



Comptroller of the Currency
Administrator of National Banks

Public Disclosure

May 28, 1997

**Community Reinvestment Act
Performance Evaluation**

**First National Bank of Magnolia
Charter Number: 14461**

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Magnolia, Arkansas 71753**

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NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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General Information

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of the **First National Bank of Magnolia (FNB)** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **May 28, 1997**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

Definitions and Common Abbreviations

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

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

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

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

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

Median Family Income (MFI) - The median income determined by the United States Census Bureau every ten years and used to determine the income level category of census tracts. 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.

Low-Income - Income levels that are less than 50% of the MFI.

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

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

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

Small Business Loans - Loans with an original amount of \$1 million or less for which the bank is required to collect and report certain monitoring data under the CRA regulation.

Small Farm Loans - Loans with an original amount of \$500 thousand or less for which the bank is required to collect and report certain monitoring data under the CRA regulation.

CRA Rating

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

The major factors which support this rating include:

- ▶ The good responsiveness to the credit needs of FNB’s assessment area, as reflected in the volume of small business, consumer and home mortgage loan originations within the assessment area.
- ▶ The excellent penetration of loans throughout FNB’s assessment area geographies and among retail customers of different income levels and business customers of different sizes.
- ▶ The lack of qualified community development investments and grants.
- ▶ A service delivery system that is accessible to essentially all portions of FNB’s assessment area.
- ▶ An adequate level of community development services, based on the limited opportunities available within FNB’s assessment area.

The following table indicates the performance level of **First National Bank of Magnolia** with respect to the lending, investment, and service tests:

Performance Levels	First National Bank of Magnolia Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High satisfactory	X		
Low satisfactory			X
Needs to improve		X	
Substantial noncompliance			

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

Description of Institution

First National Bank of Magnolia (FNB) is a mid-size community bank based in the southern Arkansas town of Magnolia. As of December 31, 1996, FNB reported total assets of \$214 million. FNB is a wholly owned subsidiary of First United Bancshares, Inc. (FUB), a multi-bank holding company based in El Dorado, Arkansas. As of December 31, 1996, FUB reported total assets of approximately \$1.5 billion. In addition to FNB, FUB subsidiaries include 10 other community banks operating in Arkansas and Texas and a trust company. All of the subsidiary banks are operated as independent community banks.

In addition to the main office, FNB has two branch offices within the assessment area. The main office and one of the branches are located within the city limits of Magnolia. The other branch is located in the small town of Taylor, Arkansas (21 miles southwest of Magnolia). FNB also has proprietary automated teller machines (ATMs) located at each branch and in the Wal-Mart in Magnolia.

FNB's primary line of business is real estate secured lending. FNB is also heavily involved in commercial and consumer lending. As of December 31, 1996, gross loans approximated \$109 million. The loan portfolio is centered in loans secured by 1-4 family residential properties (36%) and commercial real estate (26%), loans to individuals (20%) and commercial and industrial loans (18%).

There are no financial impediments which would hamper FNB's ability to help meet the credit needs of its assessment area. The Arkansas Usury Law, however, could impede FNB's ability to receive an adequate return on loans to the highest risk borrowers. The law limits the interest rate that financial institutions can charge on consumer loans to 5% over the Federal Discount Rate.

FNB's CRA performance was last evaluated as of June 29, 1994. At that time, FNB's overall performance was rated "outstanding."

Description of the Assessment Area

Columbia County Assessment Area															
Low-Income				Moderate-Income				Middle-Income				Upper-Income			
Geographies		Families		Geographies		Families		Geographies		Families		Geographies		Families	
0	0%	1,587	23%	1	20%	1,073	16%	2	40%	1,209	18%	2	40%	3,035	44%

FNB has identified Columbia County as its assessment area. Columbia County is a non-MSA county located in south Arkansas. According to 1990 U.S. Census data, the county has a total population of 25,691. Columbia County is comprised of five BNAs. One is defined as moderate-income, two as middle-income and two as upper-income BNAs. There are no BNAs defined as low-income. The moderate-income BNA includes the southern half of the city of Magnolia. The two middle-income BNAs include northern and southwest Columbia County, including the town of Taylor. The two upper-income BNAs include the northern half of the city of Magnolia and

southeast Columbia County. Refer to Table 1 in **Appendix B** for additional demographic information regarding the number of small businesses, small farms, 1-4 family owner occupied units and families, by geography.

According to 1990 U.S. Census data, the median family income for the Arkansas nonmetropolitan statewide area, of which Columbia County is a part, is \$22,420. This is the income level used to determine the income level of the geographies within Columbia County. HUD's 1996 updated median family income for the area is \$27,300. This is the income level used to determine the income level of families in Columbia County. Low- and moderate-income families are concentrated in the moderate-income BNA that is comprised of the southern half of the city of Magnolia (25%) and the two middle-income BNAs that comprise Columbia County (24% and 22%). Approximately 90% of the housing units in Columbia County are occupied, with 64% of those being owner-occupied. The median housing value is \$31,200. The median year built is 1966.

The economic condition in Magnolia and the surrounding area is relatively stable. The unemployment rate for Columbia County as of October 1996 was 6%, as compared to 6.7% for the State of Arkansas. Unemployment rates for contiguous counties ranged from 7 to 9.9%. Magnolia's industrial make-up is diversified, which accounts for its relatively lower unemployment rate. Nonfarm businesses represent 98% (852) of total businesses in Columbia County. Approximately 75% (641) of these businesses have revenues of less than \$1 million. The economy of the assessment area is also affected by the timber industry. Timber prices have increased and the uncommonly wet summer and fall of 1996 is responsible for a decrease in volumes at the mills in the area causing prices to increase and remain high.

Competition in Columbia County is provided primarily by another locally headquartered community bank (Farmers Bank & Trust Company). The bank is considered to be similarly situated to FNB with total assets of approximately \$262 million.

Community contacts we conducted during this evaluation, as well as those conducted by other federal banking regulators, included meetings with a Columbia County official and representatives from two local housing organizations. In speaking with the community contacts, it is clear that the needs of the low- and moderate-income individuals within the community are affordable housing and education. Realtors are reporting a lack of residential listings in the Magnolia area with high demand and low supply. We did not identify any active community development initiatives related to affordable housing in Columbia County. In addition, the small size, rural nonmetropolitan nature and general lack of sophistication, as it relates to community development, limits the availability of community development opportunities within the assessment area.

Conclusions with Respect to Performance Tests

LENDING TEST

In assessing lending performance, we focused on FNB's lending activity; assessment area concentration; geographic distribution of loans; borrower profile; responsiveness to credit needs of economically disadvantaged geographies, low-income persons or small businesses; community development lending; and, product flexibility.

Conclusions:

- ▶ FNB's lending level reflects a good responsiveness to assessment area credit needs.
- ▶ A substantial majority of FNB's loans are made in its assessment area.
- ▶ The distribution of FNB's loans reflects excellent penetration throughout assessment area geographies and among retail customers of different income levels and business customers of different sizes.
- ▶ FNB exhibits an excellent record of serving the credit needs of low-income individuals and very small businesses, consistent with safe and sound banking practices.
- ▶ We did not identify any loans made by FNB whose primary purpose meets the definition of community development, that are not already considered in our assessment of their small business, consumer or home mortgage loans.

Lending Activity and Assessment Area Concentration

Since the June 1994 CRA evaluation, FNB's loan-to-deposit ratio has been relatively stable and averaged 54%. This average is comparable to the other similarly situated banks in FNB's assessment area, as well as, community bank's throughout the southern Arkansas region. The ratio is reflective of the relatively weak loan demand for both commercial and retail loans throughout the region.

FNB has collected and reported loan data for small business, small farm and consumer loan originations in 1996. Consumer loans include loans secured by motor vehicles, other secured loans, other unsecured loans and home equity loans. Loan data for home mortgage loan originations in 1996 was obtained from an informal bank prepared report. We verified the accuracy of the reported data through the review of limited samples. Refer to **Appendix A** for additional details regarding the scope of our evaluation.

Based on bank prepared reports, FNB originated 4,710 small business, small farm, consumer and home mortgage loans totaling approximately \$59 million in 1996. The level of total originations reflects a good responsiveness to assessment area credit needs. A substantial majority of these

loans, in terms of both numbers and dollars, were made within FNB’s assessment area. The low number of small farm loans reported is reflective of the minimal number of farms located in the assessment area (20). The following table illustrates the volume of originations and their location relative to the assessment area by loan product:

Volume of Loan Originations Within the Assessment Area By Loan Product						
Loan Product	Total Originations		Within the Assessment Area			
	#	\$ (000s)	#	%	\$ (000s)	%
Small Business	612	\$27,707	555	91%	\$23,367	84%
Small Farm	6	\$63	1	17%	\$10	16%
Home Mortgage*	210	\$10,955	197	94%	\$10,255	94%
Consumer Motor Vehicle	884	\$7,463	739	84%	\$6,150	82%
Consumer Other Secured	916	\$7,095	726	79%	\$5,665	80%
Consumer Other Unsecured	2,032	\$4,875	1,742	86%	\$4,159	85%
Home Equity	50	\$824	44	88%	\$721	88%
Totals	4,710	\$58,982	4,004	85%	\$50,327	85%

* Includes only those home mortgage loan originations that were geo-coded representing 80% of the total number and 78% of the total dollars originated.

Source: Bank prepared Small Business, Small Farm, Consumer Motor Vehicle, Consumer Other Secured, Consumer Other Unsecured and Home Equity Data Collection Registers; and, Home Mortgage Loan Application Register.

Banks began reporting detailed information on small business, small farm and consumer (optional) loan originations on March 1, 1997. At the time of this evaluation, bank regulatory agencies had not compiled market data based on these reports. In addition, since the assessment area is located in a non-MSA, home mortgage data required to be collected under HMDA is not available. As a result, market share analysis of small business, small farm, consumer and home mortgage lending within FNB’s assessment area was not possible.

Geographic Distribution of Loans within the Assessment Area

The geographic distribution of total loan originations in 1996 reflects excellent penetration throughout FNB’s assessment area. All geographies were successfully penetrated, with no gaps in lending activity identified. The following table illustrates the geographic distribution of loan originations by loan type:

Distribution of Loan Originations Within the Assessment Area By Income Level of the Geography								
	Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies	
Area Demographic Characteristics	0%		20%		40%		40%	
Count	0		1		2		2	
Loan Product	#	%	#	%	#	%	#	%
Small Business	N/A	N/A	191	34%	126	23%	238	43%
Small Farm	N/A	N/A	0	0%	1	100%	0	0%
Home Mortgage*	N/A	N/A	24	12%	68	35%	105	53%
Consumer Motor Vehicle	N/A	N/A	153	21%	332	45%	254	34%
Consumer Other Secured	N/A	N/A	98	13%	324	45%	304	42%
Consumer Other Unsecured	N/A	N/A	426	24%	710	41%	606	35%
Home Equity	N/A	N/A	12	27%	13	30%	19	43%
Totals	N/A	N/A	904	23%	1,574	39%	1,526	38%

* Includes only those home mortgage loan originations that were geo-coded representing 80% of the total number and 78% of the total dollars originated.

Source: Bank prepared Consumer Motor Vehicle, Consumer Other Secured, Consumer Other Unsecured and Home Equity Data Collection Registers; and, Home Mortgage Loan Application Register.

Refer to Table 2 in **Appendix B** for details regarding the distribution of loan originations by dollar volume.

Distribution of Borrowers within the Assessment Area

Our analysis of the distribution of FNB’s borrowers focused on small business, consumer and home mortgage loan originations reported by for 1996. We gave more weight to the distribution of small business and consumer borrowers in determining the overall rating, since loans to these borrowers represent the majority of originations in 1996.

The distribution of borrowers for small business loans within FNB’s assessment area reflects an excellent penetration among business customers of different sizes. The following table illustrates the distribution of FNB’s small business loan originations within the assessment area by loan size and business revenues:

Distribution of Small Business Loan Originations Within the Assessment Area By Loan Size and Business Revenues								
Loan Size					Revenues < \$1,000,000			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
less than \$100,000	504	91%	\$11,303	49%	489	97%	\$10,783	95%
\$100,000 to \$250,000	35	6%	\$5,420	23%	31	89%	\$4,750	88%
\$250,000 to \$1,000,000	16	3%	\$6,644	28%	13	81%	\$5,416	82%
Totals	555	100%	\$23,367	100%	533	96%	\$20,949	90%

Source: Bank prepared Small Business Data Collection Register.

The distribution of borrowers for small farm loans within FNB’s assessment area is limited to one loan reported for \$10 thousand. The loan was made to a farm with revenues of less than \$500 thousand. The low level of activity is reflective of the minimal number of farms located in FNB’s assessment area (20).

The distribution of borrowers within FNB’s assessment area is excellent for consumer loans and adequate for home mortgage loans. FNB exhibits an excellent record of serving the retail consumer credit needs of low- and moderate-income families, consistent with safe and sound banking practices. The following table illustrates the distribution of borrowers for consumer and home mortgage loans within FNB’s assessment area:

Distribution of Home Mortgage and Consumer Loans Within the Assessment Area By Income Level of the Borrower								
	Low-Income Families		Mod-Income Families		Middle-Income Families		Upper-Income Families	
Area Demographic Characteristics	23%		16%		18%		44%	
Count	1,587		1,073		1,209		3,035	
Loan Product	#	%	#	%	#	%	#	%
Home Mortgage*	6	4%	23	17%	32	23%	76	55%
Consumer Motor Vehicle	223	30%	184	25%	180	25%	147	20%
Consumer Other Secured	134	22%	145	24%	130	21%	198	33%
Consumer Other Unsecured	628	36%	478	27%	333	19%	301	17%
Home Equity	7	16%	4	9%	7	16%	26	59%
Totals	998	31%	834	26%	682	21%	748	23%

* Includes only home mortgage loans originated in the assessment area for which income information was available or 70% of the number and 67% of the dollars originated within the assessment area.

Source: Bank prepared Consumer Motor Vehicle, Consumer Other Secured, Consumer Other Unsecured and Home Equity Data Collection Registers; and, Home Mortgage Loan Application Register.

Refer to Table 3 in **Appendix B** for details regarding the distribution of loan originations by dollar volume.

Community Development Lending

We did not identify any loans made by FNB whose primary purpose meets the definition of community development, that have not already been considered in our assessment of their small business, consumer or home mortgage loans. A review of community contacts conducted by our agency and other federal banking regulatory agencies, discussions with bank management and review of demographic characteristics indicates that community development lending opportunities are limited in FNB’s assessment area. The size, rural nature and lack of sophistication in the community regarding community development all contribute to limitations on available community development lending opportunities. FNB’s origination of small business and home mortgage loans, especially originations under FNB’s affordable housing loan program, meets the most pressing identified needs in the assessment area. In addition, FNB is a SBA certified lender. The origination and distribution of these loans have already been

considered in our evaluation of small business and home mortgage lending. Refer to the **Description of the Assessment Area** section of this evaluation for additional performance context information.

Product Innovation

FNB uses flexible lending practices in order to serve the assessment area's credit needs. In an effort to meet the credit needs of the low- and moderate-income population in the assessment area, FNB dispensed with its minimum loan requirement. The success of this move is reflected in the excellent distribution of consumer loans to low- and moderate-income borrowers. In addition, to meet the pressing need for affordable housing in the assessment area, FNB developed its own affordable housing loan program. The program is targeted at low- and moderate-income applicants with \$25,000 or less in income. The program requires a 5% down payment for the purchase of a home with a sales price of no more than \$40,000. Typical closing costs can be financed in the loan total. This program has been highly successful from its inception in 1994, with 68 loans funded totaling over \$2 million. The origination and distribution of these loans has already been considered in our analysis of home mortgage originations.

FNB also offers other flexible loan products including loans guaranteed by the U.S. Small Business Administration (SBA), Federal Housing Authority (FHA) and Veterans Administration (VA) insured home mortgage loans, and Arkansas Development Finance Authority (ADFA) home mortgage bond program loans (when available). The volume of such loans is relatively small and have already been considered in our assessment of small business and home mortgage originations.

INVESTMENT TEST

To assess FNB's performance under the Investment Test, we reviewed its investment and grant activity; responsiveness to credit and community development needs; and, its initiatives with community development.

Conclusions:

- ▶ We did not identify investments or grants made by FNB that meet the definition of community development as defined in the CRA regulation.

In reviewing the bank's qualified investments, it was noted that none of the investments provided by management for our review qualified under the new CRA guidelines. However, in reviewing public information available for FNB's competition, it was noted that they too have not reported any investments that would qualify under the new guidelines. In discussing this situation with management, it was noted that there are very few, if any, opportunities available to them to invest in this area that would qualify under the new guidelines. We did not identify any current community development initiatives within the assessment area. Refer to the **Description of the Assessment Area** section of this Evaluation for additional performance context information.

FNB has demonstrated its willingness to invest in the community through its lending and community economic development involvement. FNB is the only institution in the area that offers

an affordable housing loan program targeting low- and moderate-income home buyers. Through the development and offering of this flexible product, FNB has demonstrated its commitment to meeting the most critical credit and community economic development needs of the assessment area. In addition, FNB is active in the economic development of its community, as evidenced by its officers involvement in various efforts to create jobs and bring new industry to the area. Refer to the **Service Test** section of this evaluation for specific examples.

SERVICE TEST

In assessing FNB's performance under the Service Test, we focused on the accessibility of its delivery systems; changes in branch locations; reasonableness of its business hours and services in meeting the needs of its assessment areas; and, level of community development services.

Conclusions:

- ▶ FNB's delivery system is accessible to essentially all portions of its assessment area.
- ▶ FNB's opening and closing of branches has not adversely affected the accessibility of its delivery systems.
- ▶ Services offered at FNB offices do not vary in a way that would inconvenience any portions of the assessment area.
- ▶ FNB provides an adequate level of community development services, based on the limited opportunities available within the assessment area.

Retail Banking Services

The quantity, quality and accessibility of FNB's service-delivery system within its assessment area is satisfactory, given its size and scope of operations. In addition to the main office, FNB has two branch offices within the assessment area. The main office and one of the branches are located within the city limits of Magnolia. The other branch is located in the small town of Taylor, Arkansas (21 miles southwest of Magnolia). Drive-in services are provided at all locations. In addition, FNB has proprietary automated teller machines (ATMs) located at each branch and in the Wal-Mart in Magnolia.

The main office is located in the middle of the city of Magnolia, which is split between an upper-income BNA to the north and a moderate-income BNA to the south. The office is located on the southern edge of the upper-income BNA just outside of the northern edge of the moderate-income BNA. The other branch located within the city limits of Magnolia is located in the moderate-income BNA. The stand alone ATM in the Magnolia Wal-Mart is also located in the moderate-income BNA. The branch located in Taylor, Arkansas is located in a middle-income BNA. There are no low-income BNA's within FNB's assessment area. Approximately

67% of the low- and 64% of the moderate-income families within the assessment area reside in the BNA's where FNB's main office and branches are located. Refer to the **Description of the Assessment Area** section of this Evaluation for additional performance context information.

During our evaluation period, FNB moved its main office and closed one branch, all within one mile of each other. The main office was located in the only moderate-income BNA within the city limits of Magnolia. The actual distance of the move, however, was only three city blocks to the current main office. The branch that was closed was located in the same upper-income BNA where the new main office is located. These changes did not adversely affect the accessibility of its delivery systems, particularly in low-and moderate-income geographies.

FNB's business hours are reasonable and are appropriate in meeting the assessment area's needs. Saturday banking hours were implemented at the main office during November 1996, to provide more convenience to its customers.

FNB makes use of alternative delivery systems, in an effort to expand the availability of retail banking services throughout the assessment area. These include: proprietary ATMs at each branch and the Magnolia Wal-Mart; Money Place 24 Card that allows customers access to a nationwide network of ATMs, as well as FNB's proprietary ATMs; and, Hot Line telephone banking service. The Hot Line service allows a FNB customer to receive information regarding their checking, savings and loan accounts, including payment and balance information, by telephone. Customers may also transfer funds among these accounts.

Community Development Services

Opportunities for FNB to provide other services in the assessment area whose primary purpose is community development and are related to the provision of financial services are limited. This conclusion is based on information provided by community contacts, discussions with FNB management and a review of services offered by the similarly situated bank within the assessment area. Refer to the **Description of the Assessment Area** section of this Evaluation for additional performance context information.

President Bob Jones appointment as a commissioner to the Arkansas Industrial Development Commission (AIDC) is an example of how FNB's management is involved in the economic development of the community. FNB provides the time and support that allows Mr. Jones the opportunity to serve in this capacity. The AIDC promotes economic development to public officials and community leaders. This has led to the development of the Arkansas Community of Excellence (ACE) program. The ACE program provides a vehicle for community evaluation, planning and education in preparing for economic growth. FNB management also participated in the political process to get a portion of a local sales tax allocated to economic development. After helping gain incorporation of a set aside in the tax election, FNB contributed personnel and funding to the committee promoting passage of the tax.

FNB periodically holds meeting and seminars on a variety of topics that benefit low-to moderate income individuals. The seminars are free and include "Basics of Money Management" and "How to Increase Your Current Income Potential." The seminars focus on educating individuals in financial planning.

Fair Lending Review

No violations of the substantive provisions of the antidiscrimination laws and regulations (Equal Credit Opportunity Act or Fair Housing Act) were identified. FNB's fair lending policies, procedures, training and internal assessment efforts have been effective in assisting lenders in these issues.

Appendix A: Scope of Examination

The scope of our evaluation focused on FNB's activities in its assessment area, Columbia County. We utilized the CRA Examination Procedures section of the *Comptroller's Handbook* to perform the evaluation. We evaluated activities since the prior evaluation of CRA performance June 30, 1994 through May 28, 1997. The scope of our evaluation of FNB's lending performance focused on small business, consumer and home mortgage loan originations in 1996. Consumer loans include loans secured by motor vehicles, other secured loans, other unsecured loans and home equity loans. Consumer loans were considered, as they were formally reported by FNB for inclusion in the CRA Disclosure Statement. Although our evaluation period covered a time frame greater than 1996, our evaluation of lending focused on activity for 1996 as an indicator of FNB's performance. This time period was utilized, as it correlates to the period used for data submitted for inclusion in FNB's CRA Disclosure Statement.

Appendix B: Additional Tables

Table 1.

Distribution of the Number of Small Businesses, Small Farms , 1-4 Family Owner Occupied Units and Families Within the Assessment Area By Income Level of the Geography								
	Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies	
Area Demographic Characteristics	0%		20%		40%		40%	
Count	0		1		2		2	
Demographic Category	#	%	#	%	#	%	#	%
Small Businesses	N/A	N/A	307	48%	82	13%	252	39%
Small Farms	N/A	N/A	3	19%	2	13%	11	69%
1-4 Family Owner Occupied	N/A	N/A	809	14%	2,642	47%	2,193	39%
Families	N/A	N/A	1,292	19%	3,002	43%	2,611	38%

Table 2.

Distribution of Loan Originations Within the Assessment Area By Income Level of the Geography								
	Low-Income Geographies		Mod-Income Geographies		Middle-Income Geographies		Upper-Income Geographies	
Area Demographic Characteristics	0%		20%		40%		40%	
Count	0		1		2		2	
Loan Product	\$ (000's)	%	\$ (000's)	%	\$ (000's)	%	\$ (000's)	%
Small Business	N/A	N/A	\$1,804	11%	\$3,831	24%	\$10,290	65%
Small Farm	N/A	N/A	\$0	0%	\$10	100%	\$0	0%
Home Mortgage*	N/A	N/A	\$835	8%	\$3,041	30%	\$6,379	62%
Consumer Motor Vehicle	N/A	N/A	\$1,104	18%	\$2,665	43%	\$2,381	39%
Consumer Other Secured	N/A	N/A	\$509	9%	\$2,419	43%	\$2,737	48%
Consumer Other Unsecured	N/A	N/A	\$805	19%	\$1,545	37%	\$1,809	43%
Home Equity	N/A	N/A	\$130	18%	\$255	35%	\$336	47%
Totals	N/A	N/A	\$5,187	12%	\$13,766	32%	\$23,932	56%

* Includes only those home mortgage loan originations that were geo-coded representing 80% of the total number and 78% of the total dollars originated.

Source: Bank prepared Consumer Motor Vehicle, Consumer Other Secured, Consumer Other Unsecured and Home Equity Data Collection Registers; and, Home Mortgage Loan Application Register.

Table 3.

Distribution of Home Mortgage and Consumer Loans Within the Assessment Area By Income Level of the Borrower								
	Low-Income Families		Mod-Income Families		Middle-Income Families		Upper-Income Families	
Area Demographic Characteristics	23%		16%		18%		44%	
Count	1,587		1,073		1,209		3,035	
Loan Product	\$ (000's)	%	\$ (000's)	%	\$ (000's)	%	\$ (000's)	%
Home Mortgage*	\$164	2%	\$820	12%	\$1,374	20%	\$4,463	65%
Consumer Motor Vehicle	\$1,258	21%	\$1,440	24%	\$1,813	30%	\$1,602	26%
Consumer Other Secured	\$535	11%	\$783	16%	\$1,262	26%	\$2,196	46%
Consumer Other Unsecured	\$990	24%	\$923	22%	\$918	22%	\$1,324	32%
Home Equity	\$65	9%	\$71	10%	\$116	16%	\$469	65%
Totals	\$3,012	13%	\$4,037	18%	\$5,483	24%	\$10,054	45%

* Includes only those home mortgage loan originations that were geo-coded representing 80% of the total number and 78% of the total dollars originated.

Source: Bank prepared Consumer Motor Vehicle, Consumer Other Secured, Consumer Other Unsecured and Home Equity Data Collection Registers; and, Home Mortgage Loan Application Register.