



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

July 02, 2007

### Community Reinvestment Act Performance Evaluation

Riverside National Bank of Florida  
Charter Number: 17437

2211 Okeechobee Road  
Fort Pierce, FL 34950

#### Office of the Comptroller of the Currency

South Florida (Miami)  
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Miami, FL 33178

*NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.*

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## Overall CRA Rating

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

The following table indicates the performance level of **Riverside National Bank of Florida** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Riverside National Bank of Florida Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		<b>X</b>	
High Satisfactory	<b>X</b>		<b>X</b>
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Lending levels that reflect good responsiveness to meeting the credit needs of the bank's assessment areas, given performance context.
- A good geographic distribution of loans, given performance context. The geographic distribution of home mortgage loans is good and the geographic distribution of small loans to businesses is excellent.
- A good distribution of loans by the income level of the borrower, given performance context. The borrower distribution of home mortgage loans is good and the borrower distribution of small loans to businesses is adequate.
- A high level of qualified investments when considering performance in the limited-scope assessment areas.
- Good retail delivery systems which are accessible to low- and moderate-income geographies.
- A good level of community development services.

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## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

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

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

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

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

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

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

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and

sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

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

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

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

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

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

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

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

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

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

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

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

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

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

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

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

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If

an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

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

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

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

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

## Description of Institution

Riverside National Bank of Florida (RNBF) is a community bank headquartered in Fort Pierce, Florida. Established in 1982, RNBF is an intrastate bank operating 65 offices in nine assessment areas in Central Florida and along the Treasure Coast. It is a wholly owned subsidiary of Riverside Banking Company (RBC), a one-bank holding company also headquartered in Fort Pierce. As of March 31, 2007, RNBF had total assets of \$4.356 billion and total deposits of \$2.702 billion.

In September 2006, RNBF acquired First Community Bank in DeBary, Florida and merged it into RNBF. At the time of the acquisition/merger, First Community had 10 branches in Volusia County with total deposits of approximately \$239 million.

RNBF has seven subsidiaries. One subsidiary, Riverside Leasing Company offers commercial leases of equipment to businesses and municipalities. Another subsidiary, Riverside Finance Company sells insurance and annuities to bank customers. Three other subsidiaries are limited to real estate holdings. The two remaining subsidiaries include Hometown Real Estate Investment Trust (REIT) and Hometown Investment Corporation (HIC). HIC owns 100 percent of the common stock of the REIT and RNBF owns 100 percent of HIC. In addition, RBC has a minor ownership interest in Prosperity Banking Company, St. Augustine, Florida and Riverside Gulf Coast Banking Company, Cape Coral, Florida. These two banks operate independent of RNBF in their respective locations. No activities of the bank's subsidiaries or affiliates through RBC are being considered at this evaluation and the operation of the bank's subsidiaries does not have an impact on the bank's ability to meet its CRA obligations.

RNBF is a full service financial institution offering a variety of loan and deposit products. Its strategic focus is consumer lending, but the bank also offers a full range of business banking products. As of March 31, 2007, total loans equaled \$2.536 billion or 58 percent of total assets and 94 percent of total deposits. Primary loan categories consist of residential real estate loans (36%), construction and commercial real estate loans (29%), consumer loans (28%), and commercial and industrial loans (5%). Various other loan types comprise the remaining 2 percent. Tier 1 Capital was \$315 million, which represents 7 percent of total assets.

There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs of its assessment areas. RNBF's performance was rated "Satisfactory" at its last CRA evaluation dated March 15, 2004.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

This Performance Evaluation assesses the bank's performance under the Lending, Investment, and Service Tests. In evaluating the bank's lending performance, we reviewed residential mortgage loans subject to filing under HMDA, small loans to businesses, and community development loans. Small loans to farms and multi-family housing loans reported under the HMDA were not analyzed as their number was not material.

With the exception of community development loans, the evaluation period for the Lending Test is January 1, 2003 through March 31, 2007. For community development loans, the Investment Test, and the Service Test, the evaluation period is March 15, 2004, the date of the last CRA evaluation, through July 2, 2007.

Because of the implementation of changes made by the Office of Management and Budget (OMB) to Metropolitan Statistical Area (MSA) designations, which became effective in 2004, the Lending Test evaluation period was divided into two segments:

January 1, 2003-December 31, 2003: Original OMB designations are used to identify assessment areas.

January 1, 2004-March 31, 2007: New OMB MSA designations are used in this analysis therefore assessment area names and some demographics are different than those used in 2003. (See "Selection of Areas for Full-Scope Review" discussion below for additional details.)

Lending activity was analyzed for both segments of the evaluation period, but for the purpose of the Core Tables in Appendix C, only the table for the January 1, 2004-March 31, 2007 segment is provided.

### **Data Integrity**

This evaluation is based on accurate data. We relied upon management's internal reviews as to the accuracy of the HMDA and CRA (small business) loan data. Community development loans, investments, and services submitted by management were verified to ensure that they met the regulatory definition of community development. Some items submitted for consideration were excluded from this evaluation because they did not meet the definition or purpose of community development.

### **Selection of Areas for Full-Scope Review**

For the 2003 segment of the evaluation period, the bank had eight assessment areas including all of MSA 2710 (Port St. Lucie-Ft. Pierce, FL), all of MSA 4900 (Melbourne-Titusville-Palm Bay, FL), all of MSA 3980 (Lakeland-Winter Haven), all of MSA 8960 (West Palm Beach-Boca Raton, FL), the Volusia County portion of MSA 2020 (Daytona Beach, FL), and the non-MSA Counties of Highlands, Indian River, and Okeechobee. MSA 2710 and MSA 4900 were selected for full-scope reviews. Combined, they represented 70 percent of the bank's deposits

and 67 percent of HMDA and small loans to businesses evaluated at this examination. The remaining assessment areas received limited-scope reviews.

For the 2004-2007 segment of the evaluation period, RNBF had nine assessment areas including all of MSA 38940 (Port St. Lucie-Ft. Pierce, FL), all of MSA 37340 (Melbourne-Titusville-Palm Bay, FL), all of Metropolitan Division (MD) 48424 (West Palm Beach, FL), all of MSA 19660 (Deltona-Daytona Beach-Ormond Beach, FL), all of MSA 29460 (Lakeland, FL), all of MSA 42680 (Sebastian-Vero Beach, FL), all of non-MSA Highland and Okeechobee Counties, and part of MSA 36740 (Orlando-Kissimmee, FL), consisting only of Lake County. During 2004 and 2005, MSA 42680 was known as MSA 46940 (Vero Beach, FL), but the MSA boundaries did not change. In both instances, the MSA consisted only of Indian River County. The Core Tables in Appendix C specify MSA 46940, however it also includes activity during the time the MSA was designated MSA 42680.

The MSA 38940 and 37340 assessment areas were selected for full-scope reviews. Combined, these MSAs represent 59 percent of the bank's deposits as of June 30, 2006 and 54 percent of HMDA and of small loans to businesses evaluated at this examination. The remaining assessment areas received limited-scope reviews.

Refer to Appendix A for additional information regarding full- and limited-scope reviews.

## **Ratings**

The bank's overall rating is based primarily on those areas that received full-scope reviews. Based on loan volumes, HMDA loan performance was more heavily weighted than performance related to small loans to businesses. In the 2003 segment of the evaluation period, HMDA loans represented 77 percent of loans analyzed and in the 2004-2007 segment, they represented 61 percent of loans analyzed. The Port St. Lucie-Ft. Pierce assessment area received somewhat more weight since it had a higher percentage of the bank's lending activity.

## **Other**

Community credit needs in the assessment area were determined by reviewing recent housing and demographic information and community contacts conducted by the OCC in connection with other CRA examinations of banks operating in the same assessment area. For this examination we conducted three community contacts, one in the full-scope Port St. Lucie-Ft. Pierce assessment area and two in the full-scope Palm Bay-Melbourne-Titusville assessment area. In Ft. Pierce, we visited a non-profit organization dedicated to revitalizing a group of low- and moderate-income geographies by reestablishing a vibrant downtown area in a neighborhood of Ft. Pierce. In the Palm Bay-Melbourne-Titusville assessment area we visited a non-profit Community Housing Development Organization (CHDO) in Cocoa that focuses on providing permanent and transitional housing for the homeless and a newly established non-profit that provides community services, including financial literacy training, to youths in the low-income geography where the non-profit is headquartered. We also reviewed the plan for the Ft. Pierce Enterprise Zone, the various Community Redevelopment Areas (CRA) within the bank's full-scope assessment areas, and the Martin County Affordable and Workforce Housing Program Review conducted by the Florida Housing Coalition.

The most critical needs identified were those associated with providing housing affordable to very low, low- and moderate-income persons and families, including financing for infrastructure and construction, and financing to allow for the purchase of affordable housing. There is also a stated need for financing for very small businesses and financial literacy and job training. The various plans reviewed documented a need to revitalize and stabilize low- and moderate-income geographies within the assessment areas.

For additional information, see the Market Profile in Appendix B.

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

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

# Conclusions with Respect to Performance Tests

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville assessment areas is good.

### Lending Activity

Refer to Table 1 Lending Volume Appendix C for the facts and data used to evaluate the bank's lending activity.

Overall, RNBF's lending activity reflects good responsiveness to credit needs in its assessment area, given performance context. Lending activity reflects good responsiveness to the credit needs in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville full-scope assessment areas, given performance context

#### Port St. Lucie-Ft. Pierce Assessment Area

Home mortgage lending activity is good, when the bank's deposit market share and rank is compared with its HMDA loan market share and rank, and considering performance context. The bank's market share and rank of HMDA loans in the Port St. Lucie-Ft. Pierce assessment area is lower than its deposit market share and rank in both segments of the evaluation period. However, the large number of non-deposit taking HMDA lenders and nation-wide mortgage lenders (many of whom are the largest mortgage lenders in the United States) in the market makes it very difficult for the bank to have comparable deposit and HMDA loan market shares.

In 2005, the bank's deposit market share was 12.48 percent and RNBF was ranked fourth among 19 financial institutions reporting deposits in the assessment area, based on FDIC data as June 30, 2005. Based on aggregate HMDA lending data for 2005 (the most current data available), RNBF had a HMDA loan market share of 1.78 percent and it was ranked tenth of 640 lenders reporting HMDA loans in the assessment area. However, when only local financial institutions that are not nation-wide lenders are considered, the bank would be ranked second with a market share of 2.5 percent. Performance in the 2003 segment of the evaluation period is consistent with 2005.

Small business lending activity is good, when the bank's deposit market share is compared with its small business loan market share and considering performance context and the bank's business strategy. RNBF is primarily a consumer lender. The bank's market share and rank of small loans to businesses was lower than its deposit market share and rank in both segments of the evaluation period. However, the large number of credit card lenders reporting small loans to businesses in the assessment area had an impact on RNBF's performance.

In 2005, the bank's deposit market share was 12.48 percent in the assessment area and it was ranked fourth. Based on 2005 aggregate data (the most recent data available), the bank's market share of small loans to businesses was 2.60 percent and it was ranked tenth among 85 loan reporters, based on number of loans. Based on dollar volume of loans, which is more indicative of the bank's performance because of the large number of credit card lenders in the market, the bank had a market share of 11.10 percent and was ranked second. Credit card lenders represent a substantial portion of the market. The top seven lenders reporting small business loans in the assessment area are credit card lenders. Combined they have a market share of 80 percent, based on number of loans. If these credit card lenders are not considered, the bank would have a small business market share of 13.13 percent, based on number of loans and the bank would be ranked second. Performance in 2003 is consistent with market share performance in 2005.

#### Palm Bay-Melbourne-Titusville Assessment Area

Home mortgage lending activity is good, when the bank's deposit market share and rank is compared with its HMDA loan market share and rank, and considering performance context. The bank's market share and rank of HMDA loans in the Palm Bay-Melbourne-Titusville assessment area is lower than its deposit market share and rank in both segments of the evaluation period. However, as in the Port St. Lucie-Ft. Pierce assessment area, the large number of non-deposit taking HMDA lenders and nation-wide mortgage lenders in the market make it very difficult for the bank to have comparable deposit and HMDA market shares.

In 2005, the bank's deposit market share was 5.81 percent and RNBF was ranked fifth among 20 financial institutions reporting deposits in the assessment area, based on FDIC data as of June 30, 2005. Based on aggregate HMDA lending data for 2005 (the most current data available), RNBF had a HMDA loan market share of 1.02 percent and it was ranked twenty-fifth of 703 lenders reporting HMDA loans in the assessment area. However, when only local financial institutions that are not nation-wide lenders are considered, the bank would be ranked third with a market share of 1.84 percent. Performance in the 2003 segment of the evaluation period is consistent with 2005.

Small business lending activity is excellent, when the bank's deposit market share and rank is compared with its small business loan market share and rank and considering performance context and the bank's business strategy. RNBF is primarily a consumer lender. The bank's market share and rank of small loans to businesses was lower than its deposit market share and rank in both segments of the evaluation period, but the high number of credit card lenders had an impact on RNBF's performance.

In 2005, the bank's deposit market share was 5.81 percent in the assessment area and it was ranked fifth. Based on 2005 aggregate data (the most recent data available), the bank's market share of small loans to businesses was 2.97 percent and it was ranked ninth among 74 loan reporters, based on number of loans. Based on dollar volume of loans, which is more indicative of the bank's performance because of the large number of credit card lenders in the market, the bank had a market share of 11.43 percent and was ranked second. Credit card lenders represent a substantial portion of the market. The top seven lenders reporting small business loans in the assessment area are credit card lenders. Combined they have a market share of 79 percent, based on the number of loans. If these credit card lenders are not

considered, the bank would have a small business market share of 14.10 percent, based on number of loans. Performance in 2003 is consistent with market share performance in 2005

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

The overall distribution of loans by income level of the geography is good, given the limited opportunities in the low-income geographies of the bank's full-scope assessment areas. The geographic distribution of loans in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville full-scope assessment areas is good, given the limited opportunities for lending in the assessment area's low-income geographies. In both full-scope assessment areas, the geographic distribution of home mortgage loans is good and the geographic distribution of small loans to businesses is excellent, given the limited lending opportunities in low-income geographies.

Our conclusions are based primarily on performance in moderate-income geographies. In the Port St. Lucie-Ft. Pierce assessment area, only 1.15 percent of owner-occupied housing units, (1,197 units) and 2.63 percent of businesses (994 businesses) are located in low-income geographies. In the Palm Bay-Melbourne-Titusville assessment area, less than 1 percent of owner-occupied housing units (917 units) and 1.39 percent of businesses (679 businesses) are located in low-income geographies. These demographics significantly limit opportunities for any one of the many lenders operating in the assessment areas. This performance context information has been factored into our conclusions regarding the bank's performance in the geographic distribution portion of the Lending Test.

### **Home Mortgage Loans**

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

The overall geographic distribution of home mortgage loans is good, given the performance context factors discussed above. The geographic distribution of home mortgage loans is good in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville full-scope assessment areas.

Both segments of the evaluation period were analyzed and are discussed below. In the Port St. Lucie-Ft. Pierce assessment area, significant weight was given to performance in the 2003 segment of the evaluation period because that segment represents 45 percent of all home mortgage loans evaluated overall. In the Palm Bay-Melbourne-Titusville assessment area, less weight was given to 2003 performance since it represented only 27 percent of all home mortgage loans evaluated.

### **Port St. Lucie-Ft. Pierce Assessment Area**

*The overall geographic distribution of home purchase loans is good, given performance context.* In the 2003 segment of the evaluation period, the percentage of the bank's home purchase loans in low-income geographies is lower than the percent of owner-occupied housing units in low-income geographies. In moderate-income geographies, the percentage of the bank's home purchase loans is somewhat lower than the percent of owner-occupied housing units in those geographies. The bank's market share of loans in low-income

geographies is somewhat lower than its overall market share of home purchase loans and in moderate-income geographies the bank's market share exceeds its overall market share of home purchase loans.

During the 2004-2007 segment of the evaluation period, the percentage of the bank's home purchase loans in low-income geographies is somewhat lower than the percentage of owner-occupied housing units in low-income geographies, while in moderate-income geographies, the percentage of the bank's home purchase loans exceeds the level of owner-occupied housing units in such geographies. The bank's market share of home purchase loans in both low- and moderate-income geographies exceeds its overall market share of home purchase loans.

*The overall geographic distribution of home improvement loans is outstanding.* In both segments of the evaluation period, the percent of the bank's home improvement loans in both low- and moderate-income geographies exceeds the percent of owner-occupied housing units in those geographies. Also, the bank's market share of home improvement loans in both low- and moderate-income geographies exceeds RNBF's overall market share of home improvement loans.

*The overall geographic distribution of refinance loans is good, given performance context.* In the 2003 segment of the evaluation period, the percentage of the bank's refinance loans in both low- and moderate-income geographies is somewhat lower than the percentage of owner-occupied housing units in the respective geographies. In both low- and moderate-income geographies, the bank's market share of refinance loans is greater than its overall market share of refinance loans.

In the 2004-2007 segment of the evaluation period, RNBF's percentage of refinance loans in low-income geographies is near to the percentage of owner-occupied housing units in those geographies. In moderate-income geographies, the percentage of refinance loans exceeds the percentage of owner-occupied housing units in those geographies. While the bank's market share of refinance loans in low-income geographies is less than its overall market share of refinance loans, the bank's market share of refinance loans in moderate-income geographies exceeds its overall market share of refinance loans.

#### Palm Bay-Melbourne-Titusville Assessment Area

*The overall geographic distribution of home purchase loans is excellent, given performance context.* In the 2003 segment of the evaluation period, RNBF did not report any home purchase loans in the low-income geographies of the assessment area. In the moderate-income geographies, the percentage of the bank's home purchase loans in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing units in those geographies. The bank's market share of home purchase loans in moderate-income geographies exceeds its overall market share of home purchase loans.

In the 2004-2007 segment of the evaluation period, the percentage of the bank's home purchase loans in both low- and moderate-income geographies exceeds the percentage of owner-occupied housing units in the respective geographies. The bank's market share of home purchase loans in both low- and moderate-income geographies exceeds its overall market share of home purchase loans.

*The overall geographic distribution of home improvement loans is adequate.* In the 2003 segment of the evaluation period, the bank did not report any home improvement loans in the low-income geographies of the assessment area. In the moderate-income geographies, the percentage of the bank's home improvement loans is somewhat lower than the percentage of owner-occupied housing units in those geographies. The bank's market share of home improvement loans in moderate-income geographies exceeds its overall market share of home improvement loans.

In the 2004-2007 segment of the evaluation period, the bank's percentage of home improvement loans in low-income geographies exceeds the percentage of owner-occupied housing units in those geographies. In moderate-income geographies, the percentage of home improvement loans is somewhat lower than the percentage of owner-occupied housing units in those geographies. In both geographies, the bank's market share of home improvement loans exceeds its overall market share of home improvement loans.

*The overall geographic distribution of refinance loans is good, given performance context.* In the 2003 segment of the evaluation period, the bank did not report any refinance loans in the low-income geographies of the assessment area. In the moderate-income geographies, the percentage of the bank's refinance loans is somewhat lower than the percentage of owner-occupied housing units in those geographies. The bank's market share of refinance loans in moderate-income geographies exceeds its overall market share of refinance loans.

In the 2004-2007 segment of the evaluation period, RNBF did not report any refinance loans in low-income geographies. In moderate-income geographies, the percentage of refinance loans is near to the percentage of owner-occupied housing units in those geographies. The bank's market share of refinance loans in moderate-income geographies exceeds its overall market share of refinance loans.

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

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

For both full-scope assessment areas, conclusions are based primarily on performance in the 2004-2007 segment of the evaluation period. In the Port St. Lucie-Ft. Pierce assessment areas, 2003 small loans to businesses represent only 21 percent of all small loans to business analyzed and in the Palm Bay-Melbourne-Titusville assessment area, 2003 activity represents only 15 percent of small loans to businesses analyzed at this examination.

#### **Port St. Lucie-Ft. Pierce Assessment Area**

*The geographic distribution of small loans to businesses is excellent.* In both segments of the evaluation period, the percentage of small loans to businesses in both low- and moderate-income geographies exceeds the percentage of businesses located in those geographies. Also, in both portions of the evaluation period, the bank's market share of small loans to businesses in both low- and moderate-income geographies exceeds its overall market share of small loans to businesses.

## Palm Bay-Melbourne-Titusville Assessment Area

*The geographic distribution of small loans to businesses is excellent.* In the 2003 segment of the evaluation period, the percentage of small loans to businesses in low-income geographies is somewhat lower than the percentage of businesses located there. In moderate-income geographies, the percentage of small loans to businesses is near to the percentage of businesses located in such geographies.

In the 2004-2007 segment of the evaluation period, the percentage of small loans to businesses in low-income geographies is somewhat lower than the percentage of businesses located there. In moderate-income geographies, the percentage of small loans to businesses exceeds the percentage of businesses located in moderate-income geographies. RNBF's market share of small loans to businesses in both low- and moderate-income geographies exceeds its overall market share of small loans to businesses.

### **Lending Gap Analysis**

No unexplained, conspicuous gaps in lending were identified. We evaluated the lending distribution in the full-scope Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville assessment areas to determine if any unexplained conspicuous gaps existed. We reviewed lending reports detailing the volume of HMDA and small loans to businesses in low- and moderate-income geographies.

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

A substantial majority of the bank's loans are within its overall defined assessment area. In total, 92 percent by both number and dollar of RNBF loans are within its assessment area. By loan category, 95 percent by number and 93 percent by dollar of HMDA loans and 86 percent by number and 91 percent by dollar of small loans to businesses are inside the bank's assessment area. This performance had a positive impact on the bank's overall geographic distribution analysis.

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

The overall distribution of loans by income level of the borrower is good, given the performance context factors discussed below. The distribution of loans by income level of the borrower in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville full-scope assessment areas is good, given performance context. In both full-scope assessment areas, the borrower distribution of home mortgage loans is good and the borrower distribution of small loans to businesses is adequate.

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

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

The overall borrower distribution of home mortgage loans is good, given the performance context factors discussed below. The borrower distribution of home mortgage loans is good in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville full-scope assessment areas.

Both segments of the evaluation period were analyzed and are discussed below. In the Port St. Lucie-Ft. Pierce assessment area, significant weight was given to performance in the 2003 segment of the evaluation period because that segment represents 45 percent of all home mortgage loans evaluated overall. In the Palm Bay-Melbourne-Titusville assessment area, less weight was given to 2003 performance since it represented only 27 percent of all home mortgage loans evaluated.

Conclusions are primarily based on lending to moderate-income borrowers. Beginning in 2003, home prices began to surge in both of the bank's full-scope assessment areas. The median price of an existing single-family home in the Port St. Lucie-Ft. Pierce assessment area increased approximately 30 percent between 2003 and 2005, reaching \$254,000, based on data from the Florida Association of Realtors. However, the housing market has declined. The median price of an existing single-family home in the assessment area was \$228,500, as of May 2007. HUD adjusted median family income levels did not keep pace with the sharp increase in housing prices, increasing from \$49,300 in 2003 to \$52,450 in 2005. The HUD adjusted median family income for the assessment area was \$54,600 in 2006 and \$52,800 in 2007. Such income levels make it extremely difficult for low-income families and some moderate-income families to purchase a home without substantial subsidies or direct loans from government agencies which are active in the assessment area. In addition, the assessment area's 10% poverty rate further limits the ability of low-income families to become homeowners.

The housing situation is very similar in the Palm Bay-Melbourne-Titusville assessment area. The median price of an existing single-family home was \$153,400 for 2004, reaching \$212,000 for 2006. However, in May 2007, the median price declined to \$190,400. HUD adjusted median family income levels for this assessment area ranged from \$47,642 in 2004 to \$57,300 for 2006. The 2007 figure is \$55,600. As in the Port St. Lucie-Ft. Pierce assessment area, the assessment area's poverty rate (9 percent), limits the ability of low-income families to become homeowners.

In both full-scope assessment areas, condominium prices are somewhat lower than single-family home prices, but still considered high for low- and moderate-income families. According to the Florida Association of Realtors, the median price of a condominium in the Port St. Lucie-Ft. Pierce assessment area still approximates \$220,000 in May of 2007 and in the Palm Bay-Melbourne-Titusville assessment level, the median price was \$182,000 in 2007. Prices of newly constructed homes and condominiums generally meet or exceed the prices of existing structures and few homes with prices meeting the regulatory definition of affordable have been constructed in either assessment area, according to community contacts.

#### Port St. Lucie-Ft. Pierce Assessment Area

*The overall borrower distribution of home purchase loans is adequate, given performance context.* In the 2003 segment of the evaluation period, the percentage of home purchase loans to low-income borrowers is lower than the percent of low-income families in the

assessment area. However, the bank's market share of home purchase loans to low-income borrowers exceeds its overall market share of home purchase loans. The percent of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families in the assessment area and the bank's market share of home purchase loans to moderate-income borrowers is somewhat lower than its overall market share of home purchase loans.

In the 2004-2007 segment of the evaluation period, the percent of home purchase loans to low-income borrowers is lower than the percent of low-income families in the assessment area but the bank's market share of home purchase loans to low-income borrowers exceeds its overall market share of home purchase loans. The percent of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families in the assessment area. The bank's market share of home purchase loans to moderate-income borrowers exceeds its overall market share of home purchase loans.

*The overall borrower distribution of home improvement loans is excellent, given performance context.* In both segments of the evaluation period, the percent of the bank's home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families in the assessment area. The bank's market share of home improvement loans to low-income borrowers exceeds its overall market share of home improvement loans. Also, for both segments of the evaluation period, in moderate-income geographies, the percentage of the bank's home improvement loans to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. In the 2003 segment of the evaluation period, the bank's market share of home improvement loans to moderate-income borrowers exceeds its overall market share of home improvement loans. In the 2004-2007 segment of the evaluation period, the bank's market share of home improvement loans to moderate-income borrowers is near to the bank's overall market share of home improvement loans.

*The overall borrower distribution of refinance loans is excellent, given performance context.* In the 2003 segment of the evaluation period, the percent of refinance loans to low-income borrowers is somewhat lower than the percentage of low-income families in the assessment area. The percentage of refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The bank's market share of refinance loans to both low- and moderate-income borrowers exceeds its overall market share of refinance loans.

In the 2004-2007 segment of the evaluation period, the bank's percentage of refinance loans to low-income borrowers is lower than the percentage of low-income families in the assessment area. The percentage of refinance loans to moderate-income borrowers exceeds the level of moderate-income families in the assessment area. The bank's market share of refinance loans to both low- and moderate-income borrowers exceeds its overall market share of refinance loans.

#### Palm Bay-Melbourne-Titusville Assessment Area

*The overall borrower distribution of home purchase loans is good, given performance context.* In the 2003 segment of the evaluation period, the percentage of home purchase loans to low-income borrowers is lower than the percent of low-income families in the assessment area.

The bank's market share of home purchase loans to low-income borrowers is somewhat lower than its overall market share of home purchase loans. The percent of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families in the assessment area and the bank's market share of home purchase loans to moderate-income borrowers is somewhat lower than its overall market share of home purchase loans.

In the 2004-2007 segment of the evaluation period, the percent of home purchase loans to low-income borrowers was lower than the percent of low-income families in the assessment area but the bank's market share of home purchase loans to low-income borrowers exceeded its overall market share of home purchase loans. The percent of home purchase loans to moderate-income borrowers is considered near to the percent of moderate-income families in the assessment area, given performance context. The bank's market share of home purchase loans to moderate-income borrowers is somewhat lower than its overall market share of home purchase loans.

*The overall borrower distribution of home improvement loans is good, given performance context.* In both segments of the evaluation period, the percent of the bank's home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families in the assessment area and the bank's market share of home improvement loans to low-income borrowers exceeds its overall market share of home improvement loans. In the 2003 segment of the evaluation period, the percentage of home improvement loans to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The bank's market share of home improvement loans to moderate-income borrowers exceeds its overall market share of home improvement loans. In the 2004-2007 segment of the evaluation period, the percentage of home improvement loans to moderate-income families is near to the level of moderate-income families in the assessment area and the bank's market share of home improvement loans to moderate-income borrowers exceeds the bank's overall market share of home improvement loans.

*The overall borrower distribution of refinance loans is excellent, given performance context.* In both segments of the evaluation period, the percent of refinance loans to low-income borrowers is somewhat lower than the percentage of low-income families in the assessment area. The percentage of refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the assessment area. The bank's market share of refinance loans to both low- and moderate-income borrowers exceeds its overall market share of refinance loans.

### **Small Loans to Businesses**

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

For both full-scope assessment areas, conclusions are based on performance in the 2004-2007 segment of the evaluation period. For the 2003 segment of the evaluation period, revenue information was available for only 38 percent of reported loans therefore accurate conclusions could not be reached. Loans for which no revenue was reported were motor vehicle loans for which the bank does not use the revenue of the business in order to reach a credit decision. This had a neutral impact on our conclusions. Beginning in 2004,

management began to collect business revenue data on motor vehicle loans for reporting purposes.

#### Port St. Lucie-Ft. Pierce Assessment Area

*The borrower distribution of small loans to businesses is adequate.* The percentage of the bank's loans to small businesses (businesses with gross annual revenues equal to or less than \$1 million) is somewhat lower than the percentage of such businesses in the Port St. Lucie-Ft. Pierce assessment area. The bank's market share of loans to small businesses exceeds its overall market share of small loans to businesses.

#### Palm Bay-Melbourne-Titusville Assessment Area

*The borrower distribution of small loans to businesses is adequate.* The percentage of the bank's loans to small businesses (businesses with gross annual revenues equal to or less than \$1 million) is somewhat lower than the percentage of such businesses in the assessment area. The bank's market share of loans to small businesses exceeds its overall market share of small loans to businesses.

### **Community Development Lending**

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

Overall, community development lending is adequate, given performance in the limited-scope assessment areas and the somewhat limited opportunities for such lending in the bank's assessment areas. Community development lending had a neutral impact on the Lending Test. There is a low level of community development lending in both the full-scope Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville assessment areas. Community development lending had a neutral impact on the Lending Test in both full scope assessment areas. (For a discussion of community development lending opportunities, see the Market Profile in Appendix B).

In the Port St. Lucie-Ft. Pierce assessment area, RNBF originated one community development loan for \$50,000 to a non-profit organization that provides community services to low- and moderate-income men and women. The assessment area also benefited from a \$2 million Assessment Area-wide community development loan to a non-profit organization that supplies community services to low- and moderate-income children in several of the bank's assessment areas. Other assessment areas benefiting from this loan were limited scope assessment areas and the benefit to these assessment areas was considered in reaching a conclusion about community development loan performance in those assessment areas.

In the Palm Bay-Melbourne-Titusville assessment area, RNBF originated four community development loans totaling \$331,000. Two loans, totaling \$98,000, were short-term loans to two different non-profit organizations that provide housing affordable to low- and moderate-income families. A third loan, totaling \$50,000, is to a non-profit organization that provides community services to low- and moderate-income youth. The final loan, for \$183,000,

represents the bank's share of a loan originated by a lending consortium in which the bank participates. The loan will help provide 50 apartments for HUD Section 8 tenants.

The bank participated in three additional loans as part of the lending consortium, totaling \$1.2 million. These affordable housing loans are outside the bank's overall assessment area. In addition, the bank participates in a loan pool established by a statewide developer of affordable housing. This participation included five loans totaling \$1.3 million all of which were outside the bank's overall assessment area. Because the bank adequately meets community development loan needs in its overall assessment area, consideration was given to these out of assessment area community development loans. However, overall community development lending remained adequate.

### **Product Innovation and Flexibility**

The bank makes use of innovative and flexible lending products that have the potential to benefit low- and moderate-income homebuyers. However, borrowers with incomes somewhat in excess of low- and moderate-income levels can also benefit from these programs. Innovative and flexible mortgage loan products were used in the full-scope Port St. Lucie-Ft. Pierce and full-scope Palm Bay-Melbourne-Titusville assessment areas. Product innovation and flexibility had a neutral impact on the Lending Test.

The bank offers several home mortgage loan products in the full-scope assessment areas, as described below. Loan volume specific to each of the products was not available. However, any loans made under these programs during the evaluation period are included in the Geographic Distribution and Borrower Distribution analysis previously discussed.

### **State Housing Initiative Partnership (SHIP) Loans**

During the entire evaluation period, SHIP loans were offered through RNBF's partnership with lending consortiums in the St. Lucie-Ft. Pierce assessment area as well as the City of Cocoa in the Palm Bay-Melbourne-Titusville assessment area. The funds provide down payment and closing cost assistance. The underwriting of SHIP loans allows for expanded expense ratios, and non-traditional credit histories are accepted. Maximum purchase price and income limits apply. Applicable income can not exceed 100 percent of the HUD Median Family income for the MSA in which the home is being purchased.

### **County Bond Homebuyer Programs**

Beginning in July 2006, RNBF began participating with both St. Lucie and Martin Counties in originating home purchase loans through a partnership established with the Housing Finance Authority of Escambia County, a regional authority with the ability to issue housing bonds through inter-local agreements. Under the program, below market rate loans are available to first-time homebuyers and homebuyers in the 2005 hurricane recovery area. Ten year amortizing zero percent second mortgage loans are available to cover down payment and closing costs. Borrowers must meet the bank's normal mortgage requirements and also be conforming loans for the secondary market. Maximum purchase price and income limits apply. Applicable income can not exceed 120 percent of the HUD Median Family income for the MSA.

## **United States Department of Agriculture (USDA) Guaranteed Rural Housing Program**

The USDA provides a guarantee for residential home purchase mortgage loans for persons who can not secure conventional financing (80 percent of the purchase price) without a guarantee. To qualify the property must be in a rural area, which includes St. Lucie and Martin Counties, and the borrower income can not exceed 120% of MSA income, based on family size. Under the program, no down payment or mortgage insurance is required. Expanded income and expense ratios are used to qualify the loan.

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

Based on limited-scope reviews, the bank's performance under the Lending Test in all limited-scope assessment areas is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test. Refer to Tables 1 through 13 in Appendix C 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 is rated "Outstanding", based on the impact of the bank's strong performance in its limited-scope assessment areas. Based on full-scope reviews, the bank's performance in the Port St. Lucie-Ft. Pierce assessment area is adequate and excellent in the Palm Bay-Melbourne-Titusville assessment area. Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Overall, the bank has an excellent level of qualified investments that are responsive to assessment area needs, addressing the most pressing need for housing affordable to low- and moderate-income families. Investments are not considered innovative or complex. Private investors routinely provide these types of qualified investments. Opportunities exist in the full-scope assessment area for the bank to make qualified investments. However, they are somewhat limited and competition for them is strong since many large nationwide and regional banks operate in the bank's assessment area. For a discussion of investment opportunities, see the Market Profile in Appendix B.

The majority of the bank's investments, in both the current and prior evaluation periods, are mortgage-backed securities, for which the collateral is a pool of mortgage loans to low- and moderate-income borrowers. Mortgage-backed securities are important because they provide needed liquidity to lending institutions so that additional mortgages can be funded and they meet the identified need for affordable housing financing for low- and moderate-income families. These securities are backed by mortgages on properties located in more than one of the bank's assessment areas. For this reason, the investments in mortgage-backed securities are presented in Table 14 of Appendix C as "Assessment Area-wide Investments" because they benefit multiple assessment areas. The impact of these investments is taken into

consideration when reaching conclusions about performance in each of the bank's assessment areas.

In a prior evaluation period, RNBF made an investment in a non-profit organization that facilitates housing affordable to low- and moderate-income families throughout the state of Florida. The investment has the potential to benefit the bank's assessment area. The current value of the bank's stock in the non-profit is listed as a prior period "Statewide Investment" in Table 14 of Appendix C.

#### Port St. Lucie-Ft. Pierce Assessment Area

**Current Period Investments:** Current period investments in the full-scope Port St. Lucie-Ft. Pierce assessment area consist of the benefits derived from the mortgage-back securities discussed above. The assessment area benefited from approximately nine percent of the total current period Assessment Area-wide investments. In addition, the bank donated two \$5,000 scholarships to two different non-profit organizations to attend an affordable housing conference conducted by a state-wide affordable housing organization.

**Prior Period Investments:** Prior period investments were originated during previous examination evaluation periods and remain on the books of the bank. The assessment area continues to benefit from approximately 21 percent of prior period Assessment Area-wide mortgage-back security investments. These mortgages continue to assist low- and moderate-income families. In addition, an investment in a bond for the City of Ft. Pierce remains on the books of the bank. The bond proceeds are being used for storm water improvement projects in a group of primarily low- and moderate-income geographies in the City. These projects continue to benefit residents of a low- and moderate-income community of Ft. Pierce.

#### Palm Bay-Melbourne-Titusville Assessment Area

**Current Period Investments:** Current period investments in the full-scope Palm Bay-Melbourne-Titusville assessment area consist of the benefits derived from the mortgage-back securities discussed above. The assessment area benefited from approximately 32 percent of the total current period Assessment Area-wide investments. In addition, the bank donated one \$5,000 scholarship to a non-profit organization to attend an affordable housing conference conducted by a state-wide affordable housing organization.

**Prior Period Investments:** Prior period investments were originated during previous examination evaluation periods and remain on the books of the bank. The assessment area continues to benefit from approximately 26 percent of prior period Assessment Area-wide mortgage-back security investments. These mortgages continue to assist low- and moderate-income families.

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

In our analysis, the most weight is placed on the full-scope assessment areas in reaching overall conclusions. However, the stronger performance in all but one of the limited-scope

assessment areas had a positive impact on the overall Investment Test rating, raising it to “Outstanding”. Performance in the MD 48424 (West Palm Beach), MSA 19660 (Deltona), MSA 29460 (Lakeland), MSA 36740 (Lake County), MSA 46940 (Vero Beach), and non-MSA Highlands County assessment areas is not inconsistent with the overall “Outstanding” rating in the Service Test. Performance in the non-MSA Okeechobee assessment area is inconsistent with the bank’s overall “Outstanding” rating in the Service Test. Performance in that assessment area is weaker than the bank’s overall performance. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

## **SERVICE TEST**

RNBF’s performance under the Service Test is rated “High Satisfactory”. Based on a full-scope review, the bank’s performance in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville assessment areas is good. Delivery systems are accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Overall, the bank provides a relatively high level of community development services that help to meet stated needs in the assessment areas.

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

RNBF’s performance under the Service Test is rated “High Satisfactory”. Based on a full-scope review, the bank’s performance in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville assessment area is good. Delivery systems are accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Overall, the bank provides a relatively high level of community development services that help to meet stated needs in the assessment areas.

### **Retail Banking Services**

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

RNBF’s delivery systems are good and accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Accessibility is good in both the Port St. Lucie-Ft. Pierce and Palm Bay-Melbourne-Titusville assessment areas. In the Fort Pierce-Port St. Lucie assessment area, the bank has no offices in the low-income geographies of the assessment area. However, the main office, which is located in a moderate-income geography, borders a low-income geography. Also, another branch, which is located in a moderate-income geography, is in close proximity to a low-income geography. The percent of RNBF’s offices in moderate-income geographies exceeds the percent of the population living in such geographies.

In the Palm Bay-Melbourne-Titusville assessment area, no offices are located in low-income geographies. However, the bank’s Merritt Island office, which is located in a moderate-income geography, is in close proximity (approximately 1 mile) to a low-income geography in the

assessment area. The percent of RNBF's offices in moderate-income geographies exceeds the percent of the population living in such geographies.

Branch openings/closings have not affected the accessibility of delivery systems in the full-scope assessment areas. During the overall evaluation period, no branch offices were closed in either full-scope assessment area. In the Port St. Lucie-Ft. Pierce assessment area, one branch, located in a middle-income geography, was opened during the evaluation period. In the Palm Bay-Melbourne-Titusville assessment area two branches, both located in middle-income geographies, were opened.

A wide range of banking products and services are offered throughout both full-scope assessment areas, as described in the bank's Public File. Products, services and business hours are reasonable and comparable among branch locations, regardless of the income level of the geography. Branches provide extended hours on Fridays and Saturday mornings. Drive-thru and ATM facilities are also provided. Products of particular note include a free checking account for consumers that requires no minimum balance to open and allows for unlimited use of RNBF ATMs, and a low-cost checking account for small businesses that has no minimum balance requirement, no monthly fees, and allows for 500 items to be processed free. On a combined basis, the full-scope assessment areas have approximately 40,000 free consumer checking accounts and 11,000 low-cost small business checking accounts.

RNBF's ATM network, noted above, offers an alternative method of providing retail banking services. In addition, the bank operates two off-site ATM's in the Port St. Lucie-Ft. Pierce assessment area. One, located near the City Marina, is located in a low-income geography. The other, located at the bank's operations facility, is located in a moderate-income geography. The bank also operates a mobile ATM that is made available for major public events such as county fairs and was used during the aftermath of recent hurricanes to provide access to cash in Stuart, which sustained widespread power outages.

In addition, the bank offers telephone banking, on-line banking, and automatic bill paying. There is no data as to the impact of telephone and online banking on low- and moderate-income persons therefore no significant weight was given to these alternative delivery systems.

### **Community Development Services**

Overall, community development service performance is good, considering the level of participation and the number of organizations, individuals, and businesses benefiting in the full-scope Port St. Lucie-Ft. Pierce assessment area. The level of community development service performance is adequate in the Palm Bay-Melbourne-Titusville assessment area. Overall, services are not innovative, but they are responsive to stated assessment area needs.

#### Port St. Lucie-Ft. Pierce Assessment Area

RNBF provided a relatively high level of community development services in the Port St. Lucie-Ft. Pierce assessment area. During the evaluation period, the bank participated in 18 homebuyer seminars/workshops attended by approximately 450 people. The majority of the programs (15) were held in conjunction with the Martin County or St. Lucie County Lending

Consortiums and the Consumer Credit Counseling Service. These regularly scheduled, six hour, multi-lingual courses cover the pre-home buying process including the mortgage application process, realtor relations, insurance needs, credit and budgeting, appraisals and inspections, and available subsidy programs. Throughout the evaluation period, RNBF officers have served on both the Martin County and St. Lucie County Lending Consortiums, as well as the Treasure Coast CRA Roundtable. Seven bank lending officers regularly volunteer as instructors for the seminars and workshops, and another officer has conducted Family Self Sufficiency classes for the Ft. Pierce Housing Authority. In addition, the bank is also partnering with the Consumer Credit Counseling Service to present Freddie Mac's Credit\$mart Homebuyer Workshops. Three workshops have been conducted and an additional six have been scheduled and announced. Also, a bank officer serves on the advisory Board of the Consumer Credit Counseling Service. Such activities help to meet the stated need for financial literacy training within the bank's assessment area.

In addition to the above organizations, other bank officers and employees regularly provide technical assistance to organizations that help to provide affordable housing opportunities, community development services to low- and moderate-income persons and families, and revitalization and stabilization assistance to low- and moderate-income geographies by serving on the boards and committees of assessment area non-profit organizations. In all, six different officers and employees used their financial expertise to provide technical assistance to 10 different organizations during the evaluation period.

Also, various RNBF officers are providing technical assistance to the counties and cities in the Port St. Lucie-Ft. Pierce assessment area. Lenders are using their financial expertise to provide technical assistance to the City of Port St. Lucie and a non-profit organization to facilitate the construction of hurricane replacement housing. The bank is providing construction management services for the building of eight units of rental housing affordable to very low- and low-income families. The project is being funded by a grant received jointly by the city and the non-profit organization. In addition, the bank's CRA Officer is providing technical assistance to the Ft. Pierce Housing Authority, regarding the possible use of Section 8 vouchers for homeownership and the City of Port St. Lucie and St. Lucie County regarding the structuring of multiple potential affordable housing programs.

#### Palm Bay-Melbourne-Titusville Assessment Area

In the Palm Bay-Melbourne-Titusville assessment area, the bank's community development efforts are adequate. Of particular note is the technical assistance provided by a RNBF officer related to the application for a direct subsidy under the Affordable Housing Program (AHP) of the Federal Home Loan Bank of Atlanta (FHLBA) on behalf of an assessment area Community Housing Development Organization (CHDO). In 2006, RNBF submitted an application for an AHP grant for affordable hurricane replacement housing on behalf of the organization. The grant was awarded in the amount of \$500,000 and will assist the CHDO in building 10 single-family rental units that are affordable to low- and moderate-income families. For RNBF, participation in AHP grants is complex, requiring administrative time on the part of the sponsoring bank because it must administer and disburse the funds as well as monitor the project and provide documentation to the FHLBA.

In addition, the CRA Officer has provided technical assistance to the housing authority regarding affordable housing initiatives and another officer assists with the County's SHIP program. Two other employees have provided technical assistance to an organization supporting economic development efforts in the assessment area.

Finally, three officers are helping to provide financial literacy training through their association with the Money Smart Program, which is made available to various community service organizations in the assessment area. Such activities help to meet the stated need for financial literacy training within the bank's assessment area.

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

Based on limited-scope reviews, the bank's performance under the Service Test in the MSA 36740 (Lake County), MSA 46940 (Sebastian-Vero Beach), non-MSA Highlands County and non-MSA Okeechobee County assessment areas was inconsistent with the bank's overall "High Satisfactory" performance under the Service Test. Performance in these assessment areas was weaker than the bank's overall performance. Performance in the MSA 29640 (Lakeland), MD 48424 (West Palm Beach, FL) and MSA 19660 (Deltona-Daytona Beach-Ormond Beach) assessment areas is not inconsistent with the bank's overall "High Satisfactory" performance under the Service Test. Performance in the limited-scope assessment areas had a neutral impact on the overall Service Test conclusion. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term "full-scope") and those that received a less comprehensive review (designated by the term "limited-scope").

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (01/01/03 to 07/02/07) Investment and Service Tests and CD Loans: (03/15/04 to 07/02/07)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Riverside National Bank of Florida (RNBF) Ft. Pierce, Florida	Home mortgage loans, small loans to businesses and community development loans.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Port St. Lucie-Ft. Pierce (38940) Palm Bay-Melbourne-Titusville (37340) West Palm Beach (48424) Deltona (19660) Lakeland (28460) Lake County (36740) Sebastian-Vero Beach (46940) Non-MSA Highlands County Non-MSA Okeechobee County	Full-Scope Full-Scope  Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope	

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

RNBF's full-scope assessment areas include all of MSA 38940 (Port St. Lucie-Ft. Pierce, FL) and all of MSA 37340 (Palm Bay-Melbourne-Titusville). The assessment areas meet the requirements of the CRA regulation and do not arbitrarily exclude low- and moderate-income geographies.

### MSA 38940

Demographic Information for Full Scope Area: MSA 38940 (Port St. Lucie-Ft. Pierce, FL)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	60	5.00	21.67	51.67	21.67	0.00
Population by Geography	319,426	3.58	17.57	57.55	21.31	0.00
Owner-Occupied Housing by Geography	104,166	1.15	11.40	62.21	25.24	0.00
Business by Geography	32,948	2.73	21.88	52.33	23.06	0.00
Farms by Geography	1,472	2.17	21.20	55.50	21.13	0.00
Family Distribution by Income Level	90,803	18.46	19.34	22.19	40.01	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	34,324	6.15	21.35	58.97	13.52	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		45,503 52,800 10%	Median Housing Value Unemployment Rate (2000 US Census)	97,335 2.03%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2007 HUD updated MFI

The Port St. Lucie-Ft. Pierce assessment area consists of the entire MSA, which is equivalent to Martin County and adjacent St. Lucie County (where RNBF is headquartered) to the north. St. Lucie is the larger of the two counties, with 60 percent of the total MSA population. All of the low-income (3) and 69 percent of the moderate-income (9) geographies in the MSA are located in St. Lucie County, primarily in Ft. Pierce. The city of Ft. Pierce has a population of approximately 38,000. Of that population, 31% live below the poverty level.

The assessment area is fast growing, particularly St. Lucie County. Martin County growth is more limited. The Martin County land use plan focuses on controlling growth and limiting the density of housing. Beginning in 2003, the assessment area began to experience a housing boom that increased home prices substantially, as discussed in the Borrower Distribution portion of this document. Even with subsidy programs available from the State Housing Initiatives Partnership (SHIP), low-income and some moderate-income families found it extremely difficult to afford a home. And, with the increased price of homes, the higher amount of SHIP assistance needed for each purchaser reduced the number of purchasers that could be helped. The Florida Housing Coalition estimates that at the end of 2005, a family earning the median income could afford to purchase only 17% of the housing units sold in that year. In addition, high property taxes and insurance costs have a negative impact on the ability of low-

and moderate-income families to afford home ownership. The United States Department of Agriculture (USDA) Rural Development is active in portions of the assessment area, providing direct mortgages with interest rates as low as 1% with no down payment for low-income families.

Business was severely impacted by hurricanes in 2004 and again in 2005. On September 5, 2004, the eye of Hurricane Frances hit Sewall's point in Martin County and on September 25, 2004 the eye of Hurricane Jeanne hit in almost the same place. In October 2005 the assessment area was declared a disaster area (Categories C-G) as a result of Hurricane Wilma. Businesses and schools were closed and damage to homes and commercial structures was extensive, particularly those located nearest the water. Federal grants and other funding were available for repairs and the Small Business Loan Administration (SBA) made direct loans in the assessment area.

Competition for financial services is strong in the MSA. There are 18 financial institutions operating branches in the MSA, including national, regional, and community banks and savings and loan associations. In addition, mortgage companies and credit card lenders compete for loans in the assessment area. Their numbers far exceed the number of financial institutions operating in the assessment area.

There is a somewhat limited range of opportunities for community development lending, investments, and services throughout the MSA and larger institutions are quite competitive for the qualified investments that are available. Community development opportunities include working with and providing financing to the several organizations whose mission it is to provide affordable housing as well as the many organizations that help to supply community services for low- and moderate-income persons, as well as organizations with a mission of economic development. There is a designated Enterprise Zone in Ft. Pierce that targets economic development with the goal of stimulating and retaining jobs and there are multiple Community Redevelopment Areas in the MSA that are targeted for revitalization. Types of community development investments available in the MSA include, but are not limited to, the purchase of mortgage-backed and SBA loan-backed securities, participation in state-wide or regional investment funds, the purchase of municipal bonds whose purpose meets the definition of community development, and opportunities to contribute to qualified non-profit organizations whose missions are focused on providing affordable housing, community services for low- and moderate-income persons, and economic development. The availability of qualifying mortgage-backed securities has been reduced during the evaluation period, however. Since fewer low-and moderate-income families could afford to purchase homes because of the increased prices previously discussed, fewer such mortgages were available for inclusion in mortgage-backed loan pools.

## MSA 37340

Demographic Information for Full Scope Area: MSA 37340 (Palm Bay-Melbourne-Titusville, FL)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	92	2.17	20.65	47.83	29.35	0.00
Population by Geography	476,230	1.34	19.21	51.27	28.17	0.00
Owner-Occupied Housing by Geography	147,878	0.62	17.75	49.76	31.87	0.00
Business by Geography	48,848	1.39	25.07	44.26	29.28	0.00
Farms by Geography	1,559	1.09	20.40	51.57	26.94	0.00
Family Distribution by Income Level	133,389	18.27	19.30	22.67	39.76	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	50,110	2.35	27.20	53.10	17.35	0.00
Median Family Income		47,642	Median Housing Value		93,117	
HUD Adjusted Median Family Income for 2007		55,600	Unemployment Rate (2000 US Census)		2.25%	
Households Below Poverty Level		9%				

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2007 HUD updated MFI

The Palm Bay-Melbourne-Titusville MSA full-scope assessment area is equivalent to Brevard County. The MSA is large and growing with the population generally concentrated in the cities from which the MSA derived its title. The low- and moderate-income geographies are generally concentrated in the City of Coco, and in Melbourne and Titusville.

When compared with income levels, housing costs in the MSA are high, as discussed in the Borrower Distribution portion of this document. It is clear that the purchase of single family housing in the MSA is difficult for low- income families as well as moderate-income families. The same insurance and tax expenses related to the Port St. Lucie-Ft. Pierce assessment area impact affordability in the Palm Bay-Melbourne-Titusville assessment area, as does the availability of SHIP funds.

The MSA is home to the John F. Kennedy Space Center. It, and the companies that provide support services, provide many job opportunities. The building trades, service businesses, and, to a lesser extent, agriculture, also provide job opportunities throughout the MSA.

Banking competition within the MSA is strong. FDIC data as of June 30, 2006 showed 133 banking offices of 21 national, regional, and community financial institutions operating in the MSA. Many of the top ten mortgage lenders are mortgage companies that operate nationally or are subsidiaries of some of the largest financial institutions in the nation. National credit card lenders dominate the small business loan market.

The primary credit needs identified through community contacts conducted for this examination and for other examinations of banks operating in the same assessment area are financing for low- and moderate-income families to purchase affordable housing, financing for the construction of single-family affordable housing, and financing for the repair or rehabilitation of

existing housing. There is also a need for the revitalization and stabilization of communities designated as a Community Redevelopment Area.

Opportunities for the bank to make community development loans and investments are somewhat limited, but growing, and competition for them is strong, based on the number of financial institutions operating in the MSA. Five Community Housing Development Organizations (CHDOs) operate in the assessment area and the county has worked to identify eight Neighborhood Strategy Areas throughout the assessment area for the deployment of Community Development Block Grant Funds (CDBG).

Community development opportunities include working with and providing financing to the several organizations whose mission is to provide affordable housing as well as the many organizations that help to supply community services for low- and moderate-income persons, as well as organizations with a mission of economic development. Types of community development investments available in the MSA include, but are not limited to, the purchase of mortgage-backed and SBA loan-backed securities, participation in state-wide or regional investment funds, the purchase of municipal bonds whose purpose meets the definition of community development, and opportunities to contribute to qualified non-profit organizations whose missions are focused on providing affordable housing, community services for low- and moderate-income persons, and economic development.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

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

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

NATIONAL BANK OF FL

Table 1. Lending Volume

LENDING VOLUME		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO MARCH 31, 2007					
MA/Assessment Area (2007):	% 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>													
MSA 37340 (Pa Melbourne-Ti	23.62	1,458	202,918	1,311	148,945	2	237	4	331	2,775	352,431	41.30	
MSA 38940 (Pt. St. L	30.69	2,687	329,743	898	125,903	20	2,966	1	50	3,606	458,662	17.66	
Assessment Are	00.01							1	2,000	1	2,000		
Out of Assessme	00.07							8	2,452	8	2,452		
<b>Limited Review:</b>													
MD 48424 (West Palm	9.05	488	101,977	572	105,924	2	625	1	1,000	1,063	209,526	4.18	
MSA 19660 (D	11.84	857	93,311	534	57,492	0	0	1	2,000	1,392	152,803	18.29	
MSA 28460 (La	7.47	485	36,792	378	47,892	14	1,441	0	0	877	86,125	4.84	
MSA 36740 (L	1.73	89	8,720	113	3,629	1	11	0	0	203	12,360	1.17	
MSA 46940 (Sebasti	7.66	467	68,557	431	54,268	1	65	1	500	900	123,390	6.10	
Non MSA Highlands	2.55	171	17,547	121	22,524	7	637	0	0	299	40,708	2.88	
Non MSA Okeechobee	5.31	362	37,128	239	38,545	22	3,625	1	300	624	79,598	3.58	

\* Loan Data as of March 31, 2007. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 31, 2004 to July 2, 2007.

\*\*\* Deposit Data as of June 30, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006						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>																
MSA 37340 (Palm Bay-Melbourne-Titusville)	628	21.07	0.62	0.80	17.75	18.47	49.76	54.94	31.87	25.80	0.96	1.54	1.31	0.85	1.01	
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	1,008	33.81	1.15	0.89	11.40	12.80	62.21	73.02	25.24	13.29	1.24	0.94	2.63	1.14	1.35	
<b>Limited Review:</b>																
MD 48424 (West Palm Beach)	253	8.49	1.53	2.77	24.63	30.83	36.35	26.88	37.50	39.53	0.13	0.04	0.12	0.09	0.17	
MSA 19660 (Deltona)	334	11.20	0.47	1.50	9.62	7.49	74.00	77.25	15.91	13.77	0.49	1.28	0.40	0.52	0.37	
MSA 28460 (Lakeland)	241	8.08	0.14	0.00	15.41	13.28	60.75	68.05	23.70	18.67	0.26	0.00	0.44	0.24	0.21	
MSA 36740 (Lake Co)	54	1.81	0.00	0.00	26.91	48.15	70.34	50.00	2.75	1.85	0.05	0.00	0.11	0.04	0.00	
MSA 46940 (Sebastian-Vero Beach)	215	7.21	0.00	0.00	13.47	8.37	61.60	71.63	24.93	20.00	1.19	0.00	0.72	1.26	1.20	
Non MSA Highlands Co	82	2.75	0.00	0.00	12.24	7.32	87.76	92.68	0.00	0.00	0.90	0.00	0.65	0.93	0.00	
Non MSA Okeechobee	166	5.57	0.00	0.00	15.55	16.27	84.45	83.73	0.00	0.00	5.22	0.00	1.86	6.01	0.00	

Based on 2005 Peer Mortgage Data (Eastern)

Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 37340 (Palm Bay-Melbourne- Titusville)	256	17.26	0.62	1.17	17.75	13.67	49.76	60.55	31.87	24.61	2.46	7.69	3.69	2.85	1.07
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	661	44.57	1.15	3.18	11.40	19.06	62.21	70.95	25.24	6.81	7.29	19.23	13.95	7.09	4.00
<b>Limited Review:</b>															
MD 48424 (West Palm Beach)	74	4.99	1.53	2.70	24.63	35.14	36.35	36.49	37.50	25.68	0.42	0.00	0.63	0.39	0.34
MSA 19660 (Deltona)	199	13.42	0.47	0.00	9.62	5.53	74.00	83.42	15.91	11.06	1.82	0.00	1.94	1.85	1.60
MSA 28460 (Lakeland)	101	6.81	0.14	0.00	15.41	8.91	60.75	74.26	23.70	16.83	1.95	0.00	1.64	2.22	1.46
MSA 36740 (Lake Co)	13	0.88	0.00	0.00	26.91	76.92	70.34	23.08	2.75	0.00	0.33	0.00	1.01	0.20	0.00
MSA 46940 (Sebastian-Vero Beach)	81	5.46	0.00	0.00	13.47	7.41	61.60	79.01	24.93	13.58	4.27	0.00	4.08	4.75	2.35
Non MSA Highlands Co	28	1.89	0.00	0.00	12.24	0.00	87.76	100.00	0.00	0.00	3.65	0.00	0.00	4.02	0.00
Non MSA Okeechobee	70	4.72	0.00	0.00	15.55	12.86	84.45	87.14	0.00	0.00	18.92	0.00	28.57	17.53	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2006			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER						
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>															
MSA 37340 (Palm Bay-Melbourne- Titusville)	567	21.97	0.62	0.00	17.75	16.23	49.76	61.20	31.87	22.57	0.91	0.00	1.05	1.07	0.53
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	1,016	39.36	1.15	1.08	11.40	13.78	62.21	72.15	25.24	12.99	2.00	1.62	4.36	1.93	1.27
<b>Limited Review:</b>															
MD 48424 (West Palm Beach)	158	6.12	1.53	1.27	24.63	30.38	36.35	34.81	37.50	33.54	0.10	0.11	0.15	0.10	0.08
MSA 19660 (Deltona)	322	12.48	0.47	0.00	9.62	6.83	74.00	83.23	15.91	9.94	0.52	0.00	0.21	0.61	0.28
MSA 28460 (Lakeland)	142	5.50	0.14	0.00	15.41	16.20	60.75	63.38	23.70	20.42	0.26	0.00	0.60	0.23	0.20
MSA 36740 (Lake Co)	22	0.85	0.00	0.00	26.91	50.00	70.34	40.91	2.75	9.09	0.05	0.00	0.06	0.04	0.00
MSA 46940 (Sebastian-Vero Beach)	169	6.55	0.00	0.00	13.47	3.55	61.60	79.29	24.93	17.16	1.29	0.00	0.24	1.45	1.21
Non MSA Highlands Co	59	2.29	0.00	0.00	12.24	5.08	87.76	94.92	0.00	0.00	0.83	0.00	0.50	0.86	0.00
Non MSA Okeechobee	126	4.88	0.00	0.00	15.55	15.08	84.45	84.92	0.00	0.00	3.80	0.00	2.54	4.05	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006							
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>															
MSA 37340 (Palm Bay-Melbourne-Titusville)	7	36.84	2.10	14.29	26.13	14.29	53.00	71.43	18.77	0.00	8.47	0.00	0.00	18.52	0.00
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	2	10.53	2.19	0.00	14.37	0.00	43.56	100.00	39.88	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
MD 48424 (West Palm Beach)	3	15.79	3.13	33.33	32.78	33.33	31.51	33.33	32.58	0.00	0.00	0.00	0.00	0.00	0.00
MSA 19660 (Deltona)	2	10.53	1.77	0.00	26.94	100.00	60.83	0.00	10.46	0.00	2.27	0.00	6.67	0.00	0.00
MSA 28460 (Lakeland)	1	5.26	2.87	0.00	23.09	100.00	42.68	0.00	31.35	0.00	2.63	0.00	7.14	0.00	0.00
MSA 36740 (Lake Co)	0	0.00	0.00	0.00	18.35	0.00	81.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MSA 46940 (Sebastian-Vero Beach)	2	10.53	0.00	0.00	18.93	0.00	45.98	100.00	35.08	0.00	0.00	0.00	0.00	0.00	0.00
Non MSA Highlands Co	2	10.53	0.00	0.00	16.06	50.00	83.94	50.00	0.00	0.00	20.00	0.00	50.00	0.00	0.00
Non MSA Okeechobee	0	0.00	0.00	0.00	2.55	0.00	97.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

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**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					
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>															
MSA 37340 (Palm Bay-Melbourne- Titusville)	1,297	28.53	1.39	1.00	25.07	25.37	44.26	43.41	29.28	30.22	2.98	3.92	3.11	3.00	3.03
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	890	19.58	2.63	4.27	21.27	36.85	53.36	49.78	22.74	9.10	2.62	8.22	4.28	2.56	1.11
<b>Limited Review:</b>															
MD 48424 (West Palm Beach)	554	12.19	3.54	5.05	21.35	29.42	34.74	32.31	40.22	33.21	0.47	0.86	0.65	0.47	0.37
MSA 19660 (Deltona)	533	11.72	1.15	1.13	18.22	15.01	65.21	71.29	15.41	12.57	0.88	1.72	0.51	1.09	0.52
MSA 28460 (Lakeland)	375	8.25	0.44	0.27	21.92	22.93	55.57	58.67	22.06	18.13	0.94	0.00	1.12	1.07	0.73
MSA 36740 (Lake Co)	113	2.49	0.00	0.00	21.30	25.66	76.75	73.45	1.95	0.88	0.55	0.00	0.89	0.51	0.00
MSA 46940 (Sebastian-Vero Beach)	427	9.39	0.00	0.00	12.74	11.01	60.64	61.83	26.62	27.17	0.00	0.00	0.00	0.00	0.00
Non MSA Highlands Co	119	2.62	0.00	0.00	19.29	21.85	80.71	78.15	0.00	0.00	1.81	0.00	2.15	1.82	0.00
Non MSA Okeechobee	238	5.24	0.00	0.00	18.20	18.49	81.80	81.51	0.00	0.00	7.78	0.00	7.73	8.09	0.00

\* Based on 2005 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 (2006).

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

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2006			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO						
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	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 37340 (Palm Bay-Melbourne-Titusville)	2	2.94	1.09	0.00	20.40	0.00	51.57	100.00	26.94	0.00	0.00	0.00	0.00	0.00	0.00
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	20	29.41	2.13	10.00	21.13	25.00	55.55	65.00	21.20	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
MD 48424 (West Palm Beach)	2	2.94	4.58	0.00	22.99	0.00	36.65	50.00	35.74	50.00	0.00	0.00	0.00	0.00	0.00
MSA 19660 (Deltona)	0	0.00	0.59	0.00	9.61	0.00	72.75	0.00	17.06	0.00	0.00	0.00	0.00	0.00	0.00
MSA 28460 (Lakeland)	14	20.59	0.00	0.00	17.67	7.14	61.23	78.57	21.10	14.29	1.35	0.00	0.00	1.55	2.50
MSA 36740 (Lake Co)	1	1.47	0.00	0.00	22.92	0.00	75.00	100.00	2.08	0.00	0.00	0.00	0.00	0.00	0.00
MSA 46940 (Sebastian-Vero Beach)	1	1.47	0.00	0.00	15.38	0.00	64.42	0.00	20.19	100.00	0.00	0.00	0.00	0.00	0.00
Non MSA Highlands Co	7	10.29	0.00	0.00	11.36	0.00	88.64	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non MSA Okeechobee	21	30.88	0.00	0.00	9.43	14.29	90.57	85.71	0.00	0.00	6.00	0.00	12.50	4.76	0.00

\* Based on 2005 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 (2006).

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

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA										Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share					
	#	% of Total**	% Families***	% BANK Loans****	% Families	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overa ll	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
MSA 37340 (Palm Bay-Melbourne-Titusville)	628	21.07	18.27	8.10	19.30	16.55	22.67	20.34	39.76	55.00	1.10	3.50	0.93	0.83	1.12	
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	1,008	33.81	18.46	4.06	19.34	13.71	22.19	22.37	40.01	59.87	1.51	4.30	2.68	1.49	1.35	
<b>Limited Review:</b>																
MD 48424 (West Palm Beach)	253	8.49	19.86	9.82	18.56	17.86	20.60	20.54	40.98	51.79	0.13	0.41	0.15	0.10	0.13	
MSA 19660 (Deltona)	334	11.20	17.44	6.67	19.60	20.33	23.44	22.00	39.51	51.00	0.57	1.70	0.84	0.58	0.48	
MSA 28460 (Lakeland)	241	8.08	18.23	8.84	19.44	23.26	22.60	22.33	39.73	45.58	0.31	1.29	0.55	0.38	0.19	
MSA 36740 (Lake Co)	54	1.81	20.55	14.00	22.98	26.00	24.46	28.00	32.01	32.00	0.07	0.00	0.18	0.06	0.05	
MSA 46940 (Sebastian-Vero Beach)	215	7.21	17.61	4.06	19.63	14.21	22.39	17.77	40.37	63.96	1.48	3.30	2.17	1.14	1.44	
Non MSA Highlands Co	82	2.75	18.19	2.67	20.29	12.00	24.92	22.67	36.60	62.67	1.01	0.00	1.02	1.06	1.04	
Non MSA Okeechobee	166	5.57	20.20	4.55	19.90	14.94	22.47	23.38	37.43	57.14	6.50	16.67	4.88	4.17	7.36	

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 9.2% of loans originated and purchased by bank.

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

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT 31, 2006		Geography: FLORIDA										Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share					
	#	% of Total	% Families	% BANK Loans****	% Families	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
MSA 37340 (Palm Bay-Melbourne-Titusville)	256	17.26	18.27	12.70	19.30	17.21	22.67	36.07	39.76	34.02	2.56	5.13	2.71	3.16	1.52	
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	661	44.57	18.46	11.98	19.34	22.20	22.19	29.87	40.01	35.94	7.70	16.10	7.55	6.71	7.28	
<b>Limited Review:</b>																
MD 48424 (West Palm Beach)	74	4.99	19.86	13.64	18.56	22.73	20.60	22.73	40.98	40.91	0.45	1.17	0.82	0.36	0.22	
MSA 19660 (Deltona)	199	13.42	17.44	11.52	19.60	24.24	23.44	29.70	39.51	34.55	1.91	2.38	2.28	2.25	1.47	
MSA 28460 (Lakeland)	101	6.81	18.23	10.20	19.44	21.43	22.60	26.53	39.73	41.84	2.02	3.31	1.56	2.59	1.68	
MSA 36740 (Lake Co)	13	0.88	20.55	23.08	22.98	15.38	24.46	23.08	32.01	38.46	0.34	0.00	0.41	0.29	0.41	
MSA 46940 (Sebastian-Vero Beach)	81	5.46	17.61	1.35	19.63	27.03	22.39	29.73	40.37	41.89	4.59	0.00	4.00	4.32	6.18	
Non MSA Highlands Co	28	1.89	18.19	8.00	20.29	24.00	24.92	40.00	36.60	28.00	3.76	6.25	2.94	6.00	2.33	
Non MSA Okeechobee	70	4.72	20.20	4.35	19.90	8.70	22.47	26.09	37.43	60.87	19.44	25.00	8.33	18.18	21.82	

Based on 2005 Peer Mortgage Data (Eastern)

As a percentage of loans with borrower income information available. No information was available for 6.9% of loans originated and purchased by bank.

Percentage of Families is based on the 2000 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.

Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)



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

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2006			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006						
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>															
MSA 37340 (Palm Bay-Melbourne-Titusville)	567	21.97	18.27	11.75	19.30	25.14	22.67	28.75	39.76	34.36	1.09	1.51	1.30	1.09	0.88
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	1,016	39.36	18.46	9.04	19.34	19.59	22.19	28.22	40.01	43.15	2.36	3.55	2.44	2.18	2.33
<b>Limited Review:</b>															
MD 48424 (West Palm Beach)	158	6.12	19.86	8.90	18.56	21.23	20.60	25.34	40.98	44.52	0.12	0.23	0.09	0.07	0.14
MSA 19660 (Deltona)	322	12.48	17.44	8.44	19.60	23.05	23.44	32.47	39.51	36.04	0.61	1.07	0.80	0.64	0.44
MSA 28460 (Lakeland)	142	5.50	18.23	8.70	19.44	18.12	22.60	34.06	39.73	39.13	0.31	0.74	0.29	0.37	0.23
MSA 36740 (Lake Co)	22	0.85	20.55	19.05	22.98	19.05	24.46	23.81	32.01	38.10	0.05	0.00	0.00	0.04	0.11
MSA 46940 (Sebastian-Vero Beach)	169	6.55	17.61	7.83	19.63	19.28	22.39	23.49	40.37	49.40	1.57	1.60	1.15	1.12	2.04
Non MSA Highlands Co	59	2.29	18.19	10.34	20.29	18.97	24.92	34.48	36.60	36.21	1.01	0.00	0.80	1.42	0.95

\* Based on 2005 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 3.4% of loans originated and purchased by bank.

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

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Non MSA Okeechobee	126	4.88	20.20	5.08	19.90	12.71	22.47	22.03	37.43	60.17	4.55	6.82	8.00	2.40	4.56
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**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: FLORIDA			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006		
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>										
MSA 37340 (Palm Bay-Melbourne-Titusville)	1,297	28.53	65.74	49.73	77.95	13.72	8.33	2.98	3.69	
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	890	19.58	67.64	44.83	72.47	13.82	13.71	2.62	3.29	
<b>Limited Review:</b>										
MD 48424 (West Palm Beach)	554	12.19	65.30	44.40	77.26	11.73	11.01	0.47	0.55	
MSA 19660 (Deltona)	533	11.72	68.27	44.84	76.74	12.38	10.88	0.88	1.31	
MSA 28460 (Lakeland)	375	8.25	64.97	41.33	73.07	16.00	10.93	0.94	1.12	
MSA 36740 (Lake Co)	113	2.49	66.92	47.79	95.58	4.42	0.00	0.55	0.69	
MSA 46940 (Sebastian-Vero Beach)	427	9.39	65.08	51.29	78.92	11.94	9.13	0.00	0.00	
Non MSA Highlands Co	119	2.62	64.83	57.98	59.66	21.85	18.49	1.81	3.40	
Non MSA Okeechobee	238	5.24	62.07	44.12	60.92	22.27	16.81	7.78	11.08	

<sup>1</sup> Based on 2005 Peer Small Business Data -- US and PR

<sup>2</sup> 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.

<sup>3</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

<sup>4</sup> 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 33.72% of small loans to businesses originated and purchased by the bank.

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**Table12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: FLORIDA			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
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>6</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>									
MSA 37340 (Palm Bay-Melbourne-Titusville)	2	2.94	95.32	100.00	50.00	50.00	0.00	0.00	0.00
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	20	29.41	87.84	80.00	55.00	25.00	20.00	0.00	0.00
<b>Limited Review:</b>									
MD 48424 (West Palm Beach)	2	2.94	90.26	100.00	0.00	50.00	50.00	0.00	0.00
MSA 19660 (Deltona)	0	0.00	93.07	0.00	0.00	0.00	0.00	0.00	0.00
MSA 28460 (Lakeland)	14	20.59	89.25	85.71	57.14	42.86	0.00	1.35	1.27
MSA 36740 (Lake Co)	1	1.47	91.52	0.00	100.00	0.00	0.00	0.00	0.00
MSA 46940 (Sebastian-Vero Beach)	1	1.47	85.74	100.00	100.00	0.00	0.00	0.00	0.00
Non MSA Highlands Co	7	10.29	86.45	85.71	57.14	42.86	0.00	0.00	0.00
Non MSA Okeechobee	21	30.88	77.05	71.43	52.38	33.33	14.29	6.00	5.88

<sup>6</sup> Based on 2005 Peer Small Business Data -- US and PR

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

<sup>\*\*\*</sup> Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2006).

<sup>\*\*\*\*</sup> 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 10.29% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: FLORIDA				Evaluation Period: MARCH 15, 2004 TO JULY 2, 2007			
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MSA 37340 (Palm Bay-Melbourne-Titusville)	0	0	1	5	1	5	.02	0	0
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	1	497	2	10	3	507	2.30	0	0
Assessment Area-Wide	17	1,546	3	19,512	20	21,058	95.62	0	0
State-Wide	1	14	0	0	1	14	.06	0	0
Out of Assessment Area	1	391	0	0	1	391	1.78	0	0
<b>Limited Review:</b>									
MD 48424 (West Palm Beach)	0	0	0	0	0	0	0.00	0	0
MSA 19660 (Deltona)	0	0	0	0	0	0	0.00	0	0
MSA 28460 (Lakeland)	0	0	0	0	0	0	0.00	0	0
MSA 36740 (Lake Co)	0	0	1	48	1	48	.22	0	0
MSA 46940 (Sebastian-Vero Beach)	0	0	0	0	0	0	0.00	0	0
Non MSA Highlands Co	0	0	0	0	0	0	0.00	0	0
Non MSA Okeechobee	0	0	0	0	0	0	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: FLORIDA				Evaluation Period: MARCH 15, 2004 TO JULY 2, 2007					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MSA 37340 (Palm Bay-Melbourne- Titusville)	17.66	10	15.38	0.00	20.00	60.00	20.00	1	0	0	0	+1	0	1.34	19.21	51.27	28.17
MSA 38940 (Pt. St. Lucie-Ft. Pierce)	41.30	14	21.54	0.00	21.43	57.14	21.43	2	0	0	0	+2	0	3.58	17.57	57.55	21.31
<b>Limited Review:</b>																	
MD 48424 (West Palm Beach)	4.18	6	9.23	0.00	33.33	50.00	16.67	2	0	0	+1	+1	0	4.21	29.32	33.88	32.37
MSA 19660 (Deltona)	18.29	20	30.77	0.00	25.00	65.00	10.00	2	0	0	+1	0	+1	0.99	15.06	69.38	14.57
MSA 28460 (Lakeland)	4.84	6	9.23	0.00	16.67	50.00	33.33	0	0	0	0	0	0	0.51	19.53	58.13	21.83
MSA 36740 (Lake Co)	1.17	2	3.08	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	25.97	71.63	2.40
MSA 46940 (Sebastian-Vero Beach)	6.10	4	6.15	0.00	0.00	75.00	25.00	0	0	0	0	0	0	0.00	16.49	61.66	21.84
Non MSA Highlands Co	2.88	2	3.08	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	16.73	83.27	0.00
Non MSA Okeechobee	3.58	1	1.54	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	22.77	77.23	0.00

