | 2.82 | 2.95 | 2.72  |
| Greenville MSA  | 416                        | 2.72                                      | 4.81                   | 5.39         | 23.21                       | 18.87        | 31.17                     | 27.21  | 40.82                    | 48.53        | 4.15                           | 6.06 | 4.41 | 3.21 | 4.80  |
| Hickory MSA   | 655                        | 4.25                                      | 0.00                   | 0.00         | 11.96                       | 11.62        | 79.72                     | 75.04  | 8.32                     | 13.34        | 3.08                           | 0.00 | 4.55 | 2.86 | 3.78  |
| Jacksonville MSA  | 254                        | 1.68                                      | 0.00                   | 0.00         | 11.35                       | 9.13         | 73.44                     | 64.29  | 15.21                    | 26.59        | 3.02                           | 0.00 | 1.93 | 2.89 | 4.86  |
| Lee-Moore Non-Metro                                       | 219                        | 1.44                                      | 0.00                   | 0.00         | 9.46                        | 2.33         | 46.77                     | 49.30  | 43.76                    | 48.37        | 1.91                           | 0.00 | 0.33 | 2.41 | 1.79  |
| Northeastern NC Non-Metro                                 | 589                        | 3.86                                      | 2.77                   | 2.08         | 12.86                       | 10.55        | 49.51                     | 40.83  | 34.87                    | 46.54        | 3.60                           | 1.30 | 3.60 | 2.50 | 7.60  |
| Northwestern NC Non-Metro                                 | 592                        | 3.85                                      | 0.00                   | 0.00         | 8.93                        | 13.69        | 83.84                     | 78.86  | 7.23                     | 7.45         | 4.52                           | 0.00 | 7.23 | 4.39 | 6.89  |
| Person County Non-Metro                                   | 69                         | 0.46                                      | 0.00                   | 0.00         | 0.00                        | 0.00         | 83.96                     | 86.96  | 16.04                    | 13.04        | 4.64                           | 0.00 | 0.00 | 5.21 | 4.03  |
| Rockingham County Non-Metro                               | 110                        | 0.71                                      | 0.00                   | 0.00         | 0.00                        | 0.00         | 51.34                     | 44.86  | 48.66                    | 55.14        | 2.62                           | 0.00 | 0.00 | 2.27 | 2.85  |
| Rocky Mount MSA   | 275                        | 1.78                                      | 1.65                   | 0.00         | 9.82                        | 7.89         | 56.75                     | 58.27  | 31.78                    | 33.83        | 4.05                           | 0.00 | 4.55 | 3.90 | 4.87  |
| Sampson County Non-Metro                                  | 83                         | 0.55                                      | 0.00                   | 0.00         | 13.39                       | 19.51        | 86.61                     | 80.49  | 0.00                     | 0.00         | 2.99                           | 0.00 | 4.03 | 2.83 | 0.00  |
| Southern NC Non-Metro                                     | 228                        | 1.51                                      | 4.11                   | 0.00         | 30.36                       | 19.47        | 55.46                     | 62.39  | 10.07                    | 18.14        | 2.40                           | 0.00 | 1.97 | 2.76 | 3.24  |
| Statesville Non-Metro                                     | 426                        | 2.80                                      | 0.00                   | 0.00         | 2.29                        | 1.43         | 29.79                     | 26.67  | 67.93                    | 71.90        | 5.63                           | 0.00 | 6.52 | 5.38 | 5.98  |
| Western NC Non-Metro                                      | 1,001                      | 6.60                                      | 0.00                   | 0.00         | 10.82                       | 8.75         | 75.06                     | 72.19  | 14.12                    | 19.10        | 3.40                           | 0.00 | 3.60 | 3.40 | 3.30  |
| Wilmington MSA  | 598                        | 3.95                                      | 10.72                  | 12.33        | 14.00                       | 8.78         | 41.22                     | 34.97  | 34.02                    | 43.92        | 3.52                           | 5.34 | 2.88 | 2.71 | 4.46  |
| Wilson Non-Metro  | 329                        | 2.16                                      | 8.35                   | 2.16         | 19.21                       | 8.64         | 48.56                     | 35.49  | 23.88                    | 53.70        | 7.68                           | 2.97 | 3.48 | 6.46 | 13.67 |

\* Based on 2002 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 (2002).



Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|-------|-----|
| Geography: STATE OF NORTH CAROLINA                      |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| 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 |
| <b>Full Review:</b>                                     |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Greensboro MSA  | 32                     | 4.56         | 0.32                   | 0.00         | 8.95                        | 12.50        | 71.25                     | 75.00        | 19.49                    | 12.50        | 3.80                           | 0.00         | 3.45    | 4.17  | 0.00  |     |
| Raleigh MSA   | 38                     | 5.42         | 0.39                   | 0.00         | 29.81                       | 42.11        | 50.37                     | 39.47        | 19.38                    | 18.42        | 2.74                           | 0.00         | 1.82    | 3.65  | 11.54 |     |
| <b>Limited Review:</b>                                  |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Albemarle Non-Metro                                     | 22                     | 3.14         | 0.00                   | 0.00         | 0.00                        | 0.00         | 0.00                      | 0.00         | 0.00                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Asheville MSA   | 3                      | 0.43         | 0.00                   | 0.00         | 0.00                        | 0.00         | 83.10                     | 100.00       | 16.90                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Eastern NC Non-Metro                                    | 11                     | 1.57         | 0.27                   | 0.00         | 14.71                       | 9.09         | 70.59                     | 90.91        | 14.44                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Fayetteville MSA  | 262                    | 37.38        | 0.09                   | 0.00         | 8.08                        | 17.18        | 81.24                     | 77.86        | 10.58                    | 4.96         | 19.72                          | 0.00         | 26.19   | 19.18 | 11.11 |     |
| Goldsboro MSA   | 3                      | 0.43         | 1.08                   | 0.00         | 10.43                       | 0.00         | 66.91                     | 66.67        | 21.58                    | 33.33        | 10.00                          | 0.00         | 0.00    | 8.33  | 16.67 |     |
| Greenville MSA  | 27                     | 3.85         | 0.25                   | 0.00         | 3.54                        | 7.41         | 84.34                     | 88.89        | 11.87                    | 3.70         | 5.68                           | 0.00         | 100.00  | 5.06  | 0.00  |     |
| Hickory MSA   | 56                     | 7.99         | 0.00                   | 0.00         | 24.79                       | 39.29        | 54.04                     | 50.00        | 21.17                    | 10.71        | 16.11                          | 0.00         | 20.00   | 14.89 | 17.65 |     |
| Jacksonville MSA  | 6                      | 0.86         | 0.00                   | 0.00         | 3.35                        | 0.00         | 92.11                     | 100.00       | 4.54                     | 0.00         | 4.55                           | 0.00         | 0.00    | 4.60  | 0.00  |     |
| Lee-Moore Non-Metro                                     | 12                     | 1.71         | 0.00                   | 0.00         | 4.55                        | 0.00         | 86.36                     | 91.67        | 9.09                     | 8.33         | 9.23                           | 0.00         | 0.00    | 9.68  | 0.00  |     |
| Northeastern NC Non-Metro                               | 1                      | 0.14         | 0.00                   | 0.00         | 2.35                        | 0.00         | 47.51                     | 0.00         | 50.15                    | 100.00       | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Northwestern NC Non-Metro                               | 67                     | 9.56         | 0.40                   | 0.00         | 20.83                       | 8.96         | 63.89                     | 86.57        | 14.88                    | 4.48         | 8.36                           | 0.00         | 2.44    | 13.81 | 2.50  |     |
| Person County Non-Metro                                 | 28                     | 3.99         | 0.00                   | 0.00         | 6.14                        | 14.29        | 92.57                     | 85.71        | 1.29                     | 0.00         | 6.67                           | 0.00         | 37.50   | 5.19  | 0.00  |     |
| Rockingham County Non-Metro                             | 8                      | 1.14         | 0.00                   | 0.00         | 0.00                        | 0.00         | 58.87                     | 100.00       | 41.13                    | 0.00         | 13.64                          | 0.00         | 0.00    | 20.00 | 0.00  |     |
| Rocky Mount MSA   | 11                     | 1.57         | 0.00                   | 0.00         | 0.00                        | 0.00         | 31.08                     | 0.00         | 68.92                    | 100.00       | 19.23                          | 0.00         | 0.00    | 0.00  | 27.78 |     |
| Sampson County Non-Metro                                | 28                     | 3.99         | 0.26                   | 0.00         | 1.29                        | 0.00         | 82.26                     | 96.43        | 16.20                    | 3.57         | 9.49                           | 0.00         | 0.00    | 9.49  | 7.14  |     |
| Southern NC Non-Metro                                   | 36                     | 5.14         | 0.00                   | 0.00         | 25.95                       | 36.11        | 74.05                     | 63.89        | 0.00                     | 0.00         | 4.80                           | 0.00         | 7.29    | 3.80  | 0.00  |     |
| Statesville Non-Metro                                   | 17                     | 2.43         | 0.50                   | 0.00         | 37.31                       | 29.41        | 58.37                     | 58.82        | 3.81                     | 11.76        | 3.30                           | 0.00         | 1.59    | 3.51  | 25.00 |     |
| Western NC Non-Metro                                    | 8                      | 1.14         | 0.00                   | 0.00         | 0.31                        | 0.00         | 44.41                     | 75.00        | 55.28                    | 25.00        | 9.09                           | 0.00         | 0.00    | 13.04 | 0.00  |     |
| Wilmington MSA  | 3                      | 0.43         | 3.20                   | 33.33        | 8.40                        | 0.00         | 52.00                     | 66.67        | 36.40                    | 0.00         | 5.26                           | 0.00         | 0.00    | 11.11 | 0.00  |     |
| Wilson Non-Metro  | 22                     | 3.14         | 0.45                   | 0.00         | 5.00                        | 0.00         | 78.64                     | 100.00       | 15.91                    | 0.00         | 13.43                          | 0.00         | 0.00    | 14.52 | 0.00  |     |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF NORTH CAROLINA |                      |                  |                           |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                  |                        |                  |         | Market Share* |      |      |      |  |
|--------------------------------------|---------------------------|------------------------------------|----------------------|------------------|---------------------------|------------------|---|------------------|------------------------|------------------|---------|---------------|------|------|------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                                    | Low-Income Borrowers |                  | Moderate-Income Borrowers |                  | Middle-Income Borrowers                                 |                  | Upper-Income Borrowers |                  | Overall | Low           | Mod  | Mid  | Upp  |  |
|                                      | #                         | % of Total**                       | % Families***        | % BANK Loans**** | % Families***             | % BANK Loans**** | % Families***   | % BANK Loans**** | % Families***          | % BANK Loans**** |         |               |      |      |      |  |
| <b>Full Review:</b>                  |                           |                                    |                      |                  |                           |                  |   |                  |                        |                  |         |               |      |      |      |  |
| Greensboro MSA                       | 2,070                     | 20.29                              | 18.82                | 10.00            | 18.46                     | 25.60            | 24.77   | 23.10            | 37.95                  | 41.40            | 3.40    | 3.70          | 3.07 | 2.96 | 3.91 |  |
| Raleigh MSA                          | 2,639                     | 25.80                              | 18.97                | 10.77            | 17.82                     | 23.13            | 24.61   | 22.68            | 38.60                  | 43.41            | 3.41    | 3.14          | 2.93 | 3.00 | 4.29 |  |
| <b>Limited Review:</b>               |                           |                                    |                      |                  |                           |                  |   |                  |                        |                  |         |               |      |      |      |  |
| Albemarle Non-Metro                  | 43                        | 0.42                               | 15.80                | 0.00             | 16.29                     | 19.51            | 24.98   | 31.71            | 42.94                  | 48.78            | 4.29    | 0.00          | 3.85 | 2.61 | 5.91 |  |
| Asheville MSA                        | 503                       | 4.93                               | 19.40                | 7.60             | 18.07                     | 19.15            | 24.78   | 16.81            | 37.75                  | 56.38            | 4.04    | 2.38          | 3.36 | 2.61 | 5.47 |  |
| Eastern NC Non-Metro                 | 450                       | 4.41                               | 20.30                | 3.50             | 17.17                     | 16.64            | 22.09   | 19.11            | 40.44                  | 60.61            | 4.38    | 2.51          | 4.60 | 3.50 | 4.87 |  |
| Fayetteville MSA                     | 162                       | 1.59                               | 18.49                | 3.33             | 19.67                     | 14.00            | 22.38   | 24.67            | 39.46                  | 58.00            | 1.77    | 2.02          | 1.25 | 0.99 | 2.56 |  |
| Goldsboro                            | 45                        | 0.44                               | 19.64                | 6.98             | 17.64                     | 18.60            | 23.59   | 18.60            | 39.13                  | 55.81            | 1.58    | 0.00          | 2.03 | 0.89 | 2.09 |  |
| Greenville MSA                       | 319                       | 3.13                               | 24.29                | 5.71             | 16.19                     | 26.35            | 19.25   | 18.10            | 40.27                  | 49.84            | 4.45    | 3.19          | 5.15 | 3.30 | 4.90 |  |
| Hickory MSA                          | 436                       | 4.27                               | 17.26                | 9.62             | 18.49                     | 28.61            | 27.76   | 19.00            | 36.49                  | 43.03            | 4.54    | 3.97          | 4.85 | 3.75 | 5.19 |  |
| Jacksonville MSA                     | 222                       | 2.17                               | 14.87                | 0.00             | 20.68                     | 18.80            | 26.40   | 32.93            | 38.05                  | 48.36            | 4.06    | 0.00          | 5.25 | 4.30 | 3.70 |  |
| Lee-Moore Non-Metro                  | 404                       | 3.96                               | 14.91                | 4.40             | 14.27                     | 16.32            | 21.49   | 17.62            | 49.33                  | 61.66            | 8.65    | 12.00         | 7.77 | 6.08 | 9.87 |  |
| Northeastern NC Non-Metro            | 464                       | 4.55                               | 22.24                | 1.20             | 17.68                     | 6.97             | 22.19   | 10.34            | 37.89                  | 81.49            | 7.62    | 2.22          | 5.02 | 3.12 | 9.65 |  |
| Northwestern NC Non-Metro            | 273                       | 2.68                               | 19.14                | 5.69             | 19.25                     | 17.48            | 23.87   | 19.92            | 37.74                  | 56.91            | 5.73    | 3.15          | 6.62 | 6.07 | 5.64 |  |
| Person County Non-Metro              | 30                        | 0.29                               | 15.90                | 3.45             | 16.39                     | 10.34            | 21.22   | 17.24            | 46.49                  | 68.97            | 2.73    | 0.00          | 1.94 | 0.75 | 4.89 |  |
| Rockingham County Non-Metro          | 77                        | 0.75                               | 16.18                | 5.19             | 15.61                     | 22.08            | 23.05   | 29.87            | 45.16                  | 42.86            | 3.72    | 3.85          | 3.38 | 3.99 | 3.68 |  |
| Rocky Mount MSA                      | 273                       | 2.68                               | 21.28                | 7.89             | 17.72                     | 19.55            | 20.77   | 26.32            | 40.23                  | 45.49            | 7.29    | 4.25          | 6.79 | 7.19 | 8.93 |  |
| Sampson County Non-Metro             | 36                        | 0.35                               | 25.95                | 13.89            | 19.37                     | 13.89            | 22.12   | 19.44            | 32.55                  | 52.78            | 3.15    | 5.26          | 1.05 | 3.15 | 3.78 |  |
| Southern NC Non-Metro                | 69                        | 0.68                               | 27.97                | 11.76            | 17.86                     | 17.65            | 20.24   | 16.18            | 33.93                  | 54.41            | 2.59    | 2.65          | 1.58 | 1.00 | 4.63 |  |
| Statesville Non-Metro                | 252                       | 2.46                               | 12.92                | 2.22             | 14.97                     | 13.78            | 21.08   | 13.33            | 51.03                  | 70.67            | 3.77    | 3.80          | 4.32 | 1.10 | 4.73 |  |
| Western NC Non-Metro                 | 872                       | 8.53                               | 18.02                | 4.64             | 17.90                     | 18.32            | 22.88   | 21.25            | 41.21                  | 55.80            | 6.10    | 5.78          | 5.64 | 5.21 | 6.73 |  |
| Wilmington MSA                       | 494                       | 4.84                               | 19.64                | 4.63             | 15.82                     | 18.06            | 21.78   | 18.98            | 42.76                  | 58.33            | 4.41    | 4.73          | 4.55 | 3.56 | 4.74 |  |
| Wilson Non-Metro                     | 80                        | 0.78                               | 23.33                | 2.67             | 13.86                     | 14.67            | 19.19   | 14.67            | 43.63                  | 68.00            | 5.05    | 2.38          | 4.76 | 1.64 | 7.22 |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 6.41% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF NORTH CAROLINA |                      |                  |                           |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                  |                        |                  |         | Market Share <sup>*</sup> |       |       |       |  |
|---|------------------------------|------------------------------------|----------------------|------------------|---------------------------|------------------|---|------------------|------------------------|------------------|---------|---------------------------|-------|-------|-------|--|
| MA/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***             | % BANK Loans**** | % Families***   | % BANK Loans**** | % Families***          | % BANK Loans**** |         |                           |       |       |       |  |
| <b>Full Review:</b>                     |                              |                                    |                      |                  |                           |                  |   |                  |                        |                  |         |                           |       |       |       |  |
| Greensboro MSA                          | 202                          | 18.53                              | 18.82                | 13.37            | 18.46                     | 18.81            | 24.77   | 31.68            | 37.95                  | 36.14            | 4.17    | 3.10                      | 3.00  | 4.49  | 5.20  |  |
| Raleigh MSA                             | 195                          | 17.89                              | 18.97                | 15.38            | 17.82                     | 20.00            | 24.61   | 22.56            | 38.60                  | 42.05            | 4.93    | 6.05                      | 3.73  | 3.41  | 6.85  |  |
| <b>Limited Review:</b>                  |                              |                                    |                      |                  |                           |                  |   |                  |                        |                  |         |                           |       |       |       |  |
| Albemarle Non-Metro                     | 10                           | 0.92                               | 15.80                | 10.00            | 16.29                     | 40.00            | 24.98   | 0.00             | 42.94                  | 50.00            | 1.43    | 0.00                      | 0.00  | 0.00  | 3.45  |  |
| Asheville MSA                           | 78                           | 7.16                               | 19.40                | 7.69             | 18.07                     | 26.92            | 24.78   | 24.36            | 37.75                  | 41.03            | 8.15    | 7.69                      | 5.97  | 10.17 | 8.64  |  |
| Eastern NC Non-Metro                    | 77                           | 7.06                               | 20.30                | 15.58            | 17.17                     | 22.08            | 22.09   | 28.57            | 40.44                  | 33.77            | 8.43    | 31.58                     | 14.00 | 6.54  | 5.13  |  |
| Fayetteville MSA                        | 27                           | 2.48                               | 18.49                | 18.52            | 19.67                     | 3.70             | 22.38   | 29.63            | 39.46                  | 48.15            | 3.68    | 7.41                      | 1.67  | 4.27  | 3.46  |  |
| Goldspboro MSA                          | 13                           | 1.19                               | 19.64                | 0.00             | 17.64                     | 30.77            | 23.59   | 23.08            | 39.13                  | 46.15            | 4.14    | 0.00                      | 4.00  | 5.56  | 4.92  |  |
| Greenville MSA                          | 14                           | 1.28                               | 24.29                | 35.71            | 16.19                     | 28.57            | 19.25   | 7.14             | 40.27                  | 28.57            | 4.03    | 14.29                     | 4.00  | 2.94  | 1.96  |  |
| Hickory MSA                             | 83                           | 7.61                               | 17.26                | 13.25            | 18.49                     | 20.48            | 27.76   | 30.12            | 36.49                  | 36.14            | 4.83    | 3.48                      | 3.39  | 6.95  | 4.92  |  |
| Jacksonville MSA                        | 13                           | 1.19                               | 14.87                | 0.00             | 20.68                     | 30.77            | 26.40   | 38.46            | 38.05                  | 30.77            | 1.80    | 0.00                      | 6.25  | 2.68  | 0.57  |  |
| Lee-Moore Non-Metro                     | 7                            | 0.64                               | 14.91                | 14.29            | 14.27                     | 14.29            | 21.49   | 0.00             | 49.33                  | 71.43            | 2.25    | 3.57                      | 0.00  | 0.00  | 5.00  |  |
| Northeastern NC Non-Metro               | 50                           | 4.59                               | 22.24                | 18.00            | 17.68                     | 18.00            | 22.19   | 16.00            | 37.89                  | 48.00            | 10.95   | 13.33                     | 12.50 | 8.77  | 11.34 |  |
| Northwestern NC Non-Metro               | 56                           | 5.14                               | 19.14                | 28.57            | 19.25                     | 19.64            | 23.87   | 25.00            | 37.74                  | 26.79            | 9.39    | 26.92                     | 8.82  | 8.00  | 4.23  |  |
| Person County Non-Metro                 | 10                           | 0.92                               | 15.90                | 0.00             | 16.39                     | 30.00            | 21.22   | 20.00            | 46.49                  | 50.00            | 2.50    | 0.00                      | 7.14  | 5.56  | 0.00  |  |
| Rockingham County Non-Metro             | 10                           | 0.92                               | 16.18                | 0.00             | 15.61                     | 10.00            | 23.05   | 30.00            | 45.16                  | 60.00            | 1.87    | 0.00                      | 0.00  | 3.45  | 2.50  |  |
| Rocky Mount MSA                         | 15                           | 1.38                               | 21.28                | 20.00            | 17.72                     | 26.67            | 20.77   | 33.33            | 40.23                  | 20.00            | 2.65    | 3.13                      | 1.61  | 4.41  | 1.56  |  |
| Sampson County Non-Metro                | 8                            | 0.73                               | 25.95                | 25.00            | 19.37                     | 50.00            | 22.12   | 12.50            | 32.55                  | 12.50            | 6.67    | 0.00                      | 18.75 | 6.25  | 0.00  |  |
| Southern NC Non-Metro                   | 38                           | 3.49                               | 27.97                | 23.68            | 17.86                     | 23.71            | 20.24   | 18.40            | 33.93                  | 34.21            | 8.22    | 10.34                     | 8.33  | 5.56  | 8.89  |  |
| Statesville Non-Metro                   | 15                           | 1.38                               | 12.92                | 13.33            | 14.97                     | 13.33            | 21.08   | 6.67             | 51.03                  | 66.67            | 4.29    | 7.14                      | 3.70  | 0.00  | 6.19  |  |
| Western NC Non-Metro                    | 132                          | 12.11                              | 18.02                | 14.50            | 17.90                     | 26.70            | 22.88   | 27.50            | 41.21                  | 31.30            | 9.37    | 15.56                     | 8.16  | 10.69 | 7.41  |  |
| Wilmington MSA                          | 30                           | 2.75                               | 19.64                | 6.67             | 15.82                     | 10.00            | 21.78   | 36.67            | 42.76                  | 46.67            | 5.19    | 0.00                      | 0.00  | 7.14  | 6.15  |  |
| Wilson Non-Metro                        | 7                            | 0.64                               | 23.33                | 0.00             | 13.86                     | 42.86            | 19.19   | 0.00             | 43.63                  | 57.14            | 5.71    | 0.00                      | 7.69  | 0.00  | 10.00 |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.09% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF NORTH CAROLINA |                      |                  |                           |                  |                         | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |                  |               |       |      |      |       |
|--|-------------------------------------|------------------------------------|----------------------|------------------|---------------------------|------------------|-------------------------|---|------------------------|------------------|---------------|-------|------|------|-------|
| 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>                            |                                     |                                    |                      |                  |                           |                  |                         |   |                        |                  |               |       |      |      |       |
| Greensboro MSA                                 | 4,398                               | 21.73                              | 18.82                | 9.70             | 18.46                     | 18.67            | 24.77                   | 24.80   | 37.95                  | 46.83            | 5.21          | 5.53  | 4.68 | 4.79 | 5.63  |
| Raleigh MSA                                    | 4,719                               | 23.31                              | 18.97                | 8.80             | 17.82                     | 18.40            | 24.61                   | 22.80   | 38.60                  | 50.00            | 3.85          | 4.20  | 3.89 | 3.14 | 4.18  |
| <b>Limited Review:</b>                         |                                     |                                    |                      |                  |                           |                  |                         |   |                        |                  |               |       |      |      |       |
| Albemarle Non-Metro                            | 194                                 | 0.96                               | 15.80                | 3.37             | 16.29                     | 11.24            | 24.98                   | 24.72   | 42.94                  | 60.67            | 9.38          | 5.80  | 5.49 | 8.78 | 11.48 |
| Asheville MSA                                  | 1,087                               | 5.37                               | 19.40                | 7.52             | 18.07                     | 17.35            | 24.78                   | 26.18   | 37.75                  | 48.95            | 4.09          | 3.50  | 3.41 | 3.68 | 4.69  |
| Eastern NC Non-Metro                           | 907                                 | 4.48                               | 20.30                | 3.62             | 17.17                     | 13.36            | 22.09                   | 22.08   | 40.44                  | 60.93            | 5.91          | 4.25  | 5.58 | 6.02 | 6.06  |
| Fayetteville MSA                               | 512                                 | 2.53                               | 18.49                | 5.92             | 19.67                     | 12.98            | 22.38                   | 22.32   | 39.46                  | 58.77            | 4.55          | 7.37  | 4.12 | 3.77 | 4.77  |
| Goldston MSA                                   | 121                                 | 0.60                               | 19.64                | 8.04             | 17.64                     | 22.32            | 23.59                   | 24.11   | 39.13                  | 45.54            | 2.73          | 4.08  | 3.19 | 2.61 | 2.50  |
| Greenville MSA                                 | 357                                 | 1.76                               | 24.29                | 2.70             | 16.19                     | 18.00            | 19.25                   | 22.80   | 40.27                  | 56.50            | 5.48          | 4.17  | 6.36 | 5.63 | 5.31  |
| Hickory MSA                                    | 1,157                               | 5.72                               | 17.26                | 12.96            | 18.49                     | 21.40            | 27.76                   | 29.19   | 36.49                  | 36.45            | 5.09          | 5.18  | 4.83 | 4.67 | 5.55  |
| Jacksonville MSA                               | 198                                 | 0.98                               | 14.87                | 2.40             | 20.68                     | 8.98             | 26.40                   | 20.96   | 38.05                  | 67.66            | 3.55          | 5.19  | 3.86 | 2.50 | 3.80  |
| Lee-Moore Non-Metro                            | 353                                 | 1.74                               | 14.91                | 3.20             | 14.27                     | 9.80             | 21.49                   | 21.00   | 49.33                  | 66.00            | 4.16          | 2.96  | 3.69 | 4.07 | 4.36  |
| Northeastern NC Non-Metro                      | 579                                 | 2.86                               | 22.24                | 4.12             | 17.68                     | 10.30            | 22.19                   | 17.79   | 37.89                  | 67.79            | 6.65          | 9.18  | 5.03 | 7.22 | 6.64  |
| Northwestern NC Non-Metro                      | 841                                 | 4.15                               | 19.14                | 8.69             | 19.25                     | 20.03            | 23.87                   | 25.69   | 37.74                  | 45.59            | 8.14          | 13.82 | 9.28 | 8.40 | 7.03  |
| Person County Non-Metro                        | 87                                  | 0.43                               | 15.90                | 3.80             | 16.39                     | 17.72            | 21.22                   | 22.78   | 46.49                  | 55.70            | 4.99          | 0.00  | 3.48 | 5.38 | 5.57  |
| Rockingham County Non-Metro                    | 230                                 | 1.14                               | 16.18                | 9.01             | 15.61                     | 21.62            | 23.05                   | 25.23   | 45.16                  | 44.14            | 5.01          | 9.73  | 6.04 | 4.15 | 4.50  |
| Rocky Mount MSA                                | 388                                 | 1.92                               | 21.28                | 5.70             | 17.72                     | 20.80            | 20.77                   | 16.81   | 40.23                  | 56.70            | 6.79          | 4.35  | 8.56 | 4.63 | 7.59  |
| Sampson County Non-Metro                       | 88                                  | 0.43                               | 25.95                | 10.34            | 19.37                     | 9.20             | 22.12                   | 24.14   | 32.55                  | 56.32            | 4.47          | 3.57  | 1.66 | 3.33 | 7.12  |
| Southern NC Non-Metro                          | 171                                 | 0.85                               | 27.97                | 10.78            | 17.86                     | 20.36            | 20.24                   | 20.96   | 33.93                  | 47.90            | 4.35          | 4.49  | 4.49 | 2.39 | 5.46  |
| Statesville Non-Metro                          | 703                                 | 3.47                               | 12.92                | 4.25             | 14.97                     | 11.95            | 21.08                   | 17.61   | 51.03                  | 66.19            | 6.40          | 9.09  | 6.27 | 5.25 | 6.71  |
| Western NC Non-Metro                           | 2,120                               | 10.47                              | 18.02                | 5.98             | 17.90                     | 18.42            | 22.88                   | 24.64   | 41.21                  | 50.96            | 6.85          | 6.80  | 7.59 | 6.59 | 6.75  |
| Wilmington MSA                                 | 777                                 | 3.84                               | 19.64                | 5.58             | 15.82                     | 13.88            | 21.78                   | 20.89   | 42.76                  | 59.66            | 4.59          | 6.60  | 4.98 | 4.51 | 4.34  |
| Wilson Non-Metro                               | 252                                 | 1.25                               | 23.33                | 5.31             | 13.86                     | 11.80            | 19.19                   | 18.78   | 43.63                  | 64.10            | 10.99         | 11.11 | 8.84 | 8.78 | 12.36 |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 10.71% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: <b>SMALL LOANS TO BUSINESSES</b> |                                 | Geography: <b>STATE OF NORTH CAROLINA</b> |   |                              | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |                           |                         |
|---|---------------------------------|---|---|------------------------------|--|--------------------------|----------------------------|---------------------------|-------------------------|
| 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 <sup>*</sup> |                         |
|   | #                               | % of Total <sup>**</sup>                  | % of Businesses <sup>***</sup>                  | % BANK Loans <sup>****</sup> | \$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  | 3,082                           | 20.25                                     | 77.48   | 63.84                        | 67.20  | 13.90                    | 18.90                      | 3.52                      | 3.48                    |
| Raleigh MSA   | 3,358                           | 22.10                                     | 75.53   | 60.97                        | 65.20  | 16.00                    | 18.80                      | 3.85                      | 4.52                    |
| <b>Limited Review:</b>                                  |                                 |   |   |                              |  |                          |                            |                           |                         |
| Albemarle Non-Metro                                     | 99                              | .70                                       | 78.38   | 79.55                        | 74.70  | 13.10                    | 12.10                      | 3.82                      | 3.37                    |
| Asheville MSA   | 990                             | 6.50                                      | 78.52   | 70.06                        | 69.30  | 13.00                    | 17.70                      | 4.70                      | 6.14                    |
| Eastern NC Non-Metro                                    | 1,322                           | 8.71                                      | 75.47   | 71.64                        | 70.60  | 16.60                    | 12.80                      | 5.38                      | 7.56                    |
| Fayetteville MSA  | 307                             | 2.03                                      | 80.37   | 68.59                        | 67.40  | 10.40                    | 22.10                      | 2.91                      | 2.97                    |
| Goldsboro MSA   | 211                             | 1.40                                      | 79.45   | 68.62                        | 66.80  | 15.20                    | 18.00                      | 2.67                      | 3.84                    |
| Greenville MSA  | 416                             | 2.72                                      | 73.65   | 66.37                        | 58.20  | 17.10                    | 24.80                      | 4.15                      | 5.24                    |
| Hickory MSA   | 655                             | 4.25                                      | 78.37   | 58.47                        | 63.70  | 17.60                    | 18.80                      | 3.08                      | 2.15                    |
| Jacksonville MSA  | 254                             | 1.68                                      | 78.93   | 83.49                        | 75.60  | 12.20                    | 12.20                      | 3.02                      | 5.29                    |
| Lee-Moore Non-Metro                                     | 219                             | 1.44                                      | 76.82   | 57.55                        | 60.70  | 20.50                    | 18.70                      | 1.91                      | 1.39                    |
| Northeastern NC Non-Metro                               | 589                             | 3.86                                      | 76.22   | 69.03                        | 70.80  | 15.40                    | 13.80                      | 5.41                      | 7.71                    |
| Northwestern NC Non-Metro                               | 592                             | 3.85                                      | 80.30   | 70.07                        | 74.30  | 10.30                    | 15.40                      | 4.52                      | 3.83                    |
| Person County Non-Metro                                 | 69                              | 0.46                                      | 82.46   | 60.00                        | 71.00  | 14.50                    | 14.50                      | 4.64                      | 4.87                    |
| Rockingham County Non-Metro                             | 110                             | 0.71                                      | 81.99   | 68.60                        | 70.00  | 17.30                    | 12.70                      | 2.62                      | 3.65                    |
| Rocky Mount MSA   | 275                             | 1.78                                      | 73.50   | 58.85                        | 53.50  | 20.70                    | 25.80                      | 4.05                      | 4.61                    |
| Sampson County Non-Metro                                | 83                              | 0.55                                      | 79.75   | 64.00                        | 68.70  | 13.30                    | 18.10                      | 2.99                      | 1.55                    |
| Southern NC Non-Metro                                   | 228                             | 1.51                                      | 80.74   | 75.00                        | 75.00  | 14.00                    | 11.00                      | 2.40                      | 2.86                    |
| Statesville Non-Metro                                   | 426                             | 2.80                                      | 79.19   | 52.12                        | 65.70  | 16.00                    | 18.30                      | 5.63                      | 5.20                    |
| Western NC Non-Metro                                    | 1,001                           | 6.60                                      | 80.56   | 65.84                        | 76.90  | 12.10                    | 11.00                      | 3.29                      | 2.62                    |
| Wilmington MSA  | 598                             | 3.95                                      | 74.66   | 68.73                        | 67.20  | 13.00                    | 19.70                      | 3.52                      | 3.08                    |
| Wilson Non-Metro  | 329                             | 2.16                                      | 77.48   | 83.70                        | 70.50  | 17.90                    | 11.60                      | 7.68                      | 12.18                   |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 30.72% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            | Geography: <b>STATE OF NORTH CAROLINA</b> |  |                              | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |                           |                         |
|--|----------------------------|---|--|------------------------------|--|--------------------------|----------------------------|---------------------------|-------------------------|
| 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 <sup>*</sup> |                         |
|  | #                          | % of Total <sup>**</sup>                  | % of Farms <sup>***</sup>                  | % BANK Loans <sup>****</sup> | \$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                                     | 32                         | 4.56                                      | 93.52                                      | 52.63                        | 59.38  | 25.00                    | 15.63                      | 3.80                      | 2.35                    |
| Raleigh MSA  | 38                         | 5.42                                      | 91.73                                      | 84.61                        | 63.16  | 26.32                    | 10.53                      | 2.74                      | 2.50                    |
| <b>Limited Review:</b>                             |                            |   |  |                              |  |                          |                            |                           |                         |
| Albemarle Non-Metro                                | 3                          | 0.43                                      | 93.66                                      | 0.00                         | 66.67  | 0.00                     | 33.33                      | 0.00                      | 0.00                    |
| Asheville MSA                                      | 11                         | 1.57                                      | 96.26                                      | 87.50                        | 54.55  | 27.27                    | 18.18                      | 0.00                      | 0.00                    |
| Eastern NC Non-Metro                               | 262                        | 37.38                                     | 91.64                                      | 78.70                        | 48.08  | 37.42                    | 14.50                      | 19.72                     | 17.71                   |
| Fayetteville MSA                                   | 3                          | 0.43                                      | 91.37                                      | 100.00                       | 66.67  | 33.33                    | 0.00                       | 10.00                     | 11.76                   |
| Goldsboro MSA                                      | 27                         | 3.85                                      | 91.16                                      | 88.00                        | 48.15  | 44.44                    | 7.41                       | 5.68                      | 4.79                    |
| Greenville MSA                                     | 56                         | 7.99                                      | 89.97                                      | 86.54                        | 42.86  | 32.14                    | 25.00                      | 16.11                     | 15.87                   |
| Hickory MSA  | 6                          | 0.86                                      | 94.67                                      | 66.67                        | 50.00  | 50.00                    | 0.00                       | 4.55                      | 3.85                    |
| Jacksonville MSA                                   | 12                         | 1.71                                      | 93.64                                      | 100.00                       | 66.67  | 16.67                    | 16.67                      | 9.23                      | 8.93                    |
| Lee-Moore Non-Metro                                | 1                          | 0.14                                      | 94.72                                      | 100.00                       | 100.00   | 0.00                     | 0.00                       | 0.00                      | 0.00                    |
| Northeastern NC Non-Metro                          | 67                         | 9.56                                      | 94.44                                      | 61.29                        | 41.79  | 41.79                    | 16.42                      | 8.36                      | 6.21                    |
| Northwestern NC Non-Metro                          | 28                         | 3.99                                      | 94.02                                      | 73.68                        | 60.71  | 25.00                    | 14.29                      | 6.67                      | 4.05                    |
| Person County Non-Metro                            | 8                          | 1.14                                      | 87.10                                      | 100.00                       | 62.50  | 37.50                    | 0.00                       | 13.64                     | 11.76                   |
| Rockingham County Non-Metro                        | 11                         | 1.57                                      | 92.79                                      | 77.80                        | 81.82  | 18.18                    | 0.00                       | 19.23                     | 16.67                   |
| Rocky Mount MSA                                    | 28                         | 3.99                                      | 88.43                                      | 46.43                        | 35.71  | 35.71                    | 28.57                      | 9.49                      | 6.35                    |
| Sampson County Non-Metro                           | 36                         | 5.14                                      | 91.83                                      | 78.79                        | 30.56  | 27.78                    | 41.67                      | 4.80                      | 4.20                    |
| Southern NC Non-Metro                              | 17                         | 2.43                                      | 92.37                                      | 85.70                        | 52.94  | 17.65                    | 29.41                      | 3.30                      | 3.09                    |
| Statesville Non-Metro                              | 8                          | 1.14                                      | 96.27                                      | 100.00                       | 62.50  | 37.50                    | 0.00                       | 9.09                      | 10.34                   |
| Western NC Non-Metro                               | 22                         | 3.14                                      | 92.53                                      | 65.00                        | 60.09  | 30.40                    | 9.51                       | 17.11                     | 18.18                   |
| Wilmington MSA                                     | 3                          | 0.43                                      | 90.40                                      | 33.33                        | 33.33  | 66.67                    | 0.00                       | 5.26                      | 0.00                    |
| Wilson Non-Metro                                   | 22                         | 3.14                                      | 91.82                                      | 55.00                        | 54.55  | 36.36                    | 9.09                       | 13.43                     | 13.73                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 14.27% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS       |                           |                                    |                            |           |                   |   |            |                        |           |
|-----------------------------|---------------------------|------------------------------------|----------------------------|-----------|-------------------|---|------------|------------------------|-----------|
|                             |                           | Geography: STATE OF NORTH CAROLINA |                            |           |                   | Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |            |                        |           |
| 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              | 6                         | 10,761                             | 65                         | 7,235     | 71                | 17,996  | 12.17      | 6                      | 3,285     |
| Raleigh MSA                 | 14                        | 19,257                             | 166                        | 10,829    | 180               | 30,085  | 20.34      | 9                      | 2,718     |
| <b>Limited Review:</b>      |                           |                                    |                            |           |                   |   |            |                        |           |
| Albemarle Non-Metro         | 0                         | -                                  | 4                          | 866       | 4                 | 866   | 0.59       | 2                      | 692       |
| Asheville MSA               | 0                         | -                                  | 16                         | 960       | 16                | 960   | 0.65       | 2                      | 692       |
| Eastern NC Non-Metro        | 1                         | 1,954                              | 15                         | 1,618     | 16                | 3,573   | 2.42       | 3                      | 745       |
| Fayetteville MSA            | 4                         | 7,009                              | 13                         | 13,867    | 17                | 20,876  | 14.11      | 6                      | 2,966     |
| Goldston MSA                | 1                         | 2,387                              | 3                          | 109       | 4                 | 2,496   | 1.69       | 0                      | -         |
| Greenville MSA              | 2                         | 3,219                              | 12                         | 86        | 14                | 3,305   | 2.23       | 0                      | -         |
| Hickory MSA                 | 0                         | -                                  | 5                          | 866       | 5                 | 866   | 0.59       | 2                      | 692       |
| Jacksonville MSA            | 0                         | -                                  | 5                          | 867       | 5                 | 867   | 0.59       | 2                      | 692       |
| Lee-Moore County Non-Metro  | 0                         | -                                  | 9                          | 2,050     | 9                 | 2,050   | 1.39       | 1                      | 1,957     |
| Northeastern NC Non-Metro   | 0                         | -                                  | 11                         | 1,024     | 11                | 1,024   | 0.69       | 3                      | 745       |
| Northwestern NC Non-Metro   | 0                         | -                                  | 13                         | 2,431     | 13                | 2,431   | 1.64       | 0                      | -         |
| Person County Non-Metro     | 0                         | -                                  | 4                          | 10        | 4                 | 10  | 0.01       | 0                      | -         |
| Rockingham County Non-Metro | 0                         | -                                  | 4                          | 866       | 4                 | 866   | 0.59       | 2                      | 692       |
| Rocky Mount MSA             | 2                         | 5,528                              | 14                         | 121       | 16                | 5,649   | 3.82       | 0                      | -         |
| Sampson County Non-Metro    | 0                         | -                                  | 6                          | 138       | 6                 | 138   | 0.09       | 1                      | 54        |
| Southern NC Non-Metro       | 0                         | -                                  | 10                         | 1,151     | 10                | 1,151   | 0.78       | 2                      | 692       |
| Statesville Non-Metro       | 0                         | -                                  | 4                          | 866       | 4                 | 866   | 0.59       | 2                      | 692       |
| Western NC Non-Metro        | 0                         | -                                  | 18                         | 1,028     | 18                | 1,028   | 0.70       | 2                      | 692       |
| Wilmington MSA              | 0                         | -                                  | 21                         | 939       | 21                | 939   | 0.63       | 2                      | 692       |
| Wilson Non-Metro            | 1                         | 2,486                              | 6                          | 1,605     | 7                 | 4,092   | 2.77       | 2                      | 1,266     |
| Statewide/Regional:         | 1                         | 45,790                             | 0                          | -         | 1                 | 45,790  | 30.96      | 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: STATE OF NORTH CAROLINA                                  |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |        |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |        |       |
| 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  | 28.56                          | 60                 | 24.48                          | 5.00  | 25.00 | 45.00  | 25.00 | 1                        | 16                   | 0   | -3  | -8  | -4  | 3.67                                  | 17.26 | 55.94  | 23.13 |
| Raleigh MSA   | 24.45                          | 54                 | 22.04                          | 9.26  | 14.81 | 48.15  | 27.78 | 0                        | 6                    | 0   | 0   | -4  | -2  | 7.72                                  | 18.15 | 44.63  | 29.33 |
| <b>Limited Review:</b>  |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |        |       |
| Albemarle Non-Metro   | .86                            | 4                  | 1.63                           | 0.00  | 25.00 | 0.00   | 75.00 | 0                        | 1                    | 0   | 0   | 0   | -1  | 0.00                                  | 10.76 | 62.04  | 27.20 |
| Asheville MSA   | 5.42                           | 11                 | 4.49                           | 0.00  | 9.09  | 72.73  | 18.18 | 0                        | 9                    | 0   | -1  | -7  | -1  | 1.99                                  | 7.95  | 76.68  | 13.38 |
| Eastern NC Non-Metro  | 4.93                           | 18                 | 7.35                           | 0.00  | 22.22 | 61.11  | 16.67 | 0                        | 0                    | 0   | 0   | 0   | 0   | 1.28                                  | 12.73 | 67.20  | 18.79 |
| Fayetteville MSA  | 1.51                           | 6                  | 2.45                           | 16.67   | 0.00  | 66.67  | 16.67 | 0                        | 0                    | 0   | 0   | 0   | 0   | 2.38                                  | 21.23 | 61.54  | 14.85 |
| Goldsboro MSA   | 1.15                           | 3                  | 1.22                           | 33.33   | 0.00  | 33.33  | 33.33 | 0                        | 0                    | 0   | 0   | 0   | 0   | 2.71                                  | 21.14 | 60.29  | 15.86 |
| Greenville MSA  | 2.08                           | 4                  | 1.63                           | 0.00  | 25.00 | 50.00  | 25.00 | 0                        | 1                    | 0   | 0   | 0   | -1  | 3.88                                  | 14.63 | 45.65  | 35.84 |
| Hickory MSA   | 4.97                           | 12                 | 4.90                           | 0.00  | 25.00 | 50.00  | 25.00 | 0                        | 4                    | 0   | 0   | -2  | -2  | 0.00                                  | 10.71 | 83.00  | 6.29  |
| Jacksonville MSA  | .66                            | 2                  | 0.82                           | 0.00  | 50.00 | 50.00  | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.83                                  | 10.46 | 66.38  | 22.32 |
| Lee-Moore County Non-Metro  | 1.53                           | 3                  | 1.22                           | 0.00  | 0.00  | 66.67  | 33.33 | 0                        | 1                    | 0   | 0   | -1  | 0   | 0.00                                  | 12.57 | 41.32  | 46.11 |
| Northeastern NC Non-Metro   | 2.39                           | 7                  | 2.86                           | 14.29   | 28.57 | 42.86  | 14.29 | 0                        | 3                    | 0   | -2  | 0   | -1  | 2.39                                  | 28.31 | 57.14  | 12.16 |
| Northwestern NC Non-Metro   | 3.75                           | 12                 | 4.90                           | 0.00  | 0.00  | 91.67  | 8.33  | 0                        | 2                    | 0   | 0   | -2  | 0   | 0.00                                  | 1.32  | 94.24  | 4.44  |
| Person County Non-Metro   | .48                            | 1                  | 0.41                           | 0.00  | 0.00  | 100.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 100.00 | 0.00  |
| Rockingham County Non-Metro   | .95                            | 3                  | 1.22                           | 0.00  | 0.00  | 66.67  | 33.33 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 4.51  | 86.02  | 9.47  |
| Rocky Mount MSA   | 1.14                           | 20                 | 1.63                           | 0.00  | 25.00 | 75.00  | 0.00  | 0                        | 1                    | 0   | 0   | -1  | 0   | 0.23                                  | 18.57 | 65.46  | 15.73 |
| Sampson County Non-Metro  | .33                            | 2                  | 0.82                           | 0.00  | 0.00  | 100.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 5.48  | 94.52  | 0.00  |
| Southern NC Non-Metro   | 1.27                           | 4                  | 1.63                           | 0.00  | 25.00 | 50.00  | 25.00 | 0                        | 4                    | 0   | -1  | -1  | -2  | 3.69                                  | 28.58 | 60.73  | 6.99  |
| Statesville Non-Metro   | 2.17                           | 6                  | 2.45                           | 0.00  | 0.00  | 50.00  | 50.00 | 1                        | 1                    | 0   | 0   | 0   | 0   | 0.00                                  | 8.08  | 36.02  | 55.90 |
| Western NC Non-Metro  | 6.77                           | 17                 | 6.94                           | 0.00  | 5.88  | 76.47  | 17.65 | 0                        | 6                    | 0   | -1  | -5  | 0   | 0.00                                  | 5.64  | 81.26  | 13.10 |
| Wilmington MSA  | 3.61                           | 9                  | 3.67                           | 0.00  | 33.33 | 33.33  | 33.33 | 1                        | 4                    | 0   | -1  | 0   | -2  | 5.62                                  | 17.87 | 51.71  | 24.81 |
| Wilson Non-Metro  | 1.00                           | 3                  | 1.22                           | 0.00  | 0.00  | 66.67  | 33.33 | 0                        | 1                    | 0   | 0   | 0   | -1  | 5.87                                  | 23.20 | 53.40  | 17.54 |



Table 1. Lending Volume

| LENDING VOLUME              |                                     | Geography: STATE OF PENNSYLVANIA |            |                           |            |                      |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                      |           |                                      |
|-----------------------------|-------------------------------------|----------------------------------|------------|---------------------------|------------|----------------------|------------|---|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002):  | % 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>         |                                     |                                  |            |                           |            |                      |            |   |            |                      |           |                                      |
| Harrisburg MSA              | 9.68                                | 1,794                            | 160,818    | 606                       | 108,760    | 103                  | 15,655     | 8   | 25,828     | 2,511                | 311,061   | 15.69                                |
| <b>Limited Review:</b>      |                                     |                                  |            |                           |            |                      |            |   |            |                      |           |                                      |
| Allentown MSA               | 29.30                               | 5,322                            | 498,450    | 2,207                     | 335,899    | 56                   | 7,881      | 13  | 27,383     | 7,598                | 869,613   | 33.83                                |
| Lancaster MSA               | 8.54                                | 1,208                            | 116,677    | 746                       | 140,332    | 258                  | 52,564     | 1   | 5,600      | 2,213                | 315,173   | 9.94                                 |
| Monroe-Wayne Non-Metro      | 4.67                                | 1,050                            | 97,415     | 162                       | 26,991     | 0                    | 0          | 0   | 0          | 1,212                | 124,406   | 2.80                                 |
| Reading MSA                 | 13.33                               | 2,106                            | 216,544    | 1,165                     | 239,097    | 182                  | 22,289     | 4   | 5,582      | 3,457                | 483,512   | 15.42                                |
| Schuylkill/North. Non-Metro | 7.04                                | 1,332                            | 73,194     | 425                       | 43,453     | 68                   | 8,968      | 0   | 0          | 1,825                | 125,615   | 5.48                                 |
| Scranton MSA                | 20.93                               | 4,301                            | 320,537    | 1,114                     | 208,392    | 12                   | 694        | 0   | 0          | 5,427                | 529,623   | 11.29                                |
| York MSA                    | 6.50                                | 1,212                            | 119,599    | 404                       | 92,120     | 68                   | 10,558     | 0   | 0          | 1,684                | 222,277   | 5.55                                 |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1, 2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003 Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

| Geographic Distribution: HOME PURCHASE                  |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |      |
|---|---------------------------|--------------------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|--|------|------|------|------|
| Geography: STATE OF PENNSYLVANIA                        |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |      |
| MA/Assessment Area:                                     | Total Home Purchase Loans |                          | Low-Income Geographies           |              | Moderate-Income Geographies      |              | Middle-Income Geographies        |              | Upper-Income Geographies         |              | Market Share (%) by Geography <sup>*</sup> |      |      |      |      |
|   | #                         | % of Total <sup>**</sup> | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | Overall                                    | Low  | Mod  | Mid  | Upp  |
| <b>Full Review:</b>                                     |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |      |
| Harrisburg MSA  | 289                       | 9.27                     | 1.29                             | 0.35         | 7.41                             | 8.68         | 68.22                            | 62.50        | 23.07                            | 28.47        | 1.16                                       | 0.00 | 1.70 | 1.04 | 1.29 |
| <b>Limited Review:</b>                                  |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |      |
| Allentown MSA   | 1,038                     | 33.39                    | 0.59                             | 0.96         | 11.31                            | 13.98        | 67.02                            | 57.09        | 21.08                            | 27.97        | 3.29                                       | 1.74 | 5.09 | 2.96 | 3.55 |
| Lancaster MSA   | 169                       | 5.44                     | 0.62                             | 0.59         | 5.99                             | 8.88         | 83.56                            | 75.74        | 9.84                             | 14.79        | 1.09                                       | 1.75 | 1.54 | 1.03 | 1.19 |
| Monroe-Wayne Non-Metro                                  | 278                       | 8.95                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 52.84                            | 41.01        | 47.16                            | 58.99        | 2.77                                       | 0.00 | 0.00 | 2.04 | 3.67 |
| Reading MSA   | 329                       | 10.59                    | 1.53                             | 1.52         | 9.04                             | 8.21         | 72.25                            | 64.13        | 17.18                            | 26.14        | 2.07                                       | 2.02 | 2.60 | 1.64 | 3.50 |
| Schuylkill/North. Non-Metro                             | 166                       | 5.34                     | 0.00                             | 0.00         | 15.02                            | 13.25        | 76.62                            | 76.51        | 8.36                             | 10.24        | 3.71                                       | 0.00 | 4.65 | 3.86 | 2.40 |
| Scranton MSA  | 632                       | 20.35                    | 0.01                             | 0.32         | 6.71                             | 8.39         | 78.22                            | 67.72        | 15.05                            | 23.58        | 4.95                                       | 0.00 | 7.31 | 4.81 | 4.70 |
| York MSA  | 208                       | 6.66                     | 1.22                             | 0.97         | 6.15                             | 6.28         | 86.18                            | 84.06        | 6.45                             | 8.70         | 1.15                                       | 2.44 | 1.40 | 1.12 | 1.22 |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 3. Geographic Distribution of Home Improvement Loans**

| Geographic Distribution: HOME IMPROVEMENT |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       | Geography: STATE OF PENNSYLVANIA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|-------|----------------------------------|--|--|--|--|---|--|--|--|--|
| 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>                       |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       |                                  |  |  |  |  |   |  |  |  |  |
| Harrisburg MSA                            | 118                          | 6.96         | 1.29                   | 5.93         | 7.41                        | 9.32         | 68.22                     | 70.34        | 23.07                    | 14.41        | 1.44                           | 13.33 | 1.66  | 1.40  | 1.00                             |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                    |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       |                                  |  |  |  |  |   |  |  |  |  |
| Allentown MSA                             | 455                          | 26.84        | 0.59                   | 1.32         | 11.31                       | 12.31        | 67.02                     | 64.40        | 21.08                    | 21.98        | 5.76                           | 7.14  | 9.09  | 5.47  | 5.09                             |  |  |  |  |   |  |  |  |  |
| Lancaster MSA                             | 108                          | 6.37         | 0.62                   | 0.00         | 5.99                        | 11.11        | 83.56                     | 79.63        | 9.84                     | 9.26         | 1.65                           | 0.00  | 0.94  | 1.62  | 2.60                             |  |  |  |  |   |  |  |  |  |
| Monroe-Wayne Non-Metro                    | 94                           | 5.55         | 0.00                   | 0.00         | 0.00                        | 0.00         | 52.84                     | 46.81        | 47.16                    | 53.19        | 5.75                           | 0.00  | 0.00  | 3.72  | 8.38                             |  |  |  |  |   |  |  |  |  |
| Reading MSA                               | 161                          | 9.50         | 1.53                   | 0.62         | 9.04                        | 8.07         | 72.25                     | 75.16        | 17.18                    | 16.15        | 5.25                           | 6.25  | 8.06  | 4.90  | 6.12                             |  |  |  |  |   |  |  |  |  |
| Schuylkill/North. Non-Metro               | 149                          | 8.79         | 0.00                   | 0.00         | 15.02                       | 9.40         | 76.62                     | 85.23        | 8.36                     | 5.37         | 5.99                           | 0.00  | 2.86  | 6.96  | 1.41                             |  |  |  |  |   |  |  |  |  |
| Scranton MSA                              | 537                          | 31.68        | 0.01                   | 0.19         | 6.71                        | 7.45         | 78.22                     | 76.91        | 15.05                    | 15.46        | 10.36                          | 0.00  | 11.49 | 10.71 | 8.59                             |  |  |  |  |   |  |  |  |  |
| York MSA                                  | 73                           | 4.31         | 1.22                   | 2.74         | 6.15                        | 1.37         | 86.18                     | 91.78        | 6.45                     | 4.11         | 1.48                           | 4.76  | 0.00  | 1.49  | 1.61                             |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       | Geography: STATE OF PENNSYLVANIA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|-------|----------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low   | Mod   | Mid   | Upp                              |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                              |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       |                                  |  |  |  |  |   |  |  |  |  |
| Harrisburg MSA                                   | 1,382                               | 10.25        | 1.29                   | 0.80         | 7.41                        | 8.54         | 68.22                     | 65.48        | 23.07                    | 25.18        | 3.40                           | 5.17  | 6.43  | 3.49  | 2.75                             |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                           |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |       |                                  |  |  |  |  |   |  |  |  |  |
| Allentown MSA                                    | 3,813                               | 28.29        | 0.59                   | 0.45         | 11.31                       | 9.39         | 67.02                     | 62.88        | 21.08                    | 27.28        | 7.89                           | 10.39 | 13.14 | 7.79  | 7.20                             |  |  |  |  |   |  |  |  |  |
| Lancaster MSA                                    | 926                                 | 6.87         | 0.62                   | 0.76         | 5.99                        | 7.34         | 83.56                     | 77.21        | 9.84                     | 14.69        | 3.71                           | 6.25  | 7.52  | 3.49  | 3.99                             |  |  |  |  |   |  |  |  |  |
| Monroe-Wayne Non-Metro                           | 677                                 | 5.02         | 0.00                   | 0.00         | 0.00                        | 0.00         | 52.84                     | 49.04        | 47.16                    | 50.96        | 4.44                           | 0.00  | 0.00  | 4.05  | 4.82                             |  |  |  |  |   |  |  |  |  |
| Reading MSA                                      | 1,607                               | 11.92        | 1.53                   | 1.31         | 9.04                        | 6.66         | 72.25                     | 70.42        | 17.18                    | 21.61        | 7.56                           | 15.94 | 17.52 | 6.91  | 8.52                             |  |  |  |  |   |  |  |  |  |
| Schuylkill/North. Non-Metro                      | 1,014                               | 7.52         | 0.00                   | 0.00         | 15.02                       | 12.13        | 76.62                     | 80.37        | 8.36                     | 7.50         | 11.22                          | 0.00  | 12.01 | 12.23 | 5.15                             |  |  |  |  |   |  |  |  |  |
| Scranton MSA                                     | 3,129                               | 23.22        | 0.01                   | 0.06         | 6.71                        | 7.67         | 78.22                     | 72.83        | 15.05                    | 19.43        | 10.65                          | 6.67  | 13.82 | 10.98 | 9.03                             |  |  |  |  |   |  |  |  |  |
| York MSA   | 931                                 | 6.91         | 1.22                   | 0.54         | 6.15                        | 4.83         | 86.18                     | 86.79        | 6.45                     | 7.84         | 2.90                           | 4.26  | 4.95  | 2.87  | 2.39                             |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       | Geography: STATE OF PENNSYLVANIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|----------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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 | Overall | Low   | Mod                              | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                                  |     |     |  |  |   |  |  |  |  |
| Harrisburg MSA                       | 5                       | 11.90        | 6.58                   | 0.00         | 14.40                       | 20.00        | 61.16                     | 80.00        | 17.86                    | 0.00         | 5.00                           | 0.00         | 25.00   | 3.23  | 0.00                             |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                                  |     |     |  |  |   |  |  |  |  |
| Allentown MSA                        | 16                      | 38.10        | 4.40                   | 12.50        | 16.17                       | 6.25         | 65.32                     | 62.50        | 14.11                    | 18.75        | 13.58                          | 28.57        | 4.55    | 16.67 | 0.00                             |     |     |  |  |   |  |  |  |  |
| Lancaster MSA                        | 5                       | 11.90        | 3.57                   | 0.00         | 17.53                       | 40.00        | 66.36                     | 60.00        | 12.54                    | 0.00         | 5.88                           | 0.00         | 14.29   | 2.86  | 0.00                             |     |     |  |  |   |  |  |  |  |
| Monroe-Wayne Non-Metro               | 1                       | 2.38         | 0.00                   | 0.00         | 0.00                        | 0.00         | 62.86                     | 0.00         | 37.14                    | 100.00       | 12.50                          | 0.00         | 0.00    | 0.00  | 25.00                            |     |     |  |  |   |  |  |  |  |
| Reading MSA                          | 9                       | 21.43        | 9.80                   | 11.11        | 23.83                       | 55.56        | 48.05                     | 22.22        | 18.32                    | 11.11        | 26.92                          | 100.0        | 36.36   | 15.38 | 0.00                             |     |     |  |  |   |  |  |  |  |
| Schuylkill/North. Non-Metro          | 3                       | 7.14         | 0.00                   | 0.00         | 24.77                       | 0.00         | 70.90                     | 100.00       | 4.33                     | 0.00         | 20.00                          | 0.00         | 0.00    | 28.57 | 0.00                             |     |     |  |  |   |  |  |  |  |
| Scranton MSA                         | 3                       | 7.14         | 6.32                   | 0.00         | 29.30                       | 66.67        | 52.90                     | 33.33        | 11.49                    | 0.00         | 10.00                          | 0.00         | 33.33   | 4.76  | 0.00                             |     |     |  |  |   |  |  |  |  |
| York MSA                             | 0                       | 0.00         | 5.52                   | 0.00         | 16.84                       | 0.00         | 73.22                     | 0.00         | 4.42                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                             |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE 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 1990 Census information.

**Table 6. Geographic Distribution of Small Loans to Businesses**

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|------|------|------|
| Geography: STATE OF PENNSYLVANIA                        |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| Harrisburg MSA  | 606                        | 8.87         | 1.84                   | 0.17         | 16.47                       | 15.35        | 58.78                     | 65.68        | 22.91                    | 18.81        | 2.17                           | 0.62  | 2.54 | 2.21 | 2.04 |
| <b>Limited Review:</b>                                  |                            |              |                        |              |                             |              |                           |              |                          |              |                                |       |      |      |      |
| Allentown MSA   | 2,207                      | 32.32        | 1.70                   | 1.81         | 14.35                       | 12.32        | 60.76                     | 54.01        | 23.18                    | 31.85        | 7.53                           | 12.57 | 8.51 | 6.46 | 9.47 |
| Lancaster MSA   | 746                        | 10.92        | 0.75                   | 0.00         | 9.59                        | 11.66        | 78.44                     | 72.92        | 11.22                    | 15.42        | 2.77                           | 0.00  | 5.22 | 2.38 | 4.27 |
| Monroe-Wayne Non-Metro                                  | 162                        | 2.37         | 0.00                   | 0.00         | 0.00                        | 0.00         | 56.42                     | 38.89        | 43.58                    | 61.11        | 1.90                           | 0.00  | 0.00 | 1.58 | 2.66 |
| Reading MSA   | 1,165                      | 17.06        | 3.69                   | 3.86         | 11.75                       | 5.49         | 64.76                     | 61.80        | 19.80                    | 28.84        | 5.92                           | 9.91  | 5.83 | 5.20 | 8.07 |
| Schuylkill/North. Non-Metro                             | 425                        | 6.22         | 0.00                   | 0.00         | 16.41                       | 6.35         | 75.52                     | 84.47        | 8.05                     | 9.18         | 4.20                           | 0.00  | 3.27 | 4.76 | 2.70 |
| Scranton MSA  | 1,114                      | 16.31        | 3.58                   | 3.59         | 12.63                       | 10.77        | 66.68                     | 64.63        | 17.11                    | 21.01        | 3.72                           | 6.18  | 4.09 | 3.50 | 4.54 |
| York MSA  | 404                        | 5.92         | 7.51                   | 5.94         | 9.77                        | 10.15        | 75.18                     | 76.98        | 7.54                     | 6.93         | 2.38                           | 3.46  | 2.22 | 2.13 | 2.46 |

\* Based on 2002 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 (2003).

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |        |       | Geography: STATE OF PENNSYLVANIA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|--------|-------|----------------------------------|--|--|--|--|---|--|--|--|--|
| 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>                           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |        |       |                                  |  |  |  |  |   |  |  |  |  |
| Harrisburg MSA                                | 103                    | 13.79        | 0.06                   | 0.00         | 4.59                        | 8.74         | 80.14                     | 88.35        | 15.21                    | 2.91         | 17.41                          | 0.00 | 35.29  | 16.18 | 16.67                            |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                        |                        |              |                        |              |                             |              |                           |              |                          |              |                                |      |        |       |                                  |  |  |  |  |   |  |  |  |  |
| Allentown MSA                                 | 56                     | 7.50         | 0.60                   | 0.00         | 4.32                        | 1.79         | 72.19                     | 64.29        | 22.89                    | 33.93        | 68.75                          | 0.00 | 100.00 | 64.71 | 83.33                            |  |  |  |  |   |  |  |  |  |
| Lancaster MSA                                 | 258                    | 34.54        | 0.05                   | 0.00         | 0.86                        | 0.00         | 95.12                     | 96.90        | 3.97                     | 3.10         | 11.26                          | 0.00 | 0.00   | 11.07 | 20.00                            |  |  |  |  |   |  |  |  |  |
| Monroe-Wayne Non-Metro                        | 0                      | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 62.18                     | 0.00         | 37.82                    | 0.00         | 0.00                           | 0.00 | 0.00   | 0.00  | 0.00                             |  |  |  |  |   |  |  |  |  |
| Reading MSA                                   | 182                    | 24.36        | 0.19                   | 0.00         | 1.32                        | 0.00         | 93.03                     | 98.90        | 5.46                     | 1.10         | 37.65                          | 0.00 | 0.00   | 37.35 | 0.00                             |  |  |  |  |   |  |  |  |  |
| Schuylkill/North. Non-Metro                   | 68                     | 9.10         | 0.00                   | 0.00         | 1.80                        | 0.00         | 86.36                     | 85.29        | 11.85                    | 14.71        | 48.98                          | 0.00 | 0.00   | 49.28 | 35.00                            |  |  |  |  |   |  |  |  |  |
| Scranton MSA                                  | 12                     | 1.61         | 0.14                   | 0.00         | 7.04                        | 16.67        | 70.99                     | 75.00        | 21.83                    | 8.33         | 24.24                          | 0.00 | 33.33  | 30.00 | 20.00                            |  |  |  |  |   |  |  |  |  |
| York MSA                                      | 68                     | 9.10         | 0.75                   | 0.00         | 1.13                        | 0.00         | 94.09                     | 98.53        | 4.03                     | 1.47         | 35.59                          | 0.00 | 0.00   | 37.17 | 0.00                             |  |  |  |  |   |  |  |  |  |

\* Based on 2002 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 (2003).

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

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF PENNSYLVANIA |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |      |      |      |  |
|--------------------------------------|---------------------------|----------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|------|------|------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                                  | Low-Income Borrowers      |                              | Moderate-Income Borrowers |                              | Middle-Income Borrowers                                 |                              | Upper-Income Borrowers    |                              | Overall | Low                       | Mod  | Mid  | Upp  |  |
|                                      | #                         | % 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> |         |                           |      |      |      |  |
| <b>Full Review:</b>                  |                           |                                  |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Harrisburg MSA                       | 289                       | 9.27                             | 15.41                     | 9.24                         | 18.89                     | 23.11                        | 27.91   | 26.89                        | 37.79                     | 40.76                        | 1.06    | 1.35                      | 0.97 | 0.93 | 1.17 |  |
| <b>Limited Review:</b>               |                           |                                  |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Allentown MSA                        | 1,038                     | 33.39                            | 16.66                     | 9.68                         | 19.19                     | 20.74                        | 26.61   | 28.21                        | 37.55                     | 41.37                        | 3.41    | 3.37                      | 3.19 | 3.34 | 3.60 |  |
| Lancaster MSA                        | 169                       | 5.44                             | 15.27                     | 9.87                         | 19.23                     | 19.74                        | 28.92   | 23.03                        | 36.58                     | 47.37                        | 1.07    | 1.48                      | 0.88 | 0.89 | 1.26 |  |
| Monroe-Wayne Non-Metro               | 278                       | 8.95                             | 13.36                     | 2.27                         | 15.81                     | 7.95                         | 21.96   | 18.56                        | 48.87                     | 71.21                        | 3.03    | 6.12                      | 2.95 | 3.13 | 2.97 |  |
| Reading MSA                          | 329                       | 10.59                            | 16.35                     | 7.40                         | 19.11                     | 18.97                        | 27.41   | 21.54                        | 37.13                     | 52.09                        | 2.21    | 1.35                      | 2.17 | 1.34 | 3.16 |  |
| Schuylkill/North. Non-Metro          | 166                       | 5.34                             | 18.29                     | 4.27                         | 19.72                     | 19.51                        | 24.97   | 31.10                        | 37.02                     | 45.12                        | 4.46    | 4.72                      | 3.73 | 5.09 | 4.36 |  |
| Scranton MSA                         | 632                       | 20.35                            | 18.66                     | 4.89                         | 18.45                     | 13.05                        | 24.36   | 23.33                        | 38.53                     | 58.73                        | 5.37    | 2.52                      | 3.27 | 4.73 | 7.51 |  |
| York MSA                             | 208                       | 6.66                             | 15.34                     | 6.15                         | 19.53                     | 16.76                        | 28.69   | 32.40                        | 36.45                     | 44.69                        | 1.12    | 0.93                      | 0.43 | 1.35 | 1.41 |  |

<sup>\*</sup> Based on 2002 Peer Mortgage Data NE Region.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 7.66% of loans originated and purchased by BANK.

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

<sup>\*\*\*\*</sup> 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: STATE OF PENNSYLVANIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|-------|----------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low   | Mod                              | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                                  |     |     |  |  |   |  |  |  |  |
| Harrisburg MSA                          | 118                          | 6.96                     | 15.41                     | 16.95                        | 18.89                     | 16.95                        | 27.91                     | 27.12                        | 37.79                     | 38.98                        | 1.51                      | 2.01                         | 0.53    | 1.55  | 1.86                             |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                                  |     |     |  |  |   |  |  |  |  |
| Allentown MSA                           | 455                          | 26.84                    | 16.66                     | 10.13                        | 19.19                     | 20.26                        | 26.61                     | 25.99                        | 37.55                     | 43.61                        | 6.22                      | 7.10                         | 5.99    | 6.28  | 6.04                             |     |     |  |  |   |  |  |  |  |
| Lancaster MSA                           | 108                          | 6.37                     | 15.27                     | 10.19                        | 19.23                     | 20.37                        | 28.92                     | 31.48                        | 36.58                     | 37.96                        | 1.71                      | 0.60                         | 2.34    | 1.31  | 1.99                             |     |     |  |  |   |  |  |  |  |
| Monroe-Wayne Non-Metro                  | 94                           | 5.55                     | 13.36                     | 0.00                         | 15.81                     | 11.70                        | 21.96                     | 20.21                        | 48.87                     | 68.09                        | 6.18                      | 0.00                         | 5.66    | 3.30  | 7.78                             |     |     |  |  |   |  |  |  |  |
| Reading MSA                             | 161                          | 9.50                     | 16.35                     | 6.21                         | 19.11                     | 18.63                        | 27.41                     | 32.30                        | 37.13                     | 42.86                        | 5.60                      | 4.84                         | 4.66    | 5.14  | 6.63                             |     |     |  |  |   |  |  |  |  |
| Schuylkill/North. Non-Metro             | 149                          | 8.79                     | 18.29                     | 14.09                        | 19.72                     | 21.48                        | 24.97                     | 26.17                        | 37.02                     | 38.26                        | 6.46                      | 9.80                         | 5.21    | 6.16  | 6.41                             |     |     |  |  |   |  |  |  |  |
| Scranton MSA                            | 537                          | 31.68                    | 18.66                     | 8.19                         | 18.45                     | 16.01                        | 24.36                     | 27.19                        | 38.53                     | 48.60                        | 11.08                     | 8.41                         | 8.93    | 12.94 | 11.57                            |     |     |  |  |   |  |  |  |  |
| York MSA                                | 73                           | 4.31                     | 15.34                     | 2.74                         | 19.53                     | 23.29                        | 28.69                     | 32.88                        | 36.45                     | 41.10                        | 1.54                      | 0.00                         | 1.21    | 1.97  | 1.85                             |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.06% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF PENNSYLVANIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|-------|----------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low   | Mod                              | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                                  |     |     |  |  |   |  |  |  |  |
| Harrisburg                                     | 1,382                               | 10.25                    | 15.41                     | 9.21                         | 18.89                     | 21.97                        | 27.91                     | 28.74                        | 37.79                     | 40.08                        | 3.80                      | 4.96                         | 4.57    | 3.87  | 3.30                             |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                                  |     |     |  |  |   |  |  |  |  |
| Allentown MSA                                  | 3,813                               | 28.29                    | 16.66                     | 6.24                         | 19.19                     | 19.11                        | 26.61                     | 29.01                        | 37.55                     | 45.65                        | 9.09                      | 10.91                        | 10.26   | 9.63  | 8.20                             |     |     |  |  |   |  |  |  |  |
| Lancaster MSA                                  | 926                                 | 6.87                     | 15.27                     | 6.44                         | 19.23                     | 17.49                        | 28.92                     | 27.04                        | 36.58                     | 49.02                        | 4.29                      | 5.81                         | 4.01    | 4.00  | 4.44                             |     |     |  |  |   |  |  |  |  |
| Monroe-Wayne Non-Metro                         | 677                                 | 5.02                     | 13.36                     | 1.57                         | 15.81                     | 10.39                        | 21.96                     | 20.79                        | 48.87                     | 67.24                        | 4.85                      | 2.76                         | 6.13    | 4.63  | 4.81                             |     |     |  |  |   |  |  |  |  |
| Reading MSA                                    | 1,607                               | 11.92                    | 16.35                     | 7.73                         | 19.11                     | 20.39                        | 27.41                     | 26.88                        | 37.13                     | 45.00                        | 8.67                      | 12.62                        | 10.25   | 8.11  | 7.98                             |     |     |  |  |   |  |  |  |  |
| Schuylkill/North. Non-Metro                    | 1,014                               | 7.52                     | 18.29                     | 5.81                         | 19.72                     | 15.53                        | 24.97                     | 28.36                        | 37.02                     | 50.30                        | 12.64                     | 12.23                        | 10.55   | 12.58 | 13.42                            |     |     |  |  |   |  |  |  |  |
| Scranton MSA                                   | 3,129                               | 23.22                    | 18.66                     | 4.84                         | 18.45                     | 15.41                        | 24.36                     | 25.58                        | 38.53                     | 54.17                        | 11.68                     | 10.89                        | 10.66   | 11.24 | 12.32                            |     |     |  |  |   |  |  |  |  |
| York MSA                                       | 931                                 | 6.91                     | 15.34                     | 4.60                         | 19.53                     | 18.28                        | 28.69                     | 26.90                        | 36.45                     | 50.23                        | 3.35                      | 2.23                         | 3.33    | 3.10  | 3.64                             |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 3.89% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF PENNSYLVANIA |   |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |                            |               |                         |
|--|---------------------------------|----------------------------------|---|------------------|---|--------------------------|----------------------------|---------------|-------------------------|
| 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>                              |                                 |                                  |   |                  |   |                          |                            |               |                         |
| Harrisburg MSA                                   | 606                             | 8.87                             | 61.16   | 41.53            | 64.19   | 14.85                    | 20.96                      | 2.17          | 1.31                    |
| <b>Limited Review:</b>                           |                                 |                                  |   |                  |   |                          |                            |               |                         |
| Allentown MSA                                    | 2,207                           | 32.32                            | 63.86   | 47.71            | 66.92   | 16.09                    | 16.99                      | 7.53          | 6.62                    |
| Lancaster MSA                                    | 746                             | 10.92                            | 64.12   | 34.40            | 61.26   | 15.15                    | 23.59                      | 2.77          | 1.45                    |
| Monroe-Wayne Non-Metro                           | 162                             | 2.37                             | 65.81   | 55.26            | 66.05   | 12.35                    | 21.60                      | 1.90          | 1.70                    |
| Reading MSA                                      | 1,165                           | 17.06                            | 63.98   | 38.56            | 57.25   | 17.68                    | 25.06                      | 5.92          | 4.85                    |
| Schuylkill/North. Non-Metro                      | 425                             | 6.22                             | 67.45   | 57.92            | 76.24   | 13.65                    | 10.12                      | 4.20          | 4.32                    |
| Scranton MSA                                     | 1,114                           | 16.31                            | 65.95   | 48.05            | 60.23   | 18.04                    | 21.72                      | 3.72          | 3.08                    |
| York MSA   | 404                             | 5.92                             | 63.77   | 33.61            | 52.23   | 17.33                    | 30.45                      | 2.38          | 1.75                    |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 50.70% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |                  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF PENNSYLVANIA</b>            |                            |              |  |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |                  |  |                          |                            |               |                         |
| Harrisburg MSA                                     | 103                        | 13.79        | 94.66                                      | 89.47            | 46.60  | 35.92                    | 17.48                      | 17.41         | 6.44                    |
| <b>Limited Review:</b>                             |                            |              |  |                  |  |                          |                            |               |                         |
| Allentown MSA                                      | 56                         | 7.50         | 92.67                                      | 68.96            | 51.79  | 30.36                    | 17.86                      | 68.75         | 60.00                   |
| Lancaster MSA                                      | 258                        | 34.54        | 93.30                                      | 60.55            | 31.27  | 37.06                    | 31.67                      | 11.26         | 2.71                    |
| Monroe-Wayne Non-Metro                             | 0                          | 0.00         | 94.92                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Reading MSA  | 182                        | 24.36        | 92.94                                      | 98.76            | 60.00  | 25.40                    | 14.60                      | 37.65         | 22.70                   |
| Schuylkill/North. Non-Metro                        | 68                         | 9.10         | 94.43                                      | 90.70            | 58.70  | 25.30                    | 16.00                      | 48.98         | 40.00                   |
| Scranton MSA                                       | 12                         | 1.61         | 93.10                                      | 60.00            | 83.33  | 16.67                    | 0.00                       | 24.24         | 10.53                   |
| York MSA   | 68                         | 9.10         | 95.31                                      | 96.43            | 42.65  | 35.29                    | 22.06                      | 35.59         | 20.25                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 56.63% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS                               |                           |           |                            |           |                   |           |            |                        |           |
|---|---------------------------|-----------|----------------------------|-----------|-------------------|-----------|------------|------------------------|-----------|
| Geography: STATE OF PENNSYLVANIA                    |                           |           |                            |           |                   |           |            |                        |           |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                           |           |                            |           |                   |           |            |                        |           |
| 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>                                 |                           |           |                            |           |                   |           |            |                        |           |
| Harrisburg MSA                                      | 7                         | 16,986    | 77                         | 5,418     | 84                | 22,404    | 33.07      | 3                      | 4,687     |
| <b>Limited Review:</b>                              |                           |           |                            |           |                   |           |            |                        |           |
| Allentown MSA                                       | 5                         | 6,250     | 250                        | 1,565     | 255               | 7,815     | 11.53      | 0                      | -         |
| Lancaster MSA                                       | 4                         | 2,926     | 70                         | 1,052     | 74                | 3,977     | 5.87       | 0                      | -         |
| Monroe-Wayne Non-Metro                              | 1                         | 2,514     | 4                          | 14        | 5                 | 2,529     | 3.73       | 0                      | -         |
| Reading MSA   | 5                         | 4,660     | 95                         | 615       | 100               | 5,274     | 7.79       | 0                      | -         |
| Schuylkill/North. Non-Metro                         | 1                         | 330       | 28                         | 289       | 29                | 619       | 0.91       | 0                      | -         |
| Scranton MSA  | 1                         | 500       | 76                         | 474       | 77                | 974       | 1.44       | 0                      | -         |
| York MSA  | 3                         | 1,394     | 31                         | 55        | 34                | 1,449     | 2.14       | 0                      | -         |
| Statewide/Regional:                                 | 1                         | 22,709    | 0                          | -         | 1                 | 22,709    | 33.52      | 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: STATE OF PENNSYLVANIA Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>  |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Harrisburg MSA   | 15.69                          | 17                 | 11.80                          | 0.00  | 29.41 | 64.71 | 5.88  | 0                        | 2                    | -1  | 0   | -1  | 0   | 3.74                                  | 17.85 | 55.39 | 23.02 |
| <b>Limited Review:</b>   |                                |                    |                                |   |       |       |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Allentown MSA  | 33.83                          | 43                 | 29.86                          | 4.65  | 9.30  | 67.44 | 18.60 | 0                        | 0                    | 0   | 0   | 0   | 0   | 4.15                                  | 16.21 | 52.89 | 26.75 |
| Lancaster MSA  | 9.94                           | 18                 | 12.50                          | 5.56  | 11.11 | 72.22 | 11.11 | 0                        | 0                    | 0   | 0   | 0   | 0   | 3.13                                  | 8.69  | 79.96 | 8.22  |
| Monroe-Wayne Non-Metro   | 2.80                           | 4                  | 2.78                           | 0.00  | 0.00  | 50.00 | 50.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 53.25 | 46.75 |
| Reading MSA  | 15.42                          | 19                 | 13.19                          | 10.53   | 10.53 | 63.16 | 15.79 | 0                        | 0                    | 0   | 0   | 0   | 0   | 7.37                                  | 12.67 | 64.96 | 15.00 |
| Schuylkill/North. Non-Metro  | 5.48                           | 13                 | 9.03                           | 0.00  | 30.77 | 69.23 | 0.00  | 0                        | 1                    | 0   | 0   | -1  | 0   | 0.00                                  | 15.72 | 76.24 | 8.05  |
| Scranton MSA   | 11.29                          | 18                 | 12.50                          | 5.56  | 11.11 | 66.67 | 16.67 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.46                                  | 10.26 | 72.11 | 17.17 |
| York MSA   | 5.55                           | 12                 | 8.33                           | 8.33  | 16.67 | 75.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 3.68                                  | 8.14  | 80.70 | 7.48  |

Table 1. Lending Volume

| LENDING VOLUME              |                                     | Geography: STATE OF SOUTH CAROLINA |            |                           |            |                      |            | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |            |                      |           |                                      |
|-----------------------------|-------------------------------------|------------------------------------|------------|---------------------------|------------|----------------------|------------|---|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002):  | % 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>         |                                     |                                    |            |                           |            |                      |            |   |            |                      |           |                                      |
| Greenville-Spartanburg MSA  | 23.74                               | 4,320                              | 595,352    | 1,978                     | 338,288    | 9                    | 2,284      | 21  | 30,300     | 6,328                | 966,224   | 28.78                                |
| <b>Limited Review:</b>      |                                     |                                    |            |                           |            |                      |            |   |            |                      |           |                                      |
| Charleston MSA              | 23.99                               | 4,768                              | 1,334,636  | 1,598                     | 260,018    | 14                   | 1,214      | 16  | 45,447     | 6,396                | 1,641,315 | 16.42                                |
| Columbia MSA                | 17.98                               | 3,517                              | 446,771    | 1,247                     | 168,319    | 11                   | 976        | 17  | 52,584     | 4,792                | 668,650   | 21.26                                |
| Florence MSA                | 4.67                                | 878                                | 86,942     | 362                       | 49,460     | 2                    | 122        | 2   | 1,036      | 1,244                | 137,560   | 3.77                                 |
| Georgetown County Non-Metro | 1.44                                | 293                                | 80,633     | 92                        | 11,113     | 0                    | 0          | 0   | 0          | 385                  | 91,746    | 1.66                                 |
| Hilton Head Non-Metro       | 8.03                                | 1,609                              | 578,289    | 526                       | 89,243     | 6                    | 241        | 1   | 4,968      | 2,142                | 672,741   | 5.12                                 |
| Myrtle Beach MSA            | 6.62                                | 1,394                              | 192,441    | 360                       | 63,900     | 2                    | 272        | 8   | 26,017     | 1,764                | 282,630   | 4.36                                 |
| Northeastern SC Non-Metro   | 4.83                                | 848                                | 74,019     | 415                       | 37,457     | 21                   | 4,686      | 3   | 1,384      | 1,287                | 117,546   | 7.61                                 |
| Northwestern SC Non-Metro   | 3.87                                | 686                                | 53,558     | 338                       | 34,633     | 6                    | 352        | 1   | 550        | 1,031                | 89,093    | 5.48                                 |
| Oconee County Non-Metro     | 1.49                                | 306                                | 56,712     | 91                        | 16,049     | 0                    | 0          | 0   | 0          | 397                  | 72,761    | 2.05                                 |
| Southern SC Non-Metro       | 1.12                                | 207                                | 28,756     | 86                        | 10,129     | 3                    | 344        | 3   | 7,070      | 299                  | 46,299    | 1.71                                 |
| Sumter MSA                  | 2.23                                | 268                                | 23,233     | 304                       | 33,586     | 20                   | 3,236      | 2   | 5,250      | 594                  | 65,305    | 1.78                                 |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1,2000 to June 30, 2003.

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

| Geographic Distribution: HOME PURCHASE |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      | Geography: STATE OF SOUTH CAROLINA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|---------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|-------------------------------|------|------|------|------------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                       | Low  | Mod  | Mid  | Upp                                |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                    |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |                                    |  |  |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA             | 1,640                     | 20.55        | 0.82                   | 0.67         | 13.32                       | 7.56         | 63.63                     | 54.57        | 22.22                    | 37.20        | 4.01                          | 4.59 | 3.90 | 4.17 | 3.78                               |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                 |                           |              |                        |              |                             |              |                           |              |                          |              |                               |      |      |      |                                    |  |  |  |  |   |  |  |  |  |
| Charleston MSA                         | 2,044                     | 25.60        | 1.69                   | 0.69         | 14.89                       | 6.90         | 53.25                     | 38.13        | 30.16                    | 54.28        | 6.41                          | 8.93 | 7.03 | 5.35 | 7.47                               |  |  |  |  |   |  |  |  |  |
| Columbia MSA                           | 1,805                     | 22.62        | 1.57                   | 0.78         | 19.05                       | 8.86         | 47.32                     | 44.16        | 32.05                    | 46.20        | 7.07                          | 4.76 | 6.45 | 6.78 | 7.58                               |  |  |  |  |   |  |  |  |  |
| Florence MSA                           | 332                       | 4.16         | 4.40                   | 0.60         | 21.32                       | 8.73         | 44.14                     | 22.89        | 30.13                    | 67.77        | 7.28                          | 0.00 | 6.49 | 5.83 | 8.25                               |  |  |  |  |   |  |  |  |  |
| Georgetown County Non-Metro            | 105                       | 1.32         | 0.00                   | 0.00         | 13.06                       | 2.86         | 51.58                     | 15.24        | 35.36                    | 81.90        | 4.94                          | 0.00 | 5.71 | 6.34 | 4.63                               |  |  |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                  | 698                       | 8.75         | 0.00                   | 0.00         | 4.32                        | 0.43         | 48.99                     | 16.05        | 46.69                    | 83.52        | 7.82                          | 0.00 | 4.35 | 2.50 | 11.19                              |  |  |  |  |   |  |  |  |  |
| Myrtle Beach MSA                       | 660                       | 8.26         | 1.59                   | 0.46         | 13.69                       | 2.12         | 69.31                     | 69.50        | 15.41                    | 27.92        | 3.82                          | 5.56 | 1.41 | 3.83 | 4.34                               |  |  |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro              | 251                       | 3.15         | 0.00                   | 0.00         | 21.21                       | 9.96         | 59.39                     | 51.79        | 19.40                    | 38.25        | 4.68                          | 0.00 | 3.09 | 4.44 | 5.74                               |  |  |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro              | 165                       | 2.07         | 0.00                   | 0.00         | 2.46                        | 1.21         | 80.63                     | 64.24        | 16.91                    | 34.55        | 3.64                          | 0.00 | 6.90 | 3.38 | 4.06                               |  |  |  |  |   |  |  |  |  |
| Oconee County Non-Metro                | 119                       | 1.49         | 0.00                   | 0.00         | 0.00                        | 0.00         | 74.08                     | 53.78        | 25.92                    | 46.22        | 6.95                          | 0.00 | 0.00 | 5.91 | 9.06                               |  |  |  |  |   |  |  |  |  |
| Southern SC Non-Metro                  | 75                        | 0.93         | 0.64                   | 0.00         | 33.93                       | 52.70        | 57.10                     | 45.95        | 8.34                     | 1.35         | 2.38                          | 0.00 | 3.31 | 2.47 | 0.42                               |  |  |  |  |   |  |  |  |  |
| Sumter MSA                             | 88                        | 1.10         | 0.00                   | 0.00         | 26.00                       | 11.36        | 44.07                     | 31.82        | 29.93                    | 56.82        | 2.64                          | 0.00 | 2.82 | 2.73 | 2.52                               |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.



Table 3. Geographic Distribution of Home Improvement Loans

| Geographic Distribution: HOME IMPROVEMENT |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      | Geography: STATE OF SOUTH CAROLINA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|-------|-------|------|------------------------------------|--|--|--|--|---|--|--|--|--|
| 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>                       |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |                                    |  |  |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA                | 185                          | 27.82        | 0.82                   | 1.62         | 13.32                       | 14.59        | 63.63                     | 68.11        | 22.22                    | 15.68        | 6.46                           | 25.00 | 5.26  | 7.58 | 3.07                               |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                    |                              |              |                        |              |                             |              |                           |              |                          |              |                                |       |       |      |                                    |  |  |  |  |   |  |  |  |  |
| Charleston MSA                            | 71                           | 10.68        | 1.69                   | 1.41         | 14.89                       | 12.68        | 53.25                     | 49.30        | 30.16                    | 36.62        | 3.29                           | 0.00  | 2.35  | 3.17 | 4.07                               |  |  |  |  |   |  |  |  |  |
| Columbia MSA                              | 113                          | 16.99        | 1.57                   | 1.77         | 19.05                       | 17.70        | 47.32                     | 42.48        | 32.05                    | 38.05        | 5.77                           | 7.69  | 9.76  | 4.42 | 6.33                               |  |  |  |  |   |  |  |  |  |
| Florence MSA                              | 41                           | 6.17         | 4.40                   | 7.32         | 21.32                       | 31.71        | 44.14                     | 41.46        | 30.13                    | 19.51        | 7.88                           | 20.00 | 8.64  | 7.69 | 5.77                               |  |  |  |  |   |  |  |  |  |
| Georgetown County Non-Metro               | 13                           | 1.95         | 0.00                   | 0.00         | 13.06                       | 0.00         | 51.58                     | 46.15        | 35.36                    | 53.85        | 3.51                           | 0.00  | 0.00  | 4.55 | 3.13                               |  |  |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                     | 26                           | 3.91         | 0.00                   | 0.00         | 4.32                        | 3.85         | 48.99                     | 26.92        | 46.69                    | 69.23        | 5.32                           | 0.00  | 0.00  | 2.59 | 10.00                              |  |  |  |  |   |  |  |  |  |
| Myrtle Beach MSA                          | 15                           | 2.26         | 1.59                   | 0.00         | 13.69                       | 6.67         | 69.31                     | 73.33        | 15.41                    | 20.00        | 2.94                           | 0.00  | 1.85  | 2.66 | 9.52                               |  |  |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro                 | 64                           | 9.62         | 0.00                   | 0.00         | 21.21                       | 28.13        | 59.39                     | 56.25        | 19.40                    | 15.63        | 5.92                           | 0.00  | 7.61  | 5.05 | 7.41                               |  |  |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro                 | 72                           | 10.83        | 0.00                   | 0.00         | 2.46                        | 5.56         | 80.63                     | 79.17        | 16.91                    | 15.28        | 7.86                           | 0.00  | 50.00 | 7.87 | 5.00                               |  |  |  |  |   |  |  |  |  |
| Oconee County Non-Metro                   | 13                           | 1.95         | 0.00                   | 0.00         | 0.00                        | 0.00         | 74.08                     | 92.31        | 25.92                    | 7.69         | 6.80                           | 0.00  | 0.00  | 6.98 | 5.88                               |  |  |  |  |   |  |  |  |  |
| Southern SC Non-Metro                     | 24                           | 3.61         | 0.64                   | 0.00         | 33.93                       | 29.17        | 57.10                     | 66.67        | 8.34                     | 4.17         | 2.61                           | 0.00  | 1.55  | 3.59 | 0.00                               |  |  |  |  |   |  |  |  |  |
| Sumter MSA                                | 28                           | 4.21         | 0.00                   | 0.00         | 26.00                       | 25.00        | 44.07                     | 35.71        | 29.93                    | 39.29        | 9.35                           | 0.00  | 7.41  | 7.14 | 14.29                              |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      | Geography: STATE OF SOUTH CAROLINA |  |  |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------------------------------------|--|--|--|--|---|--|--|--|--|
| 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 | Overall                        | Low  | Mod  | Mid  | Upp                                |  |  |  |  |   |  |  |  |  |
| <b>Full Review:</b>                              |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                                    |  |  |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA                       | 2,492                               | 23.87        | 0.82                   | 0.44         | 13.32                       | 7.07         | 63.63                     | 50.06        | 22.22                    | 42.43        | 3.50                           | 1.27 | 2.77 | 3.16 | 4.17                               |  |  |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                           |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |                                    |  |  |  |  |   |  |  |  |  |
| Charleston MSA                                   | 2,649                               | 25.38        | 1.69                   | 0.49         | 14.89                       | 5.89         | 53.25                     | 36.33        | 30.16                    | 57.29        | 4.89                           | 2.44 | 3.37 | 3.91 | 6.16                               |  |  |  |  |   |  |  |  |  |
| Columbia MSA                                     | 1,598                               | 15.32        | 1.57                   | 0.63         | 19.05                       | 11.26        | 47.32                     | 45.12        | 32.05                    | 42.99        | 3.53                           | 2.11 | 4.32 | 3.34 | 3.59                               |  |  |  |  |   |  |  |  |  |
| Florence MSA                                     | 504                                 | 4.83         | 4.40                   | 2.38         | 21.32                       | 15.48        | 44.14                     | 35.32        | 30.13                    | 46.83        | 7.35                           | 7.32 | 9.00 | 7.51 | 6.85                               |  |  |  |  |   |  |  |  |  |
| Georgetown County Non-Metro                      | 175                                 | 1.68         | 0.00                   | 0.00         | 13.06                       | 2.29         | 51.58                     | 14.86        | 35.36                    | 82.86        | 3.10                           | 0.00 | 1.23 | 1.61 | 3.59                               |  |  |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                            | 885                                 | 8.48         | 0.00                   | 0.00         | 4.32                        | 0.56         | 48.99                     | 20.79        | 46.69                    | 78.64        | 5.33                           | 0.00 | 2.47 | 3.30 | 6.39                               |  |  |  |  |   |  |  |  |  |
| Myrtle Beach MSA                                 | 719                                 | 6.89         | 1.59                   | 0.28         | 13.69                       | 1.95         | 69.31                     | 72.18        | 15.41                    | 25.59        | 3.11                           | 3.13 | 0.96 | 3.32 | 3.08                               |  |  |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro                        | 532                                 | 5.10         | 0.00                   | 0.00         | 21.21                       | 16.35        | 59.39                     | 55.26        | 19.40                    | 28.38        | 3.94                           | 0.00 | 5.74 | 3.76 | 3.46                               |  |  |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro                        | 449                                 | 4.29         | 0.00                   | 0.00         | 2.46                        | 1.34         | 80.63                     | 69.42        | 16.91                    | 29.24        | 3.68                           | 0.00 | 3.13 | 3.64 | 3.80                               |  |  |  |  |   |  |  |  |  |
| Oconee County Non-Metro                          | 174                                 | 1.67         | 0.00                   | 0.00         | 0.00                        | 0.00         | 74.08                     | 53.45        | 25.92                    | 46.55        | 5.25                           | 0.00 | 0.00 | 4.41 | 6.84                               |  |  |  |  |   |  |  |  |  |
| Southern SC Non-Metro                            | 108                                 | 1.04         | 0.64                   | 0.00         | 33.93                       | 47.22        | 57.10                     | 48.15        | 8.34                     | 4.63         | 1.81                           | 0.00 | 2.79 | 1.55 | 0.50                               |  |  |  |  |   |  |  |  |  |
| Sumter MSA                                       | 152                                 | 1.46         | 0.00                   | 0.00         | 26.00                       | 14.47        | 44.07                     | 38.16        | 29.93                    | 47.37        | 2.72                           | 0.00 | 1.72 | 2.61 | 3.16                               |  |  |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       | Geography: STATE OF SOUTH CAROLINA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|------------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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 | Overall | Low   | Mod                                | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                                    |     |     |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA           | 3                       | 30.00        | 4.94                   | 0.00         | 13.89                       | 0.00         | 47.16                     | 33.33        | 33.95                    | 66.67        | 4.35                           | 0.00         | 0.00    | 4.55  | 5.56                               |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                                    |     |     |  |  |   |  |  |  |  |
| Charleston MSA                       | 4                       | 40.00        | 8.55                   | 25.00        | 13.03                       | 50.00        | 45.46                     | 25.00        | 32.96                    | 0.00         | 3.57                           | 0.00         | 0.00    | 10.00 | 0.00                               |     |     |  |  |   |  |  |  |  |
| Columbia MSA                         | 1                       | 10.00        | 12.02                  | 0.00         | 15.53                       | 100.00       | 56.80                     | 0.00         | 15.66                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Florence MSA                         | 1                       | 10.00        | 7.08                   | 0.00         | 11.29                       | 100.00       | 40.69                     | 0.00         | 40.94                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Georgetown County Non-Metro          | 0                       | 0.00         | 0.00                   | 0.00         | 6.53                        | 0.00         | 17.06                     | 0.00         | 76.41                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                | 0                       | 0.00         | 0.00                   | 0.00         | .41                         | 0.00         | 8.24                      | 0.00         | 91.35                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Myrtle Beach MSA                     | 0                       | 0.00         | 0.57                   | 0.00         | 2.85                        | 0.00         | 57.33                     | 0.00         | 39.25                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro            | 1                       | 10.00        | 0.00                   | 0.00         | 32.73                       | 0.00         | 49.78                     | 0.00         | 17.50                    | 100.00       | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro            | 0                       | 0.00         | 0.00                   | 0.00         | 9.78                        | 0.00         | 67.86                     | 0.00         | 22.36                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Oconee County Non-Metro              | 0                       | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 59.42                     | 0.00         | 40.58                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Southern SC Non-Metro                | 0                       | 0.00         | 8.89                   | 0.00         | 58.54                       | 0.00         | 23.60                     | 0.00         | 8.96                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Sumter MSA                           | 0                       | 0.00         | 0.00                   | 0.00         | 37.36                       | 0.00         | 30.95                     | 0.00         | 31.69                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                               |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF SOUTH CAROLINA                      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Greenville-Spartanburg MSA                              | 1,978                      | 26.74        | 5.44                   | 6.70         | 13.42                       | 10.64        | 52.79                     | 45.65        | 27.89                    | 36.85        | 3.60                           | 5.12 | 3.50 | 3.01 | 4.52 |
| <b>Limited Review:</b>                                  |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Charleston MSA  | 1,598                      | 21.60        | 3.91                   | 4.13         | 16.69                       | 13.05        | 45.71                     | 44.33        | 33.34                    | 38.13        | 4.89                           | 6.18 | 5.15 | 4.60 | 5.51 |
| Columbia MSA  | 1,247                      | 16.86        | 8.70                   | 10.09        | 22.00                       | 21.89        | 41.22                     | 33.60        | 28.06                    | 34.42        | 3.24                           | 5.72 | 3.97 | 2.92 | 2.98 |
| Florence MSA  | 362                        | 4.89         | 6.16                   | 8.19         | 18.65                       | 16.95        | 43.43                     | 44.35        | 31.75                    | 30.51        | 4.64                           | 9.09 | 3.54 | 5.33 | 4.13 |
| Georgetown County Non-Metro                             | 92                         | 1.24         | 0.00                   | 0.00         | 14.63                       | 8.89         | 37.13                     | 21.11        | 48.24                    | 70.00        | 2.18                           | 0.00 | 2.44 | 2.37 | 2.16 |
| Hilton Head Non-Metro                                   | 526                        | 7.11         | 0.00                   | 0.00         | 2.73                        | 0.98         | 39.48                     | 24.85        | 57.79                    | 74.17        | 4.47                           | 0.00 | 1.98 | 2.79 | 5.88 |
| Myrtle Beach MSA  | 360                        | 4.87         | 0.91                   | 0.00         | 13.99                       | 7.91         | 62.02                     | 55.37        | 23.08                    | 36.72        | 1.36                           | 0.00 | 0.87 | 1.11 | 2.59 |
| Northeastern SC Non-Metro                               | 415                        | 5.61         | 0.00                   | 0.00         | 24.72                       | 20.64        | 57.52                     | 59.21        | 17.76                    | 20.15        | 2.85                           | 0.00 | 3.13 | 3.03 | 2.42 |
| Northwestern SC Non-Metro                               | 338                        | 4.57         | 0.00                   | 0.00         | 4.94                        | 5.72         | 72.68                     | 62.35        | 22.37                    | 31.93        | 2.57                           | 0.00 | 3.75 | 2.30 | 3.05 |
| Oconee County Non-Metro                                 | 91                         | 1.25         | 0.00                   | 0.00         | 0.00                        | 0.00         | 67.65                     | 51.65        | 32.35                    | 48.35        | 1.50                           | 0.00 | 0.00 | 0.88 | 3.16 |
| Southern SC Non-Metro                                   | 86                         | 1.15         | 6.76                   | 0.00         | 37.60                       | 54.76        | 46.62                     | 42.86        | 8.85                     | 2.38         | 1.04                           | 0.00 | 1.70 | 0.94 | 0.00 |
| Sumter MSA  | 304                        | 4.11         | 0.00                   | 0.00         | 36.84                       | 26.85        | 32.56                     | 37.58        | 30.60                    | 35.57        | 5.40                           | 0.00 | 4.75 | 5.25 | 6.11 |

\* Based on 2002 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 (2002).

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|-------|-----|
| Geography: STATE OF SOUTH CAROLINA                      |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| 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 |
| <b>Full Review:</b>                                     |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Greenville-Spartanburg MSA                              | 9                      | 9.57         | 1.03                   | 0.00         | 8.21                        | 0.00         | 69.72                     | 55.56        | 20.96                    | 44.44        | 13.33                          | 0.00         | 0.00    | 10.00 | 37.50 |     |
| <b>Limited Review:</b>                                  |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Charleston MSA  | 14                     | 14.89        | 1.05                   | 0.00         | 18.54                       | 0.00         | 50.97                     | 57.14        | 29.45                    | 42.86        | 22.86                          | 0.00         | 0.00    | 30.77 | 30.77 |     |
| Columbia MSA  | 11                     | 11.70        | 1.53                   | 0.00         | 20.03                       | 18.18        | 50.63                     | 72.73        | 27.82                    | 9.09         | 2.65                           | 0.00         | 3.13    | 1.56  | 6.67  |     |
| Florence MSA  | 2                      | 2.13         | 1.04                   | 0.00         | 23.18                       | 0.00         | 53.29                     | 50.00        | 22.49                    | 50.00        | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Georgetown County Non-Metro                             | 0                      | 0.00         | 0.00                   | 0.00         | 6.02                        | 0.00         | 60.90                     | 0.00         | 33.08                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Hilton Head Non-Metro                                   | 6                      | 6.38         | 0.00                   | 0.00         | 6.60                        | 16.67        | 42.64                     | 16.67        | 50.76                    | 66.67        | 20.00                          | 0.00         | 0.00    | 0.00  | 33.33 |     |
| Myrtle Beach MSA  | 2                      | 2.13         | 0.20                   | 0.00         | 30.43                       | 0.00         | 63.24                     | 100.00       | 6.13                     | 0.00         | 0.37                           | 0.00         | 0.00    | 0.61  | 0.00  |     |
| Northeastern SC Non-Metro                               | 21                     | 22.34        | 0.00                   | 0.00         | 17.33                       | 4.76         | 61.19                     | 80.95        | 21.48                    | 14.29        | 3.15                           | 0.00         | 0.00    | 3.97  | 7.69  |     |
| Northwestern SC Non-Metro                               | 6                      | 6.38         | 0.00                   | 0.00         | 1.19                        | 16.67        | 80.71                     | 83.33        | 18.10                    | 0.00         | 11.11                          | 0.00         | 0.00    | 13.04 | 0.00  |     |
| Oconee County Non-Metro                                 | 0                      | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 79.05                     | 0.00         | 20.95                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Southern SC Non-Metro                                   | 3                      | 3.19         | 1.14                   | 0.00         | 29.41                       | 33.33        | 66.79                     | 66.67        | 2.66                     | 0.00         | 4.92                           | 0.00         | 6.67    | 2.50  | 0.00  |     |
| Sumter MSA  | 20                     | 21.28        | 0.00                   | 0.00         | 13.40                       | 10.00        | 66.51                     | 80.00        | 20.10                    | 10.00        | 20.00                          | 0.00         | 0.00    | 20.00 | 20.00 |     |

\* Based on 2002 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 (2003).

Table 8. Borrower Distribution of Home Purchase Loans

| Borrower Distribution: HOME PURCHASE |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      | Geography: STATE OF SOUTH CAROLINA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|---------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|------------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                  | Total Home Purchase 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                                | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                    |     |     |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA           | 1,640                     | 20.55                    | 19.47                     | 12.32                        | 17.94                     | 27.77                        | 23.78                     | 19.01                        | 38.81                     | 40.69                        | 4.24                      | 5.66                         | 4.38    | 2.97 | 4.62                               |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                           |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                    |     |     |  |  |   |  |  |  |  |
| Charleston MSA                       | 2,044                     | 25.60                    | 20.12                     | 3.86                         | 17.54                     | 16.56                        | 23.03                     | 15.30                        | 39.30                     | 64.13                        | 6.18                      | 3.89                         | 5.00    | 3.94 | 8.02                               |     |     |  |  |   |  |  |  |  |
| Columbia MSA                         | 1,805                     | 22.62                    | 19.49                     | 11.31                        | 17.75                     | 32.99                        | 24.36                     | 20.60                        | 38.41                     | 35.10                        | 8.12                      | 8.50                         | 10.71   | 6.12 | 7.39                               |     |     |  |  |   |  |  |  |  |
| Florence MSA                         | 332                       | 4.16                     | 23.57                     | 5.54                         | 16.21                     | 19.08                        | 19.21                     | 25.54                        | 41.00                     | 49.85                        | 8.64                      | 4.73                         | 8.15    | 8.26 | 10.25                              |     |     |  |  |   |  |  |  |  |
| Georgetown County Non-Metro          | 105                       | 1.32                     | 22.24                     | 1.09                         | 16.72                     | 5.43                         | 19.54                     | 15.22                        | 41.50                     | 78.26                        | 5.07                      | 0.00                         | 1.54    | 2.59 | 6.86                               |     |     |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                | 698                       | 8.75                     | 15.29                     | 0.84                         | 12.84                     | 5.10                         | 18.82                     | 8.80                         | 53.06                     | 85.33                        | 7.23                      | 0.86                         | 2.66    | 2.69 | 9.18                               |     |     |  |  |   |  |  |  |  |
| Myrtle Beach MSA                     | 660                       | 8.26                     | 19.34                     | 5.32                         | 18.63                     | 15.52                        | 23.33                     | 16.00                        | 38.70                     | 63.06                        | 3.98                      | 3.60                         | 4.14    | 2.73 | 4.42                               |     |     |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro            | 251                       | 3.15                     | 22.57                     | 6.28                         | 17.12                     | 21.34                        | 21.40                     | 25.90                        | 38.91                     | 46.03                        | 5.02                      | 3.49                         | 4.72    | 4.26 | 6.14                               |     |     |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro            | 165                       | 2.07                     | 19.63                     | 8.13                         | 16.45                     | 25.00                        | 22.33                     | 25.63                        | 41.59                     | 41.25                        | 4.26                      | 3.16                         | 3.85    | 4.03 | 4.84                               |     |     |  |  |   |  |  |  |  |
| Oconee County Non-Metro              | 119                       | 1.49                     | 15.46                     | 2.68                         | 16.45                     | 13.39                        | 21.00                     | 21.43                        | 47.10                     | 62.50                        | 7.21                      | 4.65                         | 4.17    | 9.94 | 7.33                               |     |     |  |  |   |  |  |  |  |
| Southern SC Non-Metro                | 75                        | 0.93                     | 27.58                     | 2.82                         | 16.83                     | 16.90                        | 19.07                     | 11.27                        | 36.52                     | 69.01                        | 2.59                      | 0.69                         | 1.68    | 1.01 | 4.79                               |     |     |  |  |   |  |  |  |  |
| Sumter MSA                           | 88                        | 1.10                     | 21.38                     | 7.14                         | 17.88                     | 11.90                        | 21.13                     | 14.29                        | 39.60                     | 66.67                        | 3.18                      | 1.92                         | 1.60    | 2.99 | 4.10                               |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 7.62% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF SOUTH CAROLINA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|-------|------------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low   | Mod                                | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                                    |     |     |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA              | 185                          | 27.82                    | 19.47                     | 25.41                        | 17.94                     | 24.86                        | 23.78                     | 21.62                        | 38.81                     | 28.11                        | 7.22                      | 10.81                        | 7.49    | 7.29  | 5.00                               |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                                    |     |     |  |  |   |  |  |  |  |
| Charleston MSA                          | 71                           | 10.68                    | 20.12                     | 9.86                         | 17.54                     | 16.90                        | 23.03                     | 23.94                        | 39.30                     | 49.30                        | 3.62                      | 3.77                         | 2.15    | 4.15  | 4.01                               |     |     |  |  |   |  |  |  |  |
| Columbia MSA                            | 113                          | 16.99                    | 19.49                     | 15.93                        | 17.75                     | 22.12                        | 24.36                     | 18.58                        | 38.41                     | 43.36                        | 6.79                      | 10.67                        | 7.19    | 5.52  | 6.21                               |     |     |  |  |   |  |  |  |  |
| Florence MSA                            | 41                           | 6.17                     | 23.57                     | 7.32                         | 16.21                     | 29.27                        | 19.21                     | 24.39                        | 41.00                     | 39.02                        | 8.60                      | 2.04                         | 14.29   | 9.09  | 10.34                              |     |     |  |  |   |  |  |  |  |
| Georgetown County Non-Metro             | 13                           | 1.95                     | 22.24                     | 7.69                         | 16.72                     | 23.08                        | 19.54                     | 46.15                        | 41.50                     | 23.08                        | 4.17                      | 0.00                         | 11.11   | 9.09  | 0.00                               |     |     |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                   | 26                           | 3.91                     | 15.29                     | 7.69                         | 12.84                     | 0.00                         | 18.82                     | 11.54                        | 53.06                     | 80.77                        | 5.95                      | 25.00                        | 0.00    | 2.56  | 6.93                               |     |     |  |  |   |  |  |  |  |
| Myrtle Beach MSA                        | 15                           | 2.26                     | 19.34                     | 6.67                         | 18.63                     | 26.67                        | 23.33                     | 26.67                        | 38.70                     | 40.00                        | 3.19                      | 2.50                         | 4.35    | 4.92  | 1.23                               |     |     |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro               | 64                           | 9.62                     | 22.57                     | 25.00                        | 17.12                     | 28.13                        | 21.40                     | 15.63                        | 38.91                     | 31.25                        | 6.68                      | 13.33                        | 8.54    | 3.91  | 5.49                               |     |     |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro               | 72                           | 10.83                    | 19.63                     | 23.61                        | 16.45                     | 26.39                        | 22.33                     | 29.17                        | 41.59                     | 20.83                        | 8.96                      | 17.14                        | 11.11   | 9.09  | 4.21                               |     |     |  |  |   |  |  |  |  |
| Oconee County Non-Metro                 | 13                           | 1.95                     | 15.46                     | 23.08                        | 16.45                     | 7.69                         | 21.00                     | 38.46                        | 47.10                     | 30.77                        | 7.00                      | 15.38                        | 0.00    | 11.54 | 5.88                               |     |     |  |  |   |  |  |  |  |
| Southern SC Non-Metro                   | 24                           | 3.61                     | 27.58                     | 8.33                         | 16.83                     | 20.83                        | 19.07                     | 25.00                        | 36.52                     | 45.83                        | 2.94                      | 0.00                         | 3.66    | 3.90  | 3.85                               |     |     |  |  |   |  |  |  |  |
| Sumter MSA                              | 28                           | 4.21                     | 21.38                     | 0.00                         | 17.88                     | 14.29                        | 21.13                     | 35.71                        | 39.60                     | 50.00                        | 10.74                     | 0.00                         | 5.26    | 19.35 | 11.11                              |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF SOUTH CAROLINA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|------|------------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low  | Mod                                | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                    |     |     |  |  |   |  |  |  |  |
| Greenville-Spartanburg MSA                     | 2,492                               | 23.87                    | 19.47                     | 8.52                         | 17.94                     | 19.44                        | 23.78                     | 22.34                        | 38.81                     | 49.71                        | 3.71                      | 3.29                         | 3.48    | 3.27 | 4.17                               |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |      |                                    |     |     |  |  |   |  |  |  |  |
| Charleston MSA                                 | 2,649                               | 25.38                    | 20.12                     | 3.41                         | 17.54                     | 10.69                        | 23.03                     | 17.51                        | 39.30                     | 68.39                        | 4.99                      | 3.78                         | 4.01    | 3.64 | 5.88                               |     |     |  |  |   |  |  |  |  |
| Columbia MSA                                   | 1,598                               | 15.32                    | 19.49                     | 6.06                         | 17.75                     | 19.58                        | 24.36                     | 24.81                        | 38.41                     | 49.55                        | 4.16                      | 3.13                         | 3.94    | 3.87 | 4.61                               |     |     |  |  |   |  |  |  |  |
| Florence MSA                                   | 504                                 | 4.83                     | 23.57                     | 6.97                         | 16.21                     | 20.49                        | 19.21                     | 21.72                        | 41.00                     | 50.82                        | 9.05                      | 7.76                         | 9.65    | 8.70 | 9.23                               |     |     |  |  |   |  |  |  |  |
| Georgetown County Non-Metro                    | 175                                 | 1.68                     | 22.24                     | 2.01                         | 16.72                     | 6.04                         | 19.54                     | 16.11                        | 41.50                     | 75.84                        | 3.08                      | 1.49                         | 1.90    | 2.40 | 3.53                               |     |     |  |  |   |  |  |  |  |
| Hilton Head Non-Metro                          | 885                                 | 8.48                     | 15.29                     | 0.95                         | 12.84                     | 4.88                         | 18.82                     | 11.13                        | 53.06                     | 83.04                        | 4.98                      | 3.30                         | 3.47    | 4.16 | 5.28                               |     |     |  |  |   |  |  |  |  |
| Myrtle Beach MSA                               | 719                                 | 6.89                     | 19.34                     | 4.61                         | 18.63                     | 13.70                        | 23.33                     | 24.26                        | 38.70                     | 57.59                        | 3.52                      | 3.46                         | 2.89    | 3.47 | 3.74                               |     |     |  |  |   |  |  |  |  |
| Northeastern SC Non-Metro                      | 532                                 | 5.10                     | 22.57                     | 6.76                         | 17.12                     | 16.90                        | 21.40                     | 22.66                        | 38.91                     | 53.68                        | 4.35                      | 4.42                         | 3.60    | 3.59 | 5.08                               |     |     |  |  |   |  |  |  |  |
| Northwestern SC Non-Metro                      | 449                                 | 4.29                     | 19.63                     | 5.50                         | 16.45                     | 18.90                        | 22.33                     | 28.23                        | 41.59                     | 47.13                        | 4.20                      | 2.73                         | 4.13    | 4.85 | 4.05                               |     |     |  |  |   |  |  |  |  |
| Oconee County Non-Metro                        | 174                                 | 1.67                     | 15.46                     | 3.85                         | 16.45                     | 12.82                        | 21.00                     | 17.95                        | 47.10                     | 65.38                        | 5.54                      | 2.78                         | 2.61    | 5.53 | 6.50                               |     |     |  |  |   |  |  |  |  |
| Southern SC Non-Metro                          | 108                                 | 1.04                     | 27.58                     | 3.13                         | 16.83                     | 11.46                        | 19.07                     | 25.00                        | 36.52                     | 60.42                        | 2.11                      | 1.20                         | 0.80    | 2.08 | 2.80                               |     |     |  |  |   |  |  |  |  |
| Sumter MSA                                     | 152                                 | 1.46                     | 21.38                     | 5.88                         | 17.88                     | 11.76                        | 21.13                     | 20.59                        | 39.60                     | 61.76                        | 3.66                      | 2.50                         | 2.95    | 3.63 | 4.00                               |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 10.40% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF SOUTH CAROLINA |   |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |                            |               |                         |
|--|---------------------------------|------------------------------------|---|------------------|---|--------------------------|----------------------------|---------------|-------------------------|
| 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>                              |                                 |                                    |   |                  |   |                          |                            |               |                         |
| Greenville-Spartanburg MSA                       | 1,978                           | 26.74                              | 81.07   | 62.09            | 59.40   | 19.70                    | 20.90                      | 3.49          | 4.65                    |
| <b>Limited Review:</b>                           |                                 |                                    |   |                  |   |                          |                            |               |                         |
| Charleston MSA                                   | 1,598                           | 21.60                              | 80.41   | 61.20            | 59.90   | 19.80                    | 20.30                      | 4.89          | 6.25                    |
| Columbia MSA                                     | 1,247                           | 16.86                              | 81.16   | 68.23            | 69.50   | 14.00                    | 16.40                      | 3.24          | 4.16                    |
| Florence MSA                                     | 362                             | 4.89                               | 82.39   | 74.40            | 69.30   | 13.00                    | 17.70                      | 4.64          | 6.72                    |
| Georgetown County Non-Metro                      | 92                              | 1.24                               | 80.76   | 72.00            | 71.70   | 15.20                    | 13.00                      | 2.18          | 2.75                    |
| Hilton Head Non-Metro                            | 526                             | 7.11                               | 80.02   | 63.43            | 62.40   | 16.20                    | 21.50                      | 4.47          | 6.00                    |
| Myrtle Beach MSA                                 | 360                             | 4.87                               | 81.40   | 52.90            | 59.40   | 17.80                    | 22.80                      | 1.36          | 0.98                    |
| Northeastern SC Non-Metro                        | 415                             | 5.61                               | 83.10   | 76.52            | 78.10   | 12.50                    | 9.40                       | 2.85          | 4.71                    |
| Northwestern SC Non-Metro                        | 338                             | 4.57                               | 82.94   | 62.58            | 74.60   | 14.50                    | 10.90                      | 2.57          | 3.97                    |
| Oconee County Non-Metro                          | 91                              | 1.25                               | 81.33   | 60.00            | 60.40   | 16.50                    | 23.10                      | 1.50          | 2.68                    |
| Southern SC Non-Metro                            | 86                              | 1.15                               | 82.01   | 48.05            | 73.30   | 12.80                    | 14.00                      | 1.04          | 0.81                    |
| Sumter MSA                                       | 304                             | 4.11                               | 82.01   | 61.87            | 67.40   | 21.40                    | 11.20                      | 5.40          | 10.02                   |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 17.97% 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: STATE OF SOUTH CAROLINA                      |                            |              |  |                  |  |                          |                            |               |                         |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |  |                  |  |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                     |                            |              |  |                  |  |                          |                            |               |                         |
| Greenville-Spartanburg MSA                              | 9                          | 9.57         | 92.22                                      | 66.70            | 22.22  | 33.33                    | 44.44                      | 13.33         | 6.45                    |
| <b>Limited Review:</b>                                  |                            |              |  |                  |  |                          |                            |               |                         |
| Charleston MSA  | 14                         | 14.89        | 91.33                                      | 85.71            | 78.57  | 7.14                     | 14.29                      | 22.86         | 29.17                   |
| Columbia MSA  | 11                         | 11.70        | 93.32                                      | 60.00            | 81.82  | 9.09                     | 9.09                       | 2.65          | 1.14                    |
| Florence MSA  | 2                          | 2.13         | 95.16                                      | 0.00             | 100.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Georgetown County Non-Metro                             | 0                          | 0.00         | 93.98                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Hilton Head Non-Metro                                   | 6                          | 6.38         | 86.29                                      | 66.67            | 100.00   | 0.00                     | 0.00                       | 20.00         | 16.67                   |
| Myrtle Beach MSA  | 2                          | 2.13         | 95.06                                      | 0.00             | 50.00  | 0.00                     | 50.00                      | 0.37          | 0.00                    |
| Northeastern SC Non-Metro                               | 21                         | 22.34        | 94.07                                      | 66.67            | 36.40  | 27.30                    | 36.40                      | 3.15          | 2.14                    |
| Northwestern SC Non-Metro                               | 6                          | 6.38         | 93.33                                      | 66.67            | 100.00   | 0.00                     | 0.00                       | 6.67          | 4.05                    |
| Oconee County Non-Metro                                 | 0                          | 0.00         | 94.29                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Southern SC Non-Metro                                   | 3                          | 3.19         | 92.03                                      | 66.67            | 25.00  | 75.00                    | 0.00                       | 4.92          | 2.17                    |
| Sumter MSA  | 20                         | 21.28        | 91.87                                      | 100.00           | 45.00  | 30.00                    | 25.00                      | 20.00         | 26.67                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 27.66% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS                               |                           |           |                            |           |                   |           |            |                        |           |
|---|---------------------------|-----------|----------------------------|-----------|-------------------|-----------|------------|------------------------|-----------|
| Geography: STATE OF SOUTH CAROLINA                  |                           |           |                            |           |                   |           |            |                        |           |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                           |           |                            |           |                   |           |            |                        |           |
| 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>                                 |                           |           |                            |           |                   |           |            |                        |           |
| Greenville-Spartanburg MSA                          | 4                         | 8,183     | 37                         | 307       | 41                | 8,489     | 15.70      | 0                      | -         |
| <b>Limited Review:</b>                              |                           |           |                            |           |                   |           |            |                        |           |
| Charleston MSA                                      | 0                         | -         | 89                         | 5,973     | 89                | 5,973     | 11.05      | 0                      | -         |
| Columbia MSA  | 1                         | 309       | 225                        | 1,450     | 226               | 1,758     | 3.25       | 0                      | -         |
| Florence MSA  | 0                         | -         | 11                         | 55        | 11                | 55        | 0.10       | 0                      | -         |
| Georgetown Cty. Non-Metro                           | 1                         | 250       | 2                          | 10        | 3                 | 260       | 0.48       | 0                      | -         |
| Hilton Head Non-Metro                               | 3                         | 11,435    | 2                          | 14        | 5                 | 11,449    | 21.18      | 0                      | -         |
| Myrtle Beach MSA                                    | 2                         | 4,568     | 7                          | 272       | 9                 | 4,840     | 8.95       | 0                      | -         |
| NE South Carolina Non-Metro                         | 0                         | -         | 11                         | 971       | 11                | 971       | 1.80       | 0                      | -         |
| NW South Carolina Non-Metro                         | 0                         | -         | 11                         | 45        | 11                | 45        | 0.08       | 0                      | -         |
| Oconee County Non-Metro                             | 0                         | -         | 2                          | 9         | 2                 | 9         | 0.02       | 0                      | -         |
| Southern SC Non-Metro                               | 0                         | -         | 1                          | 8         | 1                 | 8         | 0.02       | 0                      | -         |
| Sumter MSA  | 0                         | -         | 3                          | 16        | 3                 | 16        | 0.03       | 0                      | -         |
| Statewide/Regional:                                 | 1                         | 20,187    | 0                          | -         | 1                 | 20,187    | 37.34      | 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: STATE OF SOUTH CAROLINA                                  |                                |                    |                                |   |       |       |        |                          |                      |   |     |     |     |                                       |       |       |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |       |       |        |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>   |                                |                    |                                |   |       |       |        |                          |                      |   |     |     |     |                                       |       |       |       |
| Greenville-Spartanburg MSA  | 28.78                          | 32                 | 24.43                          | 0.00  | 25.00 | 43.75 | 31.25  | 1                        | 6                    | 0   | -1  | -1  | -3  | 2.27                                  | 18.44 | 56.26 | 23.02 |
| <b>Limited Review:</b>  |                                |                    |                                |   |       |       |        |                          |                      |   |     |     |     |                                       |       |       |       |
| Charleston MSA  | 16.42                          | 22                 | 16.79                          | 9.09  | 9.09  | 50.00 | 31.82  | 0                        | 2                    | 0   | -1  | 0   | -1  | 5.20                                  | 20.09 | 48.15 | 26.57 |
| Columbia MSA  | 21.26                          | 24                 | 18.32                          | 4.17  | 20.83 | 16.67 | 50.00  | 0                        | 2                    | 0   | -2  | 0   | 0   | 3.87                                  | 27.63 | 37.18 | 30.35 |
| Florence MSA  | 3.77                           | 6                  | 4.58                           | 0.00  | 33.33 | 33.33 | 33.33  | 0                        | 2                    | 0   | -1  | 0   | -1  | 2.93                                  | 18.37 | 56.73 | 21.97 |
| Georgetown Cty. Non-Metro   | 1.66                           | 3                  | 2.29                           | 0.00  | 0.00  | 0.00  | 100.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 26.54 | 37.75 | 35.72 |
| Hilton Head Non-Metro   | 5.12                           | 8                  | 6.11                           | 0.00  | 0.00  | 12.50 | 87.50  | 0                        | 2                    | 0   | 0   | 0   | -2  | 0.00                                  | 7.67  | 42.01 | 50.32 |
| Myrtle Beach MSA  | 4.36                           | 10                 | 7.63                           | 0.00  | 20.00 | 30.00 | 50.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 12.74 | 70.33 | 16.93 |
| NE South Carolina Non-Metro   | 7.61                           | 11                 | 8.40                           | 0.00  | 45.45 | 45.45 | 9.09   | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.96                                  | 21.26 | 60.65 | 17.13 |
| NW South Carolina Non-Metro   | 5.48                           | 7                  | 5.34                           | 0.00  | 57.14 | 14.29 | 28.57  | 0                        | 2                    | 0   | -1  | 0   | -1  | 0.00                                  | 11.54 | 74.53 | 13.93 |
| Oconee County Non-Metro   | 2.05                           | 2                  | 1.53                           | 0.00  | 0.00  | 0.00  | 100.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 73.96 | 26.04 |
| Southern SC Non-Metro   | 1.71                           | 3                  | 2.29                           | 0.00  | 33.33 | 66.67 | 0.00   | 0                        | 0                    | 0   | 0   | 0   | 0   | 1.59                                  | 20.02 | 70.49 | 7.90  |
| Sumter MSA  | 1.78                           | 3                  | 2.29                           | 0.00  | 0.00  | 66.67 | 33.33  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 30.25 | 43.10 | 26.66 |

Table 1. Lending Volume

| LENDING VOLUME                |                                     | Geography: STATE OF VIRGINIA |           |                           |           | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |           |                               |           |                      |           |                                      |
|-------------------------------|-------------------------------------|------------------------------|-----------|---------------------------|-----------|---|-----------|-------------------------------|-----------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002):    | % 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>           |                                     |                              |           |                           |           |   |           |                               |           |                      |           |                                      |
| Richmond-Petersburg MSA       | 29.38                               | 6,057                        | 888,056   | 3,134                     | 426,561   | 10  | 1,665     | 35                            | 218,007   | 9,236                | 1,534,289 | 35.67                                |
| <b>Limited Review:</b>        |                                     |                              |           |                           |           |   |           |                               |           |                      |           |                                      |
| Central Virginia Non-Metro    | 1.73                                | 386                          | 34,022    | 153                       | 19,633    | 5   | 394       | 1                             | 847       | 545                  | 54,896    | 1.72                                 |
| Charlottesville MSA           | 2.77                                | 525                          | 105,932   | 344                       | 54,344    | 1   | 500       | 2                             | 2,000     | 872                  | 162,776   | 3.97                                 |
| Danville MSA                  | 0.97                                | 249                          | 18,661    | 51                        | 5,783     | 4   | 619       | 1                             | 291       | 305                  | 25,354    | .67                                  |
| Johnson City-Bristol MSA      | 1.63                                | 393                          | 31,307    | 120                       | 20,936    | 0   | 0         | 0                             | 0         | 513                  | 52,243    | 1.85                                 |
| Lexington/Covington Non-Metro | 0.90                                | 239                          | 18,518    | 42                        | 4,087     | 2   | 200       | 0                             | 0         | 283                  | 22,805    | 1.06                                 |
| Lynchburg-Bedford MSA         | 6.32                                | 1,344                        | 131,032   | 630                       | 79,820    | 7   | 554       | 4                             | 17,204    | 1,985                | 228,610   | 6.86                                 |
| Norfolk-Virginia Beach MSA    | 32.50                               | 7,343                        | 970,424   | 2,819                     | 414,707   | 11  | 2,273     | 41                            | 66,719    | 10,214               | 1,454,123 | 26.02                                |
| Northern Virginia Non-Metro   | 1.55                                | 347                          | 36,931    | 134                       | 13,222    | 6   | 872       | 0                             | 0         | 487                  | 51,025    | 2.21                                 |
| Roanoke MSA                   | 7.59                                | 1,583                        | 178,150   | 795                       | 135,300   | 5   | 482       | 2                             | 5,050     | 2,385                | 318,982   | 6.58                                 |
| Shenandoah Valley Non-Metro   | 2.87                                | 592                          | 55,298    | 288                       | 43,306    | 21  | 4,029     | 0                             | 0         | 901                  | 102,633   | 2.85                                 |
| Southside Virginia Non-Metro  | 1.75                                | 350                          | 26,209    | 191                       | 16,544    | 11  | 728       | 0                             | 0         | 552                  | 43,481    | 1.85                                 |
| Southwest Virginia Non-Metro  | 7.44                                | 1,840                        | 141,303   | 482                       | 59,642    | 10  | 1,442     | 7                             | 10,152    | 2,339                | 212,539   | 5.96                                 |
| Winchester Non-Metro          | 2.59                                | 512                          | 64,067    | 290                       | 49,995    | 13  | 1,459     | 1                             | 850       | 816                  | 116,371   | 2.65                                 |

\* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From October 1,2000 to June 30, 2003

\*\*\* Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

| Geographic Distribution: HOME PURCHASE |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      | Geography: STATE OF VIRGINIA |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |  |  |  |  |  |  |  |  |
|--|---------------------------|--------------------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|--|------|------|------|------------------------------|--|---|--|--|--|--|--|--|--|--|--|--|--|--|
| MA/Assessment Area:                    | Total Home Purchase Loans |                          | Low-Income Geographies           |              | Moderate-Income Geographies      |              | Middle-Income Geographies        |              | Upper-Income Geographies         |              | Market Share (%) by Geography <sup>*</sup> |      |      |      |                              |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
|  | #                         | % of Total <sup>**</sup> | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | % Owner Occ Units <sup>***</sup> | % BANK Loans | Overall                                    | Low  | Mod  | Mid  | Upp                          |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| <b>Full Review:</b>                    |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |                              |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Richmond-Petersburg MSA                | 1,819                     | 28.57                    | 3.49                             | 1.21         | 15.15                            | 8.71         | 49.99                            | 38.51        | 31.37                            | 51.57        | 2.57                                       | 1.21 | 1.68 | 2.31 | 3.14                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| <b>Limited Review:</b>                 |                           |                          |                                  |              |                                  |              |                                  |              |                                  |              |  |      |      |      |                              |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Central Virginia Non-Metro             | 71                        | 1.12                     | 0.00                             | 0.00         | 9.14                             | 1.41         | 82.70                            | 60.56        | 8.16                             | 38.03        | 3.88                                       | 0.00 | 0.00 | 4.35 | 3.36                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Charlottesville MSA                    | 182                       | 2.86                     | 1.06                             | 0.55         | 9.87                             | 13.19        | 53.47                            | 45.60        | 35.60                            | 40.66        | 3.09                                       | 0.00 | 5.41 | 2.48 | 3.51                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Danville MSA                           | 38                        | 0.60                     | 0.23                             | 0.00         | 20.57                            | 18.42        | 64.50                            | 68.42        | 14.70                            | 13.16        | 1.41                                       | 0.00 | 2.19 | 1.49 | 0.64                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Johnson City-Bristol MSA               | 112                       | 1.76                     | 0.00                             | 0.00         | 19.76                            | 8.93         | 64.00                            | 60.71        | 16.24                            | 30.36        | 4.79                                       | 0.00 | 3.68 | 4.35 | 6.97                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Lexington/Covington Non-Metro          | 34                        | 0.53                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 81.16                            | 82.35        | 18.84                            | 17.65        | 2.75                                       | 0.00 | 0.00 | 2.74 | 2.82                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Lynchburg-Bedford MSA                  | 235                       | 3.69                     | 0.99                             | 0.43         | 6.25                             | 1.70         | 77.94                            | 69.36        | 14.83                            | 28.09        | 2.82                                       | 2.78 | 0.53 | 2.64 | 3.77                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Norfolk-Virginia Beach MSA             | 2,682                     | 42.13                    | 2.74                             | 2.05         | 11.05                            | 7.50         | 52.74                            | 50.06        | 33.47                            | 40.39        | 2.96                                       | 2.12 | 2.36 | 3.03 | 3.07                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Northern Virginia Non-Metro            | 89                        | 1.40                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 77.25                            | 61.80        | 22.75                            | 38.20        | 3.57                                       | 0.00 | 0.00 | 3.07 | 4.47                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Roanoke MSA                            | 410                       | 6.44                     | 1.65                             | 0.49         | 9.46                             | 10.24        | 58.00                            | 54.63        | 30.89                            | 34.63        | 3.26                                       | 0.00 | 2.85 | 3.33 | 3.38                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Shenandoah Valley Non-Metro            | 135                       | 2.12                     | 0.00                             | 0.00         | 0.40                             | 0.00         | 53.40                            | 42.96        | 46.20                            | 57.04        | 2.19                                       | 0.00 | 0.00 | 2.00 | 2.36                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Southside Virginia Non-Metro           | 42                        | 0.66                     | 0.00                             | 0.00         | 12.91                            | 11.90        | 87.09                            | 88.10        | 0.00                             | 0.00         | 2.95                                       | 0.00 | 8.11 | 2.63 | 0.00                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Southwest Virginia Non-Metro           | 363                       | 5.70                     | 0.01                             | 0.00         | 28.05                            | 29.80        | 64.81                            | 54.80        | 7.12                             | 15.40        | 4.40                                       | 0.00 | 8.80 | 3.80 | 2.91                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |
| Winchester Non-Metro                   | 154                       | 2.42                     | 0.00                             | 0.00         | 0.00                             | 0.00         | 38.96                            | 44.16        | 61.04                            | 55.84        | 2.60                                       | 0.00 | 0.00 | 3.61 | 2.00                         |  |   |  |  |  |  |  |  |  |  |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

| Geographic Distribution: HOME IMPROVEMENT               |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |       |
|---|------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|-------|-------|-------|
| Geography: STATE OF VIRGINIA                            |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |       |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |       |
| 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>                                     |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |       |
| Richmond-Petersburg MSA                                 | 393                          | 31.12        | 3.49                   | 3.56         | 15.15                       | 15.78        | 49.99                     | 44.27        | 31.37                    | 36.39        | 8.16                           | 6.76 | 9.93  | 7.37  | 8.83  |
| <b>Limited Review:</b>                                  |                              |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |       |
| Central Virginia Non-Metro                              | 27                           | 2.14         | 0.00                   | 0.00         | 9.14                        | 3.70         | 82.70                     | 74.07        | 8.16                     | 22.22        | 12.09                          | 0.00 | 0.00  | 12.50 | 14.29 |
| Charlottesville MSA                                     | 12                           | .95          | 1.06                   | 0.00         | 9.87                        | 8.33         | 53.47                     | 58.33        | 35.60                    | 33.33        | 1.22                           | 0.00 | 2.78  | 1.08  | 0.95  |
| Danville MSA  | 32                           | 2.53         | 0.23                   | 0.00         | 20.57                       | 0.00         | 64.50                     | 96.88        | 14.70                    | 3.13         | 7.22                           | 0.00 | 0.00  | 9.70  | 0.00  |
| Johnson City-Bristol MSA                                | 27                           | 2.14         | 0.00                   | 0.00         | 19.76                       | 18.52        | 64.00                     | 51.85        | 16.24                    | 29.63        | 2.60                           | 0.00 | 1.79  | 2.70  | 3.57  |
| Lexington/Covington Non-Metro                           | 30                           | 2.38         | 0.00                   | 0.00         | 0.00                        | 0.00         | 81.16                     | 83.33        | 18.84                    | 16.67        | 8.03                           | 0.00 | 0.00  | 8.62  | 5.00  |
| Lynchburg-Bedford MSA                                   | 93                           | 7.36         | 0.99                   | 0.00         | 6.25                        | 2.15         | 77.94                     | 86.02        | 14.83                    | 11.83        | 7.18                           | 0.00 | 0.00  | 7.90  | 6.82  |
| Norfolk-Virginia Beach MSA                              | 247                          | 19.56        | 2.74                   | 2.83         | 11.05                       | 10.53        | 52.74                     | 52.23        | 33.47                    | 34.41        | 2.48                           | 1.27 | 2.82  | 2.37  | 2.61  |
| Northern Virginia Non-Metro                             | 60                           | 4.75         | 0.00                   | 0.00         | 0.00                        | 0.00         | 77.25                     | 83.33        | 22.75                    | 16.67        | 12.84                          | 0.00 | 0.00  | 13.91 | 10.45 |
| Roanoke MSA   | 57                           | 4.51         | 1.65                   | 1.75         | 9.46                        | 17.54        | 58.00                     | 50.88        | 30.89                    | 29.82        | 3.06                           | 0.00 | 3.45  | 2.86  | 3.48  |
| Shenandoah Valley Non-Metro                             | 25                           | 1.98         | 0.00                   | 0.00         | 0.40                        | 0.00         | 53.40                     | 52.00        | 46.20                    | 48.00        | 4.85                           | 0.00 | 0.00  | 2.61  | 7.78  |
| Southside Virginia Non-Metro                            | 38                           | 3.00         | 0.00                   | 0.00         | 12.91                       | 7.89         | 87.09                     | 92.11        | 0.00                     | 0.00         | 22.09                          | 0.00 | 0.00  | 23.75 | 0.00  |
| Southwest Virginia Non-Metro                            | 206                          | 16.31        | 0.01                   | 0.00         | 28.05                       | 46.05        | 64.81                     | 46.13        | 7.12                     | 7.82         | 10.50                          | 0.00 | 17.70 | 7.40  | 7.69  |
| Winchester Non-Metro                                    | 16                           | 1.27         | 0.00                   | 0.00         | 0.00                        | 0.00         | 38.96                     | 43.75        | 61.04                    | 56.25        | 5.08                           | 0.00 | 0.00  | 6.67  | 4.11  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE        |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
|---|-------------------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|-------|-------|------|
| Geography: STATE OF VIRGINIA                            |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| 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 | Overall                        | Low  | Mod   | Mid   | Upp  |
| <b>Full Review:</b>                                     |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| Richmond-Petersburg MSA                                 | 3,826                               | 27.19        | 3.49                   | 2.01         | 15.15                       | 10.04        | 49.99                     | 41.52        | 31.37                    | 46.43        | 4.28                           | 5.78 | 4.52  | 3.83  | 4.62 |
| <b>Limited Review:</b>                                  |                                     |              |                        |              |                             |              |                           |              |                          |              |                                |      |       |       |      |
| Central Virginia Non-Metro                              | 287                                 | 2.04         | 0.00                   | 0.00         | 9.14                        | 4.53         | 82.70                     | 83.62        | 8.16                     | 11.85        | 8.63                           | 0.00 | 8.00  | 10.02 | 4.68 |
| Charlottesville MSA                                     | 328                                 | 2.33         | 1.06                   | 1.83         | 9.87                        | 8.54         | 53.47                     | 43.90        | 35.60                    | 45.73        | 2.92                           | 2.56 | 4.62  | 2.56  | 3.11 |
| Danville MSA  | 178                                 | 1.26         | 0.23                   | 0.00         | 20.57                       | 10.11        | 64.50                     | 84.83        | 14.70                    | 5.06         | 3.26                           | 0.00 | 2.30  | 4.04  | 0.87 |
| Johnson City-Bristol MSA                                | 254                                 | 1.81         | 0.00                   | 0.00         | 19.76                       | 16.54        | 64.00                     | 62.20        | 16.24                    | 21.26        | 6.24                           | 0.00 | 6.53  | 5.68  | 8.16 |
| Lexington/Covington Non-Metro                           | 175                                 | 1.24         | 0.00                   | 0.00         | 0.00                        | 0.00         | 81.16                     | 75.43        | 18.84                    | 24.57        | 4.03                           | 0.00 | 0.00  | 3.58  | 5.83 |
| Lynchburg-Bedford MSA                                   | 1,013                               | 7.20         | 0.99                   | 0.79         | 6.25                        | 2.86         | 77.94                     | 75.62        | 14.83                    | 20.73        | 6.13                           | 7.69 | 4.40  | 6.42  | 5.45 |
| Norfolk-Virginia Beach MSA                              | 4,393                               | 31.22        | 2.74                   | 2.46         | 11.05                       | 6.94         | 52.74                     | 47.29        | 33.47                    | 43.28        | 3.50                           | 5.80 | 3.49  | 3.30  | 3.67 |
| Northern Virginia Non-Metro                             | 198                                 | 1.41         | 0.00                   | 0.00         | 0.00                        | 0.00         | 77.25                     | 61.62        | 22.75                    | 38.38        | 3.89                           | 0.00 | 0.00  | 3.14  | 5.46 |
| Roanoke MSA   | 1,112                               | 7.90         | 1.65                   | 0.45         | 9.46                        | 9.26         | 58.00                     | 51.44        | 30.89                    | 38.85        | 5.43                           | 2.82 | 5.72  | 5.20  | 5.75 |
| Shenandoah Valley Non-Metro                             | 431                                 | 3.06         | 0.00                   | 0.00         | 0.40                        | 0.00         | 53.40                     | 39.68        | 46.20                    | 60.32        | 3.94                           | 0.00 | 0.00  | 3.41  | 4.41 |
| Southside Virginia Non-Metro                            | 270                                 | 1.92         | 0.00                   | 0.00         | 12.91                       | 20.74        | 87.09                     | 79.26        | 0.00                     | 0.00         | 7.54                           | 0.00 | 16.67 | 6.66  | 0.00 |
| Southwest Virginia Non-Metro                            | 1,265                               | 8.99         | 0.01                   | 0.00         | 28.05                       | 34.03        | 64.81                     | 53.80        | 7.12                     | 12.20        | 8.00                           | 0.00 | 14.40 | 6.60  | 7.30 |
| Winchester Non-Metro                                    | 342                                 | 2.43         | 0.00                   | 0.00         | 0.00                        | 0.00         | 38.96                     | 34.21        | 61.04                    | 65.79        | 3.85                           | 0.00 | 0.00  | 3.77  | 3.90 |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.



Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       | Geography: STATE OF VIRGINIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--------------------------------------|-------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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 | Overall | Low   | Mod                          | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                  |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                              |     |     |  |  |   |  |  |  |  |
| Richmond-Petersburg MSA              | 19                      | 32.20        | 11.96                  | 10.53        | 29.17                       | 26.32        | 42.28                     | 42.11        | 16.60                    | 21.05        | 10.91                          | 0.00         | 13.04   | 5.56  | 15.38                        |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>               |                         |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |                              |     |     |  |  |   |  |  |  |  |
| Central Virginia Non-Metro           | 1                       | 1.69         | 0.00                   | 0.00         | 0.00                        | 0.00         | 35.31                     | 100.00       | 64.69                    | 0.00         | 100.00                         | 0.00         | 0.00    | 100.0 | 0.00                         |     |     |  |  |   |  |  |  |  |
| Charlottesville MSA                  | 3                       | 5.08         | 8.39                   | 33.33        | 31.75                       | 0.00         | 42.28                     | 66.67        | 17.48                    | 0.00         | 18.18                          | 50.00        | 0.00    | 33.33 | 0.00                         |     |     |  |  |   |  |  |  |  |
| Danville MSA                         | 1                       | 1.69         | 9.51                   | 0.00         | 32.33                       | 0.00         | 33.92                     | 100.00       | 24.24                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                         |     |     |  |  |   |  |  |  |  |
| Johnson City-Bristol MSA             | 0                       | 0.00         | 0.00                   | 0.00         | 14.32                       | 0.00         | 80.40                     | 0.00         | 5.29                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                         |     |     |  |  |   |  |  |  |  |
| Lexington/Covington Non-Metro        | 0                       | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 61.44                     | 0.00         | 38.56                    | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                         |     |     |  |  |   |  |  |  |  |
| Lynchburg-Bedford MSA                | 3                       | 5.08         | 6.33                   | 0.00         | 9.17                        | 0.00         | 64.42                     | 100.00       | 20.09                    | 0.00         | 18.18                          | 0.00         | 0.00    | 25.00 | 0.00                         |     |     |  |  |   |  |  |  |  |
| Norfolk-Virginia Beach MSA           | 21                      | 35.59        | 11.23                  | 4.76         | 25.87                       | 33.33        | 47.57                     | 33.33        | 15.32                    | 28.57        | 11.11                          | 9.09         | 7.69    | 12.20 | 17.65                        |     |     |  |  |   |  |  |  |  |
| Northern Virginia Non-Metro          | 0                       | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 98.01                     | 0.00         | 1.99                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                         |     |     |  |  |   |  |  |  |  |
| Roanoke MSA                          | 4                       | 6.78         | 4.58                   | 0.00         | 16.92                       | 0.00         | 53.11                     | 50.00        | 25.39                    | 50.00        | 11.11                          | 0.00         | 0.00    | 13.33 | 50.00                        |     |     |  |  |   |  |  |  |  |
| Shenandoah Valley Non-Metro          | 1                       | 1.69         | 0.00                   | 0.00         | 1.13                        | 0.00         | 47.71                     | 100.00       | 51.16                    | 0.00         | 5.00                           | 0.00         | 0.00    | 16.67 | 0.00                         |     |     |  |  |   |  |  |  |  |
| Southside Virginia Non-Metro         | 0                       | 0.00         | 0.00                   | 0.00         | 6.07                        | 0.00         | 93.93                     | 0.00         | 0.00                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00                         |     |     |  |  |   |  |  |  |  |
| Southwest Virginia Non-Metro         | 6                       | 10.17        | 0.00                   | 0.00         | 18.80                       | 0.00         | 63.47                     | 0.00         | 17.72                    | 16.67        | 4.76                           | 00           | 0.00    | 0.00  | 100.0                        |     |     |  |  |   |  |  |  |  |
| Winchester Non-Metro                 | 0                       | 0.00         | 0.00                   | 0.00         | 0.00                        | 0.00         | 62.65                     | 0.00         | 37.35                    | 0.00         | 0.00                           | 0.00         | 0.00    | 100.0 | 0.00                         |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE 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 1990 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

| Geographic Distribution: SMALL LOANS TO BUSINESSES      |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
|---|----------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|------|------|------|------|
| Geography: STATE OF VIRGINIA                            |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| 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>                                     |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Richmond-Petersburg MSA                                 | 3,134                      | 33.08        | 6.27                   | 5.39         | 17.14                       | 14.15        | 44.40                     | 46.74        | 31.09                    | 33.33        | 5.10                           | 6.46 | 5.15 | 4.61 | 5.31 |
| <b>Limited Review:</b>                                  |                            |              |                        |              |                             |              |                           |              |                          |              |                                |      |      |      |      |
| Central Virginia Non-Metro                              | 153                        | 1.62         | 0.00                   | 0.00         | 5.70                        | 1.34         | 83.97                     | 85.23        | 10.33                    | 13.42        | 4.21                           | 0.00 | 0.00 | 4.60 | 4.32 |
| Charlottesville MSA                                     | 344                        | 3.63         | 2.52                   | 3.27         | 24.81                       | 19.94        | 44.11                     | 41.67        | 28.18                    | 35.12        | 3.13                           | 7.35 | 3.07 | 2.86 | 3.69 |
| Danville MSA  | 51                         | .54          | 9.44                   | 3.92         | 15.38                       | 3.92         | 61.17                     | 82.35        | 13.90                    | 9.80         | 1.00                           | 0.00 | 0.32 | 1.38 | 0.86 |
| Johnson City-Bristol MSA                                | 120                        | 1.27         | 0.00                   | 0.00         | 8.15                        | 16.10        | 74.38                     | 72.88        | 17.47                    | 11.02        | 2.51                           | 0.00 | 5.34 | 2.06 | 2.52 |
| Lexington/Covington Non-Metro                           | 42                         | .44          | 0.00                   | 0.00         | 0.00                        | 0.00         | 72.35                     | 59.52        | 27.65                    | 40.48        | 1.53                           | 0.00 | 0.00 | 1.23 | 2.99 |
| Lynchburg-Bedford MSA                                   | 630                        | 6.65         | 6.23                   | 4.34         | 10.85                       | 7.56         | 66.52                     | 69.94        | 16.36                    | 18.17        | 4.50                           | 6.30 | 2.86 | 4.48 | 6.32 |
| Norfolk-Virginia Beach MSA                              | 2,819                      | 29.76        | 3.58                   | 2.77         | 14.36                       | 12.09        | 49.09                     | 47.99        | 32.59                    | 36.69        | 3.70                           | 3.80 | 3.80 | 3.70 | 3.60 |
| Northern Virginia Non-Metro                             | 134                        | 1.41         | 0.00                   | 0.00         | 0.00                        | 0.00         | 81.45                     | 85.60        | 18.55                    | 14.40        | 4.02                           | 0.00 | 0.00 | 4.10 | 3.23 |
| Roanoke MSA   | 795                        | 8.39         | 10.40                  | 13.43        | 8.77                        | 11.38        | 52.84                     | 50.64        | 27.99                    | 24.55        | 4.65                           | 6.18 | 7.75 | 4.11 | 4.44 |
| Shenandoah Valley Non-Metro                             | 288                        | 3.04         | 0.00                   | 0.00         | 3.69                        | 2.46         | 44.93                     | 34.15        | 51.35                    | 63.38        | 1.99                           | 0.00 | 1.80 | 1.84 | 2.36 |
| Southside Virginia Non-Metro                            | 191                        | 2.01         | 0.00                   | 0.00         | 12.54                       | 15.59        | 87.46                     | 84.41        | 0.00                     | 0.00         | 4.82                           | 0.00 | 9.92 | 4.35 | 0.00 |
| Southwest Virginia Non-Metro                            | 482                        | 5.09         | 0.00                   | 0.00         | 24.24                       | 26.17        | 65.92                     | 63.62        | 9.58                     | 10.21        | 3.00                           | 0.00 | 4.40 | 2.80 | 1.80 |
| Winchester Non-Metro                                    | 290                        | 3.06         | 0.00                   | 0.00         | 0.00                        | 0.00         | 53.33                     | 58.45        | 46.60                    | 41.55        | 5.92                           | 0.00 | 0.00 | 6.78 | 5.65 |

\* Based on 2002 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 (2002).

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS           |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
|---|------------------------|--------------|------------------------|--------------|-----------------------------|--------------|---------------------------|--------------|--------------------------|--------------|--------------------------------|--------------|---------|-------|-------|-----|
| Geography: STATE OF VIRGINIA                            |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| 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 |
| <b>Full Review:</b>                                     |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Richmond-Petersburg MSA                                 | 10                     | 9.43         | 2.84                   | 0.00         | 11.67                       | 0.00         | 54.46                     | 70.00        | 30.96                    | 30.00        | 9.09                           | 0.00         | 0.00    | 8.57  | 25.00 |     |
| <b>Limited Review:</b>                                  |                        |              |                        |              |                             |              |                           |              |                          |              |                                |              |         |       |       |     |
| Central Virginia Non-Metro                              | 10                     | 9.43         | 0.00                   | 0.00         | 0.00                        | 0.00         | 0.00                      | 0.00         | 0.00                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Charlottesville MSA                                     | 11                     | 10.38        | 0.00                   | 0.00         | 0.00                        | 0.00         | 0.00                      | 0.00         | 0.00                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Danville MSA  | 5                      | 4.72         | 0.00                   | 0.00         | 10.33                       | 0.00         | 81.82                     | 80.00        | 7.85                     | 20.00        | 8.82                           | 0.00         | 0.00    | 7.69  | 0.00  |     |
| Johnson City-Bristol MSA                                | 1                      | 0.94         | 0.37                   | 0.00         | 8.99                        | 0.00         | 65.92                     | 100.00       | 24.72                    | 0.00         | 4.55                           | 0.00         | 0.00    | 5.56  | 0.00  |     |
| Lexington/Covington Non-Metro                           | 4                      | 3.77         | 1.11                   | 0.00         | 11.07                       | 0.00         | 81.92                     | 75.00        | 5.90                     | 25.00        | 0.59                           | 0.00         | 0.00    | 0.66  | 0.00  |     |
| Lynchburg-Bedford MSA                                   | 0                      | 0.00         | 0.00                   | 0.00         | 18.23                       | 0.00         | 72.40                     | 0.00         | 9.38                     | 0.00         | 0.00                           | 0.00         | 0.00    | 0.00  | 0.00  |     |
| Norfolk-Virginia Beach MSA                              | 2                      | 1.89         | 0.00                   | 0.00         | 0.00                        | 0.00         | 82.58                     | 50.00        | 17.42                    | 50.00        | 15.38                          | 0.00         | 0.00    | 9.09  | 50.00 |     |
| Northern Virginia Non-Metro                             | 7                      | 6.60         | 1.38                   | 0.00         | 2.99                        | 0.00         | 82.99                     | 85.71        | 12.64                    | 14.29        | 3.57                           | 0.00         | 0.00    | 4.76  | 0.00  |     |
| Roanoke MSA   | 6                      | 5.66         | 0.00                   | 0.00         | 0.00                        | 0.00         | 81.31                     | 33.33        | 18.69                    | 66.67        | 23.08                          | 0.00         | 0.00    | 0.00  | 50.00 |     |
| Shenandoah Valley Non-Metro                             | 5                      | 4.72         | 0.98                   | 0.00         | 7.19                        | 0.00         | 53.92                     | 60.00        | 37.91                    | 40.00        | 18.18                          | 0.00         | 0.00    | 20.00 | 16.67 |     |
| Southside Virginia Non-Metro                            | 21                     | 19.81        | 0.00                   | 0.00         | 0.20                        | 0.00         | 54.58                     | 47.62        | 45.22                    | 52.38        | 3.07                           | 0.00         | 0.00    | 3.88  | 1.82  |     |
| Southwest Virginia Non-Metro                            | 11                     | 10.38        | 0.00                   | 0.00         | 12.00                       | 9.09         | 88.00                     | 90.91        | 0.00                     | 0.00         | 8.20                           | 0.00         | 0.00    | 8.93  | 0.00  |     |
| Winchester Non-Metro                                    | 13                     | 12.26        | 0.00                   | 0.00         | 0.00                        | 0.00         | 32.77                     | 30.77        | 67.23                    | 69.23        | 55.56                          | 0.00         | 0.00    | 50.00 | 60.00 |     |

\* Based on 2002 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 (2003).

Table 8. Borrower Distribution of Home Purchase Loans

| Borrower Distribution: HOME PURCHASE |                           | Geography: STATE OF VIRGINIA |                           |                              |                           |                              | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                              |                           |                              |         | Market Share <sup>*</sup> |      |      |      |  |
|--------------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---|------------------------------|---------------------------|------------------------------|---------|---------------------------|------|------|------|--|
| MA/Assessment Area:                  | Total Home Purchase Loans |                              | Low-Income Borrowers      |                              | Moderate-Income Borrowers |                              | Middle-Income Borrowers                                 |                              | Upper-Income Borrowers    |                              | Overall | Low                       | Mod  | Mid  | Upp  |  |
|                                      | #                         | % 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> |         |                           |      |      |      |  |
| <b>Full Review:</b>                  |                           |                              |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Richmond-Petersburg MSA              | 1,819                     | 28.57                        | 19.35                     | 8.38                         | 18.23                     | 22.16                        | 24.63   | 23.86                        | 37.79                     | 45.60                        | 2.74    | 1.80                      | 2.14 | 2.40 | 4.00 |  |
| <b>Limited Review:</b>               |                           |                              |                           |                              |                           |                              |   |                              |                           |                              |         |                           |      |      |      |  |
| Central Virginia Non-Metro           | 71                        | 1.12                         | 19.86                     | 2.86                         | 18.14                     | 12.86                        | 21.78   | 22.86                        | 40.22                     | 61.43                        | 4.37    | 6.67                      | 2.68 | 7.69 | 3.75 |  |
| Charlottesville MSA                  | 182                       | 2.86                         | 18.45                     | 4.52                         | 17.42                     | 15.48                        | 23.41   | 25.16                        | 40.73                     | 54.84                        | 2.83    | 2.06                      | 1.49 | 2.55 | 3.73 |  |
| Danville MSA                         | 38                        | 0.60                         | 21.77                     | 8.57                         | 17.22                     | 17.15                        | 21.74   | 17.14                        | 39.27                     | 57.14                        | 1.60    | 2.02                      | 2.20 | .70  | 1.67 |  |
| Johnson City-Bristol MSA             | 112                       | 1.76                         | 23.19                     | 3.67                         | 18.88                     | 22.94                        | 21.53   | 24.77                        | 36.40                     | 48.62                        | 4.85    | 1.82                      | 4.62 | 4.45 | 5.58 |  |
| Lexington/Covington Non-Metro        | 34                        | 0.53                         | 18.69                     | 6.25                         | 18.25                     | 15.63                        | 23.31   | 31.25                        | 39.74                     | 46.88                        | 3.08    | 4.26                      | 2.22 | 3.92 | 2.80 |  |
| Lynchburg-Bedford MSA                | 235                       | 3.69                         | 18.96                     | 9.40                         | 18.47                     | 20.60                        | 23.86   | 24.70                        | 38.71                     | 45.30                        | 3.24    | 2.40                      | 2.50 | 3.50 | 3.80 |  |
| Norfolk-Virginia Beach MSA           | 2,682                     | 42.13                        | 18.63                     | 8.45                         | 18.92                     | 24.89                        | 24.00   | 25.88                        | 38.44                     | 40.78                        | 3.19    | 4.35                      | 3.49 | 2.86 | 3.04 |  |
| Northern Virginia Non-Metro          | 89                        | 1.40                         | 14.88                     | 0.00                         | 15.89                     | 15.19                        | 21.79   | 24.05                        | 47.44                     | 60.76                        | 3.57    | 0.00                      | 4.43 | 4.47 | 3.19 |  |
| Roanoke MSA                          | 410                       | 6.44                         | 18.62                     | 13.30                        | 18.41                     | 29.52                        | 24.80   | 20.74                        | 38.16                     | 36.44                        | 3.34    | 3.46                      | 3.72 | 2.26 | 3.84 |  |
| Shenandoah Valley Non-Metro          | 135                       | 2.12                         | 12.74                     | 4.76                         | 15.25                     | 23.81                        | 23.89   | 21.43                        | 48.12                     | 50.00                        | 2.34    | 2.13                      | 2.49 | 1.47 | 2.85 |  |
| Southside Virginia Non-Metro         | 42                        | 0.66                         | 22.63                     | 2.50                         | 19.67                     | 27.50                        | 21.49   | 15.00                        | 36.20                     | 55.00                        | 3.10    | 0.00                      | 2.52 | 3.36 | 3.95 |  |
| Southwest Virginia Non-Metro         | 363                       | 5.70                         | 23.94                     | 7.41                         | 20.04                     | 17.95                        | 21.95   | 28.21                        | 34.07                     | 46.44                        | 4.60    | 7.10                      | 3.30 | 5.60 | 4.30 |  |
| Winchester Non-Metro                 | 154                       | 2.42                         | 10.92                     | 2.00                         | 14.12                     | 12.67                        | 23.10   | 17.33                        | 51.86                     | 68.00                        | 2.88    | 1.92                      | 2.42 | 2.73 | 3.08 |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 10.26% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF VIRGINIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|---|------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|-------|------------------------------|-----|-----|--|--|---|--|--|--|--|
| 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low   | Mod                          | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                     |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                              |     |     |  |  |   |  |  |  |  |
| Richmond-Petersburg MSA                 | 393                          | 31.12                    | 19.35                     | 12.47                        | 18.23                     | 22.14                        | 24.63                     | 24.43                        | 37.79                     | 40.97                        | 9.81                      | 8.48                         | 9.44    | 8.75  | 11.98                        |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                  |                              |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                              |     |     |  |  |   |  |  |  |  |
| Central Virginia Non-Metro              | 27                           | 2.14                     | 19.86                     | 7.41                         | 18.14                     | 11.11                        | 21.78                     | 14.81                        | 40.22                     | 66.67                        | 12.64                     | 5.00                         | 20.00   | 6.67  | 16.67                        |     |     |  |  |   |  |  |  |  |
| Charlottesville MSA                     | 12                           | .95                      | 18.45                     | 25.00                        | 17.42                     | 0.00                         | 23.41                     | 8.33                         | 40.73                     | 66.67                        | 1.26                      | 0.00                         | 0.00    | 1.14  | 3.37                         |     |     |  |  |   |  |  |  |  |
| Danville MSA                            | 32                           | 2.53                     | 21.77                     | 21.88                        | 17.22                     | 25.00                        | 21.74                     | 25.00                        | 39.27                     | 28.13                        | 7.78                      | 8.11                         | 12.12   | 5.00  | 7.02                         |     |     |  |  |   |  |  |  |  |
| Johnson City-Bristol MSA                | 27                           | 2.14                     | 23.19                     | 3.70                         | 18.88                     | 37.04                        | 21.53                     | 29.63                        | 36.40                     | 29.63                        | 2.89                      | 2.86                         | 6.12    | 1.54  | 2.15                         |     |     |  |  |   |  |  |  |  |
| Lexington/Covington Non-Metro           | 30                           | 2.38                     | 18.69                     | 6.67                         | 18.25                     | 20.00                        | 23.31                     | 43.33                        | 39.74                     | 30.00                        | 8.15                      | 3.85                         | 7.89    | 18.75 | 2.56                         |     |     |  |  |   |  |  |  |  |
| Lynchburg-Bedford MSA                   | 93                           | 7.36                     | 18.96                     | 22.58                        | 18.47                     | 21.51                        | 23.86                     | 17.20                        | 38.71                     | 38.71                        | 7.55                      | 9.59                         | 4.95    | 2.30  | 12.20                        |     |     |  |  |   |  |  |  |  |
| Norfolk-Virginia Beach MSA              | 247                          | 19.56                    | 18.63                     | 9.76                         | 18.92                     | 21.14                        | 24.00                     | 26.42                        | 38.44                     | 42.68                        | 2.95                      | 4.42                         | 3.05    | 2.99  | 2.68                         |     |     |  |  |   |  |  |  |  |
| Northern Virginia Non-Metro             | 60                           | 4.75                     | 14.88                     | 23.33                        | 15.89                     | 13.33                        | 21.79                     | 20.00                        | 47.44                     | 43.33                        | 13.40                     | 29.17                        | 5.88    | 11.54 | 13.13                        |     |     |  |  |   |  |  |  |  |
| Roanoke MSA                             | 57                           | 4.51                     | 18.62                     | 12.50                        | 18.41                     | 28.57                        | 24.80                     | 26.79                        | 38.16                     | 32.14                        | 3.31                      | 4.29                         | 3.23    | 2.59  | 3.45                         |     |     |  |  |   |  |  |  |  |
| Shenandoah Valley Non-Metro             | 25                           | 1.98                     | 12.74                     | 12.00                        | 15.25                     | 28.00                        | 23.89                     | 24.00                        | 48.12                     | 36.00                        | 5.26                      | 9.52                         | 5.26    | 7.55  | 2.56                         |     |     |  |  |   |  |  |  |  |
| Southside Virginia Non-Metro            | 38                           | 3.00                     | 22.63                     | 18.42                        | 19.67                     | 13.16                        | 21.49                     | 28.95                        | 36.20                     | 39.47                        | 22.89                     | 10.00                        | 17.65   | 27.27 | 33.33                        |     |     |  |  |   |  |  |  |  |
| Southwest Virginia Non-Metro            | 206                          | 16.31                    | 23.94                     | 16.00                        | 20.04                     | 26.70                        | 21.95                     | 24.80                        | 34.07                     | 32.50                        | 11.40                     | 9.80                         | 13.70   | 9.90  | 12.30                        |     |     |  |  |   |  |  |  |  |
| Winchester Non-Metro                    | 16                           | 1.27                     | 10.92                     | 12.50                        | 14.12                     | 12.50                        | 23.10                     | 43.75                        | 51.86                     | 31.25                        | 5.36                      | 14.29                        | 0.00    | 10.00 | 3.51                         |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data SE Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.16% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

\*\*\*\* 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: STATE OF VIRGINIA |     |     |  |  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |  |  |  |  |
|--|-------------------------------------|--------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------------------------|------------------------------|---------|-------|------------------------------|-----|-----|--|--|---|--|--|--|--|
| MA/Assessment Area:                            | Total Home Mortgage Refinance 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> | % Families <sup>***</sup> | % BANK Loans <sup>****</sup> | Overall | Low   | Mod                          | Mid | Upp |  |  |   |  |  |  |  |
| <b>Full Review:</b>                            |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                              |     |     |  |  |   |  |  |  |  |
| Richmond-Petersburg MSA                        | 3,826                               | 27.19                    | 19.35                     | 10.12                        | 18.23                     | 20.36                        | 24.63                     | 27.57                        | 37.79                     | 41.95                        | 5.00                      | 5.00                         | 4.43    | 5.00  | 5.23                         |     |     |  |  |   |  |  |  |  |
| <b>Limited Review:</b>                         |                                     |                          |                           |                              |                           |                              |                           |                              |                           |                              |                           |                              |         |       |                              |     |     |  |  |   |  |  |  |  |
| Central Virginia Non-Metro                     | 287                                 | 2.04                     | 19.86                     | 8.36                         | 18.14                     | 15.28                        | 21.78                     | 26.19                        | 40.22                     | 50.17                        | 10.22                     | 22.39                        | 6.80    | 14.30 | 8.50                         |     |     |  |  |   |  |  |  |  |
| Charlottesville MSA                            | 328                                 | 2.33                     | 18.45                     | 5.69                         | 17.42                     | 12.46                        | 23.41                     | 19.57                        | 40.73                     | 62.28                        | 3.06                      | 1.31                         | 2.38    | 2.06  | 4.10                         |     |     |  |  |   |  |  |  |  |
| Danville MSA                                   | 178                                 | 1.26                     | 21.77                     | 12.10                        | 17.22                     | 15.29                        | 21.74                     | 31.21                        | 39.27                     | 41.40                        | 3.65                      | 6.08                         | 2.12    | 5.00  | 2.98                         |     |     |  |  |   |  |  |  |  |
| Johnson City-Bristol MSA                       | 254                                 | 1.81                     | 23.19                     | 5.65                         | 18.88                     | 17.74                        | 21.53                     | 29.03                        | 36.40                     | 47.58                        | 6.51                      | 7.69                         | 7.89    | 5.39  | 6.50                         |     |     |  |  |   |  |  |  |  |
| Lexington/Covington Non-Metro                  | 175                                 | 1.24                     | 18.69                     | 7.14                         | 18.25                     | 15.48                        | 23.31                     | 27.98                        | 39.74                     | 49.40                        | 5.16                      | 6.74                         | 5.02    | 5.85  | 4.63                         |     |     |  |  |   |  |  |  |  |
| Lynchburg-Bedford MSA                          | 1,013                               | 7.20                     | 18.96                     | 7.99                         | 18.47                     | 19.81                        | 23.86                     | 26.30                        | 38.71                     | 45.90                        | 7.80                      | 9.21                         | 7.36    | 8.30  | 7.30                         |     |     |  |  |   |  |  |  |  |
| Norfolk-Virginia Beach MSA                     | 4,393                               | 31.22                    | 18.63                     | 7.38                         | 18.92                     | 17.33                        | 24.00                     | 23.60                        | 38.44                     | 51.80                        | 4.06                      | 4.70                         | 4.16    | 3.87  | 4.05                         |     |     |  |  |   |  |  |  |  |
| Northern Virginia Non-Metro                    | 198                                 | 1.41                     | 14.88                     | 5.46                         | 15.89                     | 12.02                        | 21.79                     | 20.22                        | 47.44                     | 62.30                        | 4.21                      | 8.82                         | 3.13    | 3.65  | 4.39                         |     |     |  |  |   |  |  |  |  |
| Roanoke MSA                                    | 1,112                               | 7.90                     | 18.62                     | 13.48                        | 18.41                     | 19.98                        | 24.80                     | 23.82                        | 38.16                     | 42.72                        | 6.11                      | 7.00                         | 5.50    | 4.97  | 7.17                         |     |     |  |  |   |  |  |  |  |
| Shenandoah Valley Non-Metro                    | 431                                 | 3.06                     | 12.74                     | 2.70                         | 15.25                     | 12.04                        | 23.89                     | 28.99                        | 48.12                     | 56.27                        | 4.39                      | 2.61                         | 3.27    | 4.63  | 4.68                         |     |     |  |  |   |  |  |  |  |
| Southside Virginia Non-Metro                   | 270                                 | 1.92                     | 22.63                     | 11.15                        | 19.67                     | 17.67                        | 21.49                     | 25.80                        | 36.20                     | 45.38                        | 8.92                      | 11.40                        | 7.00    | 10.10 | 8.60                         |     |     |  |  |   |  |  |  |  |
| Southwest Virginia Non-Metro                   | 1,265                               | 8.99                     | 23.94                     | 6.20                         | 20.04                     | 19.20                        | 21.95                     | 27.70                        | 34.07                     | 46.90                        | 9.10                      | 10.30                        | 10.5    | 9.40  | 8.30                         |     |     |  |  |   |  |  |  |  |
| Winchester Non-Metro                           | 342                                 | 2.43                     | 10.92                     | 2.42                         | 14.12                     | 10.38                        | 23.10                     | 22.50                        | 51.86                     | 64.70                        | 4.29                      | 1.49                         | 3.62    | 3.40  | 4.80                         |     |     |  |  |   |  |  |  |  |

\* Based on 2002 Peer Mortgage Data NE and SE Regions.

\*\* As a percentage of loans with borrower income information available. No information was available for 10.27% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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: STATE OF VIRGINIA |   |                  | Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002 |                          |                            |               |                         |
|--|---------------------------------|------------------------------|---|------------------|---|--------------------------|----------------------------|---------------|-------------------------|
|  | Total Small Loans to Businesses |                              | Businesses With Revenues of \$1 million or less |                  | Loans by Original Amount Regardless of Business Size    |                          |                            | Market Share* |                         |
| MA/Assessment Area:                              | #                               | % 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>                              |                                 |                              |   |                  |   |                          |                            |               |                         |
| Richmond-Petersburg MSA                          | 3,134                           | 33.08                        | 70.35   | 65.55            | 70.27   | 13.89                    | 15.84                      | 4.97          | 6.83                    |
| <b>Limited Review:</b>                           |                                 |                              |   |                  |   |                          |                            |               |                         |
| Central Virginia Non-Metro                       | 153                             | 1.62                         | 76.61   | 65.15            | 68.00   | 18.30                    | 13.70                      | 4.21          | 5.68                    |
| Charlottesville MSA                              | 344                             | 3.63                         | 71.18   | 72.24            | 60.80   | 18.60                    | 20.60                      | 3.13          | 5.97                    |
| Danville MSA                                     | 51                              | .54                          | 78.16   | 68.89            | 76.47   | 9.80                     | 13.73                      | 1.00          | 1.70                    |
| Johnson City-Bristol MSA                         | 120                             | 1.27                         | 74.78   | 52.78            | 67.50   | 15.80                    | 16.70                      | 2.51          | 1.25                    |
| Lexington/Covington Non-Metro                    | 42                              | .44                          | 79.86   | 81.82            | 76.19   | 16.67                    | 7.14                       | 1.53          | 0.91                    |
| Lynchburg-Bedford MSA                            | 630                             | 6.65                         | 75.77   | 68.11            | 67.60   | 16.30                    | 16.00                      | 4.50          | 8.27                    |
| Norfolk-Virginia Beach MSA                       | 2,819                           | 29.76                        | 73.56   | 60.03            | 67.60   | 13.70                    | 18.70                      | 3.60          | 4.48                    |
| Northern Virginia Non-Metro                      | 134                             | 1.41                         | 74.76   | 76.32            | 76.10   | 13.40                    | 10.40                      | 4.02          | 6.34                    |
| Roanoke MSA                                      | 795                             | 8.39                         | 74.86   | 52.22            | 61.50   | 19.00                    | 19.50                      | 4.65          | 4.23                    |
| Shenandoah Valley Non-Metro                      | 288                             | 3.04                         | 75.59   | 66.50            | 62.80   | 17.00                    | 20.10                      | 1.99          | 2.06                    |
| Southside Virginia Non-Metro                     | 191                             | 2.01                         | 78.83   | 83.54            | 81.70   | 11.00                    | 7.30                       | 4.82          | 11.54                   |
| Southwest Virginia Non-Metro                     | 482                             | 5.09                         | 74.72   | 72.06            | 71.40   | 12.40                    | 16.20                      | 2.52          | 2.91                    |
| Winchester Non-Metro                             | 290                             | 3.06                         | 73.75   | 62.70            | 61.40   | 17.20                    | 21.40                      | 5.92          | 8.48                    |

\* Based on 2002 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 - 2002).

\*\*\*\* 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 29.34% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

| Borrower Distribution: <b>SMALL LOANS TO FARMS</b> |                            |              |  |                  |  |                          |                            |               |                         |
|--|----------------------------|--------------|--|------------------|--|--------------------------|----------------------------|---------------|-------------------------|
| Geography: <b>STATE OF VIRGINIA</b>                |                            |              |  |                  | Evaluation Period: <b>JANUARY 1, 2001 TO DECEMBER 31, 2002</b> |                          |                            |               |                         |
| 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 \$1,000,000 | All           | Rev\$ 1 Million or Less |
| <b>Full Review:</b>                                |                            |              |  |                  |  |                          |                            |               |                         |
| Richmond-Petersburg MSA                            | 10                         | 9.43         | 94.17                                      | 100.00           | 50.00  | 20.00                    | 30.00                      | 9.09          | 11.90                   |
| <b>Limited Review:</b>                             |                            |              |  |                  |  |                          |                            |               |                         |
| Central Virginia Non-Metro                         | 5                          | 4.72         | 92.98                                      | 100.00           | 66.67  | 33.33                    | 0.00                       | 8.82          | 6.25                    |
| Charlottesville MSA                                | 1                          | 0.94         | 92.51                                      | 0.00             | 0.00   | 0.00                     | 100.00                     | 4.55          | 0.00                    |
| Danville MSA                                       | 4                          | 3.77         | 95.57                                      | 100.00           | 25.00  | 50.00                    | 25.00                      | 0.59          | 0.71                    |
| Johnson City-Bristol MSA                           | 0                          | 0.00         | 92.19                                      | 0.00             | 0.00   | 0.00                     | 0.00                       | 0.00          | 0.00                    |
| Lexington/Covington Non-Metro                      | 2                          | 1.89         | 96.21                                      | 100.00           | 50.00  | 50.00                    | 0.00                       | 15.38         | 25.00                   |
| Lynchburg-Bedford MSA                              | 7                          | 6.60         | 95.40                                      | 75.00            | 71.43  | 28.57                    | 0.00                       | 3.57          | 4.00                    |
| Norfolk-Virginia Beach MSA                         | 11                         | 10.38        | 91.96                                      | 54.55            | 27.27  | 45.45                    | 27.27                      | 7.14          | 4.88                    |
| Northern Virginia Non-Metro                        | 6                          | 5.66         | 91.59                                      | 40.00            | 66.67  | 16.67                    | 16.67                      | 23.08         | 12.50                   |
| Roanoke MSA  | 5                          | 4.72         | 93.79                                      | 100.00           | 40.00  | 60.00                    | 0.00                       | 18.18         | 28.57                   |
| Shenandoah Valley Non-Metro                        | 21                         | 19.81        | 95.07                                      | 100.00           | 23.81  | 47.62                    | 28.57                      | 3.07          | 3.21                    |
| Southside Virginia Non-Metro                       | 11                         | 10.38        | 97.07                                      | 100.00           | 81.82  | 18.18                    | 0.00                       | 8.20          | 4.17                    |
| Southwest Virginia Non-Metro                       | 10                         | 9.43         | 94.56                                      | 66.70%           | 50.00  | 40.00                    | 10.00                      | 1.32          | 0.00                    |
| Winchester Non-Metro                               | 13                         | 12.26        | 92.09                                      | 87.50            | 53.85  | 38.46                    | 7.69                       | 55.56         | 60.00                   |

\* Based on 2002 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 - 2003).

\*\*\*\* 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 29.25% of small loans to farms originated and purchased by the bank.



Table 14. Qualified Investments

| QUALIFIED INVESTMENTS                               |                           |           |                            |           |                   |           |            |                        |           |
|---|---------------------------|-----------|----------------------------|-----------|-------------------|-----------|------------|------------------------|-----------|
| Geography: STATE OF VIRGINIA                        |                           |           |                            |           |                   |           |            |                        |           |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003 |                           |           |                            |           |                   |           |            |                        |           |
| 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>                                 |                           |           |                            |           |                   |           |            |                        |           |
| Richmond-Petersburg MSA                             | 32                        | 62,553    | 141                        | 36,476    | 173               | 99,029    | 57.51      | 8                      | 12,610    |
| <b>Limited Review:</b>                              |                           |           |                            |           |                   |           |            |                        |           |
| Central Virginia Non-Metro                          | 0                         | -         | 22                         | 345       | 22                | 345       | 0.20       | 0                      | -         |
| Charlottesville MSA                                 | 3                         | 2,629     | 25                         | 103       | 28                | 2,732     | 1.59       | 0                      | -         |
| Danville MSA  | 0                         | -         | 12                         | 262       | 12                | 262       | 0.15       | 1                      | 250       |
| Johnson City-Bristol MSA                            | 1                         | 250       | 17                         | 16        | 18                | 266       | 0.15       | 0                      | -         |
| Lexington/Covington Non-Metro                       | 0                         | -         | 12                         | 210       | 12                | 210       | 0.12       | 1                      | 200       |
| Lynchburg-Bedford MSA                               | 1                         | 250       | 30                         | 387       | 31                | 637       | 0.37       | 2                      | 300       |
| Norfolk-Va. Beach MSA                               | 5                         | 7,120     | 226                        | 4,319     | 231               | 11,439    | 6.64       | 6                      | 2,544     |
| Northern Virginia Non-Metro                         | 1                         | 2,372     | 15                         | 43        | 16                | 2,415     | 1.40       | 0                      | -         |
| Roanoke MSA   | 4                         | 7,761     | 132                        | 5,826     | 136               | 13,588    | 7.89       | 3                      | 200       |
| Shenandoah Valley Non-Metro                         | 1                         | 250       | 15                         | 3,099     | 16                | 3,349     | 1.94       | 1                      | 171       |
| Southside Virginia Non-Metro                        | 0                         | -         | 12                         | 309       | 12                | 309       | 0.18       | 1                      | 300       |
| Southwest Virginia Non-Metro                        | 2                         | 1,250     | 22                         | 2,044     | 24                | 3,294     | 1.91       | 3                      | 1,998     |
| Winchester Non-Metro                                | 1                         | 43        | 18                         | 290       | 19                | 333       | 0.19       | 1                      | 250       |
| Statewide/Regional:                                 | 1                         | 33,992    | 0                          | -         | 1                 | 33,992    | 19.74      | 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: STATE OF VIRGINIA  |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2003                 |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| 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>   |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Richmond-Petersburg MSA   | 35.67                          | 77                 | 32.77                          | 10.39   | 18.18 | 41.56  | 29.87 | 1                        | 2                    | 0   | 0   | -1  | 0   | 6.77                                  | 19.86 | 45.75 | 27.61 |
| <b>Limited Review:</b>  |                                |                    |                                |   |       |        |       |                          |                      |   |     |     |     |                                       |       |       |       |
| Central Virginia Non-Metro  | 1.72                           | 4                  | 1.70                           | 0.00  | 0.00  | 75.00  | 25.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 92.14 | 7.86  |
| Charlottesville MSA   | 3.97                           | 11                 | 4.68                           | 0.00  | 0.00  | 90.91  | 9.09  | 0                        | 2                    | 0   | 0   | 0   | -2  | 2.49                                  | 16.68 | 58.02 | 22.82 |
| Danville MSA  | .67                            | 1                  | 0.43                           | 0.00  | 0.00  | 100.00 | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 18.76 | 70.58 | 10.66 |
| Johnson City-Bristol MSA  | 1.85                           | 6                  | 2.55                           | 0.00  | 16.67 | 83.33  | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 10.31 | 83.36 | 6.32  |
| Lexington/Covington Non-Metro                                       | 1.06                           | 2                  | 0.85                           | 0.00  | 0.00  | 50.00  | 50.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 7.45  | 71.97 | 20.58 |
| Lynchburg-Bedford MSA   | 6.86                           | 15                 | 6.38                           | 6.67  | 13.33 | 53.33  | 26.67 | 0                        | 1                    | 0   | -1  | 0   | 0   | 3.60                                  | 12.15 | 63.95 | 20.29 |
| Norfolk-Virginia Beach MSA  | 26.02                          | 73                 | 31.06                          | 1.37  | 21.92 | 41.10  | 35.62 | 1                        | 9                    | 0   | -3  | -3  | -2  | 4.37                                  | 24.08 | 41.76 | 29.78 |
| Northern Virginia Non-Metro   | 2.21                           | 4                  | 1.70                           | 0.00  | 0.00  | 75.00  | 25.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 69.47 | 30.53 |
| Roanoke MSA   | 6.58                           | 10                 | 4.25                           | 10.00   | 30.00 | 50.00  | 10.00 | 0                        | 6                    | 0   | -1  | -4  | -1  | 4.91                                  | 15.37 | 50.24 | 29.31 |
| Shenandoah Valley Non-Metro   | 2.85                           | 8                  | 3.40                           | 0.00  | 0.00  | 12.50  | 87.50 | 0                        | 2                    | 0   | 0   | -2  | 0   | 0.00                                  | 6.74  | 49.14 | 44.11 |
| Southside Virginia Non-Metro  | 1.85                           | 4                  | 1.70                           | 0.00  | 25.00 | 75.00  | 0.00  | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 12.96 | 87.04 | 0.00  |
| Southwest Virginia Non-Metro  | 5.96                           | 14                 | 5.96                           | 0.00  | 28.57 | 64.29  | 7.14  | 0                        | 3                    | 0   | 0   | -3  | 0   | 0.00                                  | 22.25 | 68.73 | 6.92  |
| Winchester Non-Metro  | 2.65                           | 6                  | 2.55                           | 0.00  | 0.00  | 50.00  | 50.00 | 0                        | 0                    | 0   | 0   | 0   | 0   | 0.00                                  | 0.00  | 36.25 | 63.75 |