

PUBLIC DISCLOSURE

June 21, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Vantage Bank
1217485
Knoxville, Tennessee

**FEDERAL RESERVE BANK OF ATLANTA
104 MARIETTA STREET, N. W.
ATLANTA, GEORGIA 30303**

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to the 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 Community Reinvestment Act (CRA) performance of First Vantage Bank prepared by the Federal Reserve Bank of Atlanta, the institution's supervisory agency, as of June 21, 1999. 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 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 228.

INSTITUTION

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

A review of the lending record, qualified investments, and services of First Vantage Bank indicates that it satisfactorily serves its assessment areas, primarily through the extension of consumer, real estate, small business, and small farm loans. The majority of these loans were originated inside the bank's assessment areas. The geographic distribution of loans is reasonable, as is the distribution of loans among borrowers of different income levels and businesses of varying sizes. The bank has participated in qualified investments through donations to, and equity investments in, organizations with community development purposes. First Vantage Bank provides a variety of products and services that meet the needs of individuals and businesses in its assessment areas.

The following table indicates the performance level of First Vantage Bank with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	<u>First Vantage Bank</u>		
	PERFORMANCE LEVELS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

INSTITUTION (Continued)

First Vantage Bank is headquartered in Knoxville, Tennessee, and is a wholly owned subsidiary of First Virginia Banks, Inc., which is headquartered in Falls Church, Virginia. The holding company has one other subsidiary bank in Tennessee as well as banks in Virginia and Maryland. The lead bank also has a mortgage subsidiary, First Virginia Mortgage Company, to provide residential and commercial mortgage processing and servicing as well as access to secondary market sources of funding. First Vantage Bank operates 11 branches in three counties in east Tennessee. Three of the branches are in Knox County, which is one of five counties in the Knoxville Metropolitan Statistical Area (MSA). Five branches are located in Monroe County, which is approximately five miles south of Knox County, and three are in Hamblen County, which is approximately 15 miles northeast of Knox County. Three of the five branches in Monroe County are in the city of Madisonville, which is the largest municipality in the county, and the remaining two in Monroe County are in the cities of Sweetwater and Tellico Plains. The three branches in Hamblen County are in Morristown, which is the largest municipality in Hamblen County.

Based on a 1998 market share report showing deposits of all financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) in Hamblen, Knox, and Monroe counties, First Vantage Bank reported market shares of 1.79 percent, 4.92 percent, and 17.67 percent. Those institutions with larger percentages of market share include larger regional and state banks with a strong presence in the local markets.

As of June 30, 1999, First Vantage Bank had assets of \$188.3 million, and the holding company had assets of \$9.6 billion. No legal or financial impediments that would hinder the bank's ability to help meet the needs of the residents and small businesses in the bank's assessment areas were identified. The bank received a satisfactory rating at the previous CRA examination, which was conducted as of October 27, 1997.

First Vantage Bank offers the following types of credit, which are listed in the bank's public file:

- Closed-end and open-end loans related to personal, family or household purposes
- Government sponsored loans for business, home improvement, and education
- Commercial loans to local businesses
- Community development loans
- Agriculture loans

INSTITUTION (Continued)

- Residential loans for construction and mobile homes
- Commercial mortgage loans (through First Virginia Mortgage Company)
- Conventional, Federal Housing Administration (FHA), and Veterans Administration (VA) purchase and refinance loans (through First Virginia Mortgage Company)
- Mortgage loans through the Tennessee Housing Development Agency and the FirstHome program of the Knox Housing Partnership

The composition of the loan portfolio according to the June 30, 1999 Consolidated Reports of Condition and Income is as follows:

COMPOSITION OF LOAN PORTFOLIO						
Loan Type	06/30/1999		12/31/1998		12/31/1997	
	\$ (000s)	Percent	\$ (000s)	Percent	\$ (000s)	Percent
Construction and Development	\$4,286	3.1%	\$2,641	1.9%	\$2,252	1.7%
Secured by One- to Four- Family Dwellings	\$23,730	17.1%	\$26,527	19.3%	\$28,418	22.1%
Other Real Estate:						
Farmland	\$466	0.3%	\$55	0.0%	\$43	0.0%
Multifamily	\$454	0.3%	\$318	0.2%	\$349	0.3%
Nonfarm nonresidential	\$9,648	7.0%	\$11,434	8.3%	\$14,070	10.9%
Commercial and Industrial	\$25,504	18.4%	\$28,360	20.7%	\$32,042	24.9%
Loans to Individuals	\$74,578	53.8%	\$67,792	49.4%	\$51,618	40.1%
Agricultural Loans	\$32	0.0%	\$41	0.0%	\$0	0.0%
Total	\$138,698	100.00%	\$137,168	100.00%	\$128,792	100.00%

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra ass also not included in this table.

As indicated by the table above, loans to individuals have consistently made up the largest component of the loan portfolio in terms of total dollars outstanding over the last 18 months. Commercial and industrial loans make up the second largest component of the loan portfolio. Loans secured by one- to four-family dwellings also make up a significant portion of the portfolio. This loan mix reflects management's lending strategy, which focuses on consumer-purpose loans, commercial and industrial loans, and loans secured by one- to four-family residential properties.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS
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Preface

This section presents the facts and analysis used to evaluate the lending, investment, and service performance of the bank for the three combined assessment areas. It provides a comprehensive view of how the bank is addressing the banking needs in these areas. This section is followed by analyses of the bank's lending, investment, and service performance in each of the three assessment areas (Hamblen County, Knox County, and Monroe County). Each of these sections compares the bank's performance in that geographic area with the bank's overall performance. Other portions of the evaluation give an abbreviated perspective of how the bank is serving the banking needs in the assessment areas that were not reviewed using full-scope examination procedures.

Basis of Evaluating Statistical Data

Most of the tables compare lending activity under the lending test and branch distribution under the service test with demographic data. This comparison facilitates the evaluation of whether the bank is performing above, at, or below standards. Generally, if the percentages for lending activity and branch distribution relating to low- and moderate-income people or areas exceed the demographic percentages, then the performance of the bank for that topic is evaluated as exceeding standards. Conversely, as a general rule, if the percentages for lending activity and branch distribution relating to low- and moderate-income people or areas are below the demographic percentages, then the performance of the bank for that topic is evaluated as below standards. If the percentages for lending activity and branch distribution parallel the demographic percentages, then the performance of the bank is generally evaluated as meeting standards for that topic. Finally, valid reasons that can explain why the bank is more than adequately serving or not adequately serving the credit needs of low- and moderate-income people and areas are taken into account.

Lending Test

The component rating for the lending test is determined by evaluating the following criteria: (1) the number and dollar amount of the bank's consumer, home mortgage, small business, and small farm loans in the bank's assessment area; (2) the geographic distribution of the bank's consumer, home mortgage, small business, and small farm loans; (3) the distribution in the bank's assessment area of the bank's consumer, home mortgage, small business, and small farm loans to borrowers of various income levels and businesses/farms of different revenue sizes; (4) the complexity, dollar amount, innovativeness, and number of community development loans; and (5) the bank's use of innovative or flexible lending practices.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

The lending test is rated high satisfactory. Loans reportable under the Home Mortgage Disclosure Act (HMDA), consumer loans, small business loans, and small farm loans were used for the lending analysis. For purposes of CRA, HMDA loans are those loans as defined in the Federal Reserve Board's Regulation C. The loan categories are home purchase, home refinance, multifamily, and home improvement loans. Small business loans are loans with original amounts of \$1 million or less, and small farm loans have original amounts of \$500,000 or less. Unless noted otherwise, the time period for the loan data is from October 1, 1997, through December 31, 1998. The dollar amount of consumer loans exceeded the dollar amount of HMDA and small business loans made since the last evaluation. Therefore, consumer loans were given more weight than HMDA and small business loans in determining the lending test rating for the overall institution. Also, consumer loans make up the greatest percentage of the portfolio.

First Vantage Bank elected to have affiliate lending considered in the lending test performance. Mortgage loans originated by First Virginia Mortgage Company and consumer loans originated by First Virginia Credit Services, Inc., are included in the tables for the lending test as appropriate based on the type of loans being analyzed. Also, loans originated inside First Vantage Bank's assessment areas by the member banks of First Virginia Holding Company were counted in affiliate lending totals.

The table on the following page shows consumer, HMDA, small business, and small farm lending for the overall institution.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

FIRST VANTAGE BANK LENDING PERFORMANCE TEST				
Lending by Business/Farm Revenue	Small Business		Small Farm	
\$1 Million or Less	132	75.0%	14	93.3%
Over \$1 Million	44	25.0%	1	6.7%
Not Available	0	0.0%	0	0.0%
Lending by Tract Income				
Low-Income Tracts	17	9.7%	3	20.0%
Moderate-Income Tracts	28	15.9%	1	6.7%
Middle-Income Tracts	57	32.4%	10	66.7%
Upper-Income Tracts	74	42.0%	1	6.7%
Loan Size				
\$100,000 or Less	143	81.3%	12	80.0%
\$100,001 - \$250,000	18	10.2%	3	20.0%
\$250,001 and Up *	15	8.5%	0	0.0%
<i>Total</i>	<i>176</i>	<i>100.0%</i>	<i>15</i>	<i>100.0%</i>
Lending by Tract Income	HMDA		Consumer	
Low-Income Tracts	3	0.9%	28	1.0%
Moderate-Income Tracts	6	1.8%	158	5.7%
Middle-Income Tracts	266	80.9%	1,677	60.2%
Upper-Income Tracts	54	16.4%	925	33.2%
Lending by Borrower Income				
Low-Income Borrowers	57	17.3%	383	13.7%
Moderate-Income Borrowers	57	17.3%	555	19.9%
Middle-Income Borrowers	85	25.8%	654	23.5%
Upper-Income Borrowers	120	36.5%	1,114	40.0%
Income Not Available	10	3.0%	82	2.9%
<i>Total</i>	<i>329</i>	<i>100.0%</i>	<i>2,788</i>	<i>100.0%</i>

Lending levels reflect good responsiveness to assessment area credit needs. First Vantage Bank and its affiliate, First Virginia Mortgage Company, offer a variety of loan products to meet the credit needs of its assessment areas. These products include single- and multi-family residential mortgages insured by the FHA, residential mortgages guaranteed by the VA, and business loans guaranteed by the Small Business Administration (SBA). The bank also offers long-term residential mortgages, home improvement loans, home equity lines of credit, small business loans, and small farm loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

From September 30, 1997, to June 30, 1999, the bank's total deposits decreased by \$18.8 million while total net loans increased by \$10.4 million. Two new banks opened in close proximity to the bank and immediately offered rates on certificates of deposits with which First Vantage chose not to compete. First Vantage Bank's average loan-to-deposit ratio for the seven quarters ended June 30, 1999, was 85.5 percent. First Vantage Bank's average ratio has increased from 69.5 percent at the last examination. The ratio for the bank has steadily moved upward each quarter in 1998 and 1999. First Vantage Bank's ratio was compared with the ratios of financial institutions that have branch offices in the bank's assessment areas. Average ratios of the other financial institutions ranged from 55.5 percent to 90.5 percent. Based on this information, the bank's ratio meets standards for satisfactory performance.

First Vantage Bank, along with its affiliates, originated 2,788 consumer loans, 329 loans reportable under the Home Mortgage Disclosure Act (HMDA), 176 small business loans, and 15 small farm loans in the assessment areas. First Vantage Bank's loan data include originations by First Virginia Mortgage Company; First Virginia Banks, Inc.; and First Virginia Credit Services, which primarily makes indirect loans. Of total consumer loans, motor vehicle loans accounted for the largest percentage, followed by other unsecured loans. In addition, the affiliates originated a larger percentage of the consumer loans.

Assessment Area Concentration

A large majority of the bank's lending occurs inside its assessment areas. The table below shows, by product type, the number and percentage of loans reviewed that were located inside and outside the bank's assessment areas. Affiliate lending is not included in the evaluation of a bank's lending performance inside its assessment area.

LENDING INSIDE AND OUTSIDE ASSESSMENT AREA										
Loan Type	IN				OUT				TOTALS	
	Number	Percent	\$ (000s)	Percent	Number	Percent	\$ (000s)	Percent	Number	\$ (000s)
Small Business	172	89.1%	\$13,688	91.0%	21	10.9%	\$1,362	9.0%	193	\$15,050
Small Farm	15	78.9%	\$682	90.5%	4	21.1%	\$72	9.5%	19	\$754
HMDA Loans	277	84.7%	\$8,383	84.6%	50	15.3%	\$1,526	15.4%	327	\$9,909
Consumer Loans	1,043	85.9%	\$7,628	84.5%	171	14.1%	\$1,400	15.5%	1,214	\$9,028
TOTAL	1,507	86.0%	\$30,381	87.4%	246	14.0%	\$4,360	12.6%	1,753	\$34,741

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

85.9 percent of consumer loans, 84.7 percent of the HMDA-reportable loans, 89.1 percent of small business loans, and 78.9 percent of small farm loans are inside the bank's assessment areas. Overall, 86.0 percent of the reportable lending for CRA is inside the bank's assessment areas. A substantial percentage of lending by dollar amount also occurred in the assessment areas. This indicates the bank's willingness to originate loans that meet the credit needs of its assessment areas.

Geographic Distribution of Loans

The geographic distribution of loans by census tract and block numbering area (BNA) income level reflects good penetration throughout the assessment areas when considering factors such as the distribution of families among the tract types, availability of owner-occupied housing in the tract types and concentrations of businesses in the tract types.

The following table shows the geographic distribution of consumer loans as a percentage of the total number of loans for First Vantage Bank, affiliates, and both First Vantage Bank and affiliates combined. Loans that could not be classified by tract income were excluded from the analysis.

GEOGRAPHIC DISTRIBUTION OF CONSUMER LOANS								
Census Tract/BNA Income Level	Percentage of Tracts	Percentage of Families	Bank		Affiliates		Total Loans	Percentage of Total Loans
			#	%	#	%		
Low-Income	13.0%	3.4%	9	0.9%	17	1.3%	26	1.1%
Moderate-Income	21.0%	13.5%	23	2.2%	108	8.4%	131	5.6%
Middle-Income	43.0%	50.4%	798	76.5%	647	50.2%	1,445	62.0%
Upper-Income	23.0%	32.8%	213	20.4%	517	40.1%	730	31.3%
<i>Total</i>	<i>100.0%</i>	<i>100.0%</i>	<i>1,043</i>	<i>100.0%</i>	<i>1,289</i>	<i>100.0%</i>	<i>2,332</i>	<i>100.0%</i>

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)
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Lending Test (Continued)

Geographic Distribution of Loans (Continued)

The percentages of consumer loans in low- and moderate-income tracts and BNAs is less than the percentages of these two income categories of families in the assessment areas. As indicated by the table above, very little consumer lending occurred in low-income census tracts and BNAs. Knox County is the only assessment area that contains low-income census tracts (11) and BNAs (2). These tracts and BNAs are considered commercial districts. In addition, the two BNAs have almost no population based on 1990 Census data. Consumer lending in moderate-income census tracts and BNAs is below the percentage of families residing in moderate-income census tracts and BNAs and the percentage of moderate-income census tracts and BNAs in the assessment areas. Consumer lending in middle- and upper-income census tracts and BNAs is reasonable given the percentage of families residing in these tracts.

Consideration should be given to the fact that over half (55 percent) of the bank's consumer loan volume came from its consumer affiliate, which makes almost exclusively indirect loans originated at automobile dealerships. Because of this, these loans are not associated with the bank's branches, and consequently, the bank's control over their geographic distribution is minimal. Also, removing poverty level families from the percentages of families in low- and moderate-income tracts leaves non-poverty families in low-income tracts of 1.2 percent of total families in the combined assessment areas. Non-poverty families in the moderate-income tracts make up 10.8 percent of total families. Based on these factors, the bank's consumer and HMDA lending in the various census tract income groups is reasonable.

The table on the following page depicts the number and percentage of census tracts and BNAs in the assessment areas without HMDA originations in 1998 by the income level of the census tracts and BNAs. Data for the last two quarters of 1997 was not used in the analysis.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

DISTRIBUTION OF HMDA LOANS BY TRACT INCOME LEVEL			
Census Tract/BNA Income Level	Number of Census Tracts/BNAs in the MSA	Number of Census Tracts/BNAs Without a Loan Origination	Percentage of Census Tracts/BNAs Without a Loan Origination
Low-Income	13	11	84.6%
Moderate-Income	21	17	81.0%
Middle-Income	43	26	60.4%
Upper-Income	23	15	65.2%
<i>Total</i>	<i>100</i>	<i>69</i>	<i>69.0%</i>

According to the 1990 census, only two low-income census tracts and one low-income BNA had no owner-occupied housing units. This fact indicates that opportunities for HMDA lending exist in low- and moderate-income census tracts and BNAs. First Vantage Bank is not penetrating low- and moderate-income census tracts and BNAs as well as middle- and upper-income tracts. However, 7 of the 11 branches are located in middle-income BNAs. In addition, the overall assessment area is comprised of a majority of middle-income census tracts and BNAs. The middle and upper income tracts contain 83.2 percent of the families in the assessment area. Therefore, a greater concentration of lending would be expected in these tracts. Census tracts and BNAs without activity were analyzed geographically on a map and no major gaps existed in the assessment areas. The CRA does not require lending in every census tract in the assessment areas.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

The next table shows the distribution of HMDA loans by loan type. The data include affiliate lending. The highest number of loans was refinances, which was caused to a large degree by low interest rates during the examination period. Few FHA/VA applications have been received by the bank.

DISTRIBUTION OF HMDA LOANS BY TRACT INCOME LEVEL										
CENSUS TRACT INCOME LEVEL	LOAN TYPE								% OF FAMILIES	% OF OWNER- OCCUPIED UNITS
	Conventional Home Purchase		FHA/VA		Home Improvement		Refinancing			
	Number	%	Number	%	Number	%	Number	%		
Low-Income	2	5.7	0	0	0	0	1	.6	3.4	1.5
Moderate-Income	2	5.7	3	20.0	1	.8	0	0	13.5	11.5
Middle-Income	23	65.7	12	80.0	98	86.7	133	80.1	50.4	51.8
Upper-Income	8	22.9	0	0	14	12.5	32	19.3	32.8	35.2
<i>Total</i>	<i>35</i>	<i>100</i>	<i>15</i>	<i>100</i>	<i>113</i>	<i>100</i>	<i>166</i>	<i>100</i>	<i>100</i>	<i>100</i>

The bank had a small amount of HMDA lending in low- and moderate-income census tracts and BNAs, although the percentage of conventional home purchase loans in low-income tracts exceeded the percentage of families in those tracts. The distribution of home improvement and refinance loans in low- and moderate-income tracts is not reflective of the percentage of families and owner-occupied housing units in those tract types. However, certain demographic factors are affecting these distributions. These factors are discussed on the next page. The percentage of FHA/VA loans is skewed because the low number of originations and fall almost exclusively within middle-income tracts.

The table on the following page depicts the geographic distribution of HMDA lending by the bank and its mortgage affiliate.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans

DISTRIBUTION OF HMDA LOANS					
	FIRST VANTAGE BANK		FIRST VA MORTGAGE		TOTAL
	Number	%	Number	%	
Lending by Tract Income					
Low-Income Tracts	2	0.7	1	1.9	3
Moderate-Income Tracts	3	1.1	3	5.8	6
Middle-Income Tracts	237	85.6	29	55.8	266
Upper-Income Tracts	35	12.6	19	36.5	54
Lending by Borrower Income					
Low-Income Borrowers	54	19.5	3	5.8	57
Moderate-Income Borrowers	52	18.8	5	9.6	57
Middle-Income Borrowers	72	26.0	13	25.0	85
Upper-Income Borrowers	93	33.6	27	51.9	120
Income Not Available	6	2.2	4	7.7	10
Total	277	100.0	52	100.0	329

A large percentage of lending is expected in middle- and upper-income census tracts because the majority of the owner-occupied units and population are located in these tracts. In low- and moderate-income census tracts, the level of lending is lower than the percentage of owner-occupied units in these geographies. This can largely be attributed to the fact that 39.9 percent of the families live below the poverty level in these specific tracts and BNAs. Also, most of the new construction of one- to four-family dwellings has occurred in middle- and upper-income census tracts.

The table on the following page depicts the bank's HMDA lending, including affiliate originations, by geographies using the number of owner-occupied units as a reference for comparison. The percentages were calculated by dividing the number of loans per census tract income level by the number of owner-occupied units and multiplying by 1,000.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

HMDA LOAN PENETRATION BY TRACT INCOME LEVEL		
Census Tract/BNA Income Level	Number of Owner- occupied Units	Number of Loans per 1,000 Owner-occupied Units
Low-Income	1,656	181.2
Moderate-Income	12,499	48.0
Middle-Income	56,144	473.8
Upper-Income	38,045	141.9

As indicated by the table above, First Vantage Bank and the affiliate originated HMDA loans in moderate-income census tracts and BNAs at a significantly lower percentage per 1,000 owner-occupied units than in middle- and upper-income census tracts and BNAs. However, the number per 1,000 in the low income tracts was very good.

According to management, the bank's major competitors are First American National Bank, First Tennessee Bank, N. A., and BankFirst. The table on the following page depicts the geographic distribution of HMDA-reportable loans for 1998 for the bank and its primary competitors operating in First Vantage Bank's assessment areas. The asset size of each bank is shown below the name of the bank in millions of dollars. HMDA originations by affiliates of First Vantage Bank are not included. According to aggregate HMDA data for 1998, First Vantage Bank ranked 29th out of 218 lending institutions in the number of HMDA-reportable loan applications received in its assessment areas. The three top lending institutions were FT Mortgage Companies (1,151), Home Federal Bank of Tennessee (1,117), and SunTrust Bank, East Tennessee, N. A. (975).

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

MARKET COMPARISON OF HMDA LOANS FOR 1998							
CENSUS TRACT/BNA INCOME LEVEL	PERCENTAGE		PERCENTAGE OF LOANS PER COMPETITOR				
	OWNER-OCCUPIED UNITS	FAMILIES	FIRST VANTAGE	FIRST AMERICAN	FIRST TENNESSEE	BANKFIRST	AGGREGATE
Low-Income	1.5%	3.4%	0.8%	1.4%	3.7%	4.3%	1.2%
Moderate-Income	11.5%	13.5%	1.3%	10.1%	12.3%	14.3%	7.3%
Middle-Income	51.8%	50.4%	85.7%	41.9%	34.9%	37.1%	44.5%
Upper-Income	35.2%	32.8%	12.2%	46.6%	49.1%	44.3%	47.0%
Total	100%	100%	100%	100%	100%	100%	100%
ASSET SIZE – 3/31/99			\$189.3M	\$20.3B	\$17.4B	\$560.4M	

Note: Data used for competitors has not been verified for accuracy.

When compared to census tract and BNA characteristics, the distribution of loans made by most of the banks is reasonable. Compared with the competitors, First Vantage Bank has the highest percentage of loans made to borrowers in middle-income census tracts and BNAs, where most of the assessment area population resides. Compared to the aggregate, First Vantage Bank has a lower penetration in low- and moderate-income census tracts and BNAs, and has a higher penetration in the origination of HMDA loans in middle-income census tracts and BNAs.

The table on the following page shows the geographic distribution of small business loans compared to total businesses in the assessment area by census tract and BNA level. First Vantage Bank's percentages of small business lending in low-income tracts exceeds the percentage of total businesses in the low-income tracts. The loan penetration in moderate-income tracts parallels the percentages of businesses in those census tracts and BNAs in the assessment areas. Penetration of middle- and upper-income census tracts and BNAs is also reasonable considering the concentration of businesses in the assessment areas. The business loans in the assessment areas where the tract was not reported were excluded from the table.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans

GEOGRAPHIC DISTRIBUTION OF SMALL BUSINESS LOANS				
CENSUS TRACT/BNA INCOME LEVEL	LOANS		TOTAL BUSINESSES	
	Number	Percentage	Number	Percentage
Low-Income	17	9.7%	1,357	8.6%
Moderate-Income	28	15.9%	2,832	17.8%
Middle-Income	57	32.4%	6,075	38.3%
Upper-Income	74	42.0%	5,607	35.3%
<i>Total</i>	176	100.0%	15,871	100.0%

The following table compares the geographic distribution of small business loans between First Vantage Bank, the aggregate, and total businesses in the assessment area by census tract and BNA level. The aggregate includes all financial entities reporting small business loans in First Vantage Bank's assessment area. The percentages in the table exclude loans with the tract not reported. Total businesses in the assessment area where the tract was not reported were also excluded. 1998 aggregate data were used in the analysis.

Note that total loans in the table above include 1998 loans as well as loans from the last quarter of 1997. The total in the table below shows fewer loans because it includes 1998 loans only. Only using 1998 loans allows for a valid comparison to the 1998 aggregate date.

FIRST VANTAGE BANK VERSUS AGGREGATE SMALL BUSINESS LENDING IN 1998				
CENSUS TRACT/BNA INCOME LEVEL	FIRST VANTAGE BANK		AGGREGATE	TOTAL BUSINESSES
	Number	Percentage	Percentage	Percentage
Low-Income	11	7.8%	8.9%	8.5%
Moderate-Income	25	17.9%	14.1%	17.9%
Middle-Income	46	32.9%	30.7%	38.3%
Upper-Income	58	41.4%	46.3%	35.3%
<i>Total</i>	140	100.0%	100.0%	100.0%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Geographic Distribution of Loans

The previous table shows that the bank's geographic distribution of small business loans is very good. The bank's lending in low-income tracts is lightly lower than the aggregate, but is higher in the moderate-income tracts. The bank's small business lending in upper- and middle-income census tracts and BNAs is reasonable compared to the aggregate and the business demographics. Since First Vantage Bank has 63.6 percent of its branches in middle-income tracts, the branch distribution may contribute to the high percentage of lending in middle-income tracts.

Lending by Borrower Characteristics

Overall, First Vantage Bank's lending to borrowers of different incomes exceeds standards for satisfactory performance.

The following table shows the percentage distribution of the bank's consumer purpose loans by the income level of the borrowers with reported incomes. Loans with the income of the borrower not available were excluded from this analysis.

DISTRIBUTION OF CONSUMER LOANS BY BORROWER INCOME LEVEL							
Borrower Income Level	Percentage of Families	Bank		Affiliates		Total Loans	Percentage of Total Loans
		#	%	#	%		
Low-Income	19.7%	257	26.0%	127	10.3%	384	17.3%
Moderate-Income	16.4%	264	26.7%	246	20.0%	510	22.9%
Middle-Income	21.5%	190	19.2%	347	28.1%	537	24.2%
Upper-Income	42.4%	279	28.1%	513	41.6%	792	35.6%
<i>Total</i>	<i>100.0%</i>	<i>990</i>	<i>100.0</i>	<i>1,233</i>	<i>100.0</i>	<i>2,223</i>	<i>100.0%</i>

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Lending by Borrower Characteristics

The percentage of consumer loan originations to low- and moderate-income borrowers by the bank and its affiliates is more than reasonable when compared to the percentage of families in the assessment area that are classified as low- and moderate-income. Excluding consumer loans originated by affiliates, First Vantage Bank originated 52 percent of its loans to low- and moderate-income borrowers. Consumer lending to middle- and upper-income borrowers is considered reasonable.

The following table shows the percentage distribution of the bank's HMDA loans by the income level of the borrowers. Ten loans originated with the borrower income not available were excluded from the table below. Affiliate lending is included.

DISTRIBUTION OF HMDA LOANS BY BORROWER INCOME LEVEL										
BORROWER INCOME LEVEL	LOAN TYPE								TOTAL FAMILIES	
	Conventional Home Purchase		FHA/VA		Home Improvement		Refinancing			
	Number	%	Number	%	Number	%	Number	%	Number	%
Low-Income	6	17.1	0	0	38	32.2	13	7.8	22,729	19.8
Moderate-Income	5	14.3	3	20.0	25	23.3	24	14.3	18,927	16.4
Middle-Income	7	20.0	7	46.7	25	25.6	46	30.0	24,698	21.5
Upper-Income	17	48.6	5	33.3	24	18.9	74	47.9	48,739	42.3
<i>Total</i>	<i>35</i>	<i>100</i>	<i>15</i>	<i>100</i>	<i>112</i>	<i>100</i>	<i>157</i>	<i>100</i>	<i>115,093</i>	<i>100</i>

The distribution of HMDA loans by borrower income level is very good. The distribution of lending for each loan type is generally comparable to the percentages of families in moderate-, middle-, and upper-income census tracts and BNAs. However, FHA and VA loans and refinance lending percentages are below the percentages of families for low-income borrowers. FHA and VA loans represent a minimal portion of the bank's volume. Conventional home purchase lending to moderate-income borrowers is slightly below the percentages of families. The bank performed very well with low- and moderate-income borrowers for conventional home purchase loans and home improvement loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Lending by Borrower Characteristics

The banks record of lending is quite good when considering the fact that a major factor affecting the bank's ability to lend to low-income borrowers is the affordability of homes. Most low-income families in these assessment areas cannot afford to purchase homes given the median values of homes. Using commonly accepted secondary mortgage market underwriting guidelines, an applicant for a mortgage to purchase a \$60,000 home, which is the median housing cost in the assessment areas combined, would need a gross annual income of around \$22,700. This scenario assumes the availability of a 5 percent down payment and little recurring monthly debt. \$22,700 is at the upper range for low-income families. Those making less would have difficulty qualifying for a mortgage of that size.

The table below compares First Vantage Bank with its competitors in originating HMDA-reportable loans to borrowers of different income levels. Affiliate lending is not included. Data from 1998 were used to calculate lending percentages for the bank and its competitors.

MARKET COMPARISON OF HMDA LOANS FOR 1998						
BORROWER INCOME LEVEL	PERCENTAGE OF TOTAL FAMILIES	PERCENTAGE OF LOANS PER COMPETITOR				
		FIRST VANTAGE	FIRST AMERICAN	FIRST TENNESSEE	BANKFIRST	AGGREGATE
Low-Income	19.7%	19.0%	8.7%	4.9%	2.9%	9.5%
Moderate-Income	16.4%	18.5%	19.6%	9.5%	10.3%	18.4%
Middle-Income	21.5%	27.6%	20.0%	17.9%	22.1%	25.8%
Upper-Income	42.4%	34.9%	51.7%	67.7%	64.7%	46.3%
<i>Total</i>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
ASSET SIZE – 3/31/99		\$189.3M	\$20.3B	\$17.4B	\$560.4M	

As the table indicates, First Vantage Bank's percentage of loans to low-income borrowers is better than each competitor and aggregate performance. First Vantage Bank ranks second among its competitors and very close to aggregate performance in the origination of HMDA loans to moderate-income borrowers. Overall, First Vantage Bank's percentage of loans to low- and moderate-income borrowers exceeds that of its competitors and the market aggregate. The bank's lending to middle- and upper-income borrowers is also representative of demographics.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Lending Test (Continued)

Lending by Borrower Characteristics (Continued)

Commercial and industrial loans account for approximately 18.4 percent of the bank's loan portfolio. The table on the following page compares, by loan size, the number and percentage of small business loans originated by First Vantage Bank and the aggregate.

FIRST VANTAGE BANK VERSUS AGGREGATE SMALL BUSINESS LENDING IN 1998				
LOAN SIZE	FIRST VANTAGE BANK		AGGREGATE	
	Number	Percentage	Number	Percentage
\$100,000 or less	143	81.3%	3,617	81.5%
\$100,001 - \$250,000	18	10.2%	442	10.0%
\$250,001 - \$1 million	15	8.5%	380	8.5%
<i>Total</i>	<i>176</i>	<i>100.0%</i>	<i>4,439</i>	<i>100.0%</i>

Overall, small business lending by loan size meets standards for satisfactory performance. For loan amounts \$100,000 or less, First Vantage Bank and the aggregate are performing similarly. First Vantage Bank has a slightly greater percentage of small business loans between \$100,001 and \$250,000 compared to the aggregate.

First Vantage Bank's lending to businesses with revenues of \$1 million or less is considered excellent. In 1998, by number of loans, First Vantage Bank originated 71.4 percent (versus 60.6 percent for the aggregate) of small business loans to businesses with revenues of \$1 million or less. The bank also originated 54.4 percent by dollar amount to these businesses. First Virginia Bank's percentages are also favorable in relation to the businesses in the assessment areas that have revenues of \$1 million or less, which is 50.2 percent.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)
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Lending Test (Continued)

Community Development Lending

Since the previous examination, the bank has made several loans in small amounts for community development. First Vantage Bank has originated eight construction loans totaling \$470,400 to builders for the construction and resale of housing in low- and moderate-income census tracts and BNAs in Knox County. The bank originated a \$500,000 loan with the Knoxville Community Development Corporation. Loans totaling \$219,933 were originated through First Virginia Mortgage Company to purchase and rehabilitate low-income housing in low- and moderate-income census tracts and BNAs in Knox County. First Vantage Bank continues to originate community development loans with the Knox Housing Partnership FirstHome program.

The bank granted a loan in the amount of \$1,075,200 to provide low-income housing for senior citizens in nearby Jefferson County. Loan officers continuously contact businesses throughout the assessment areas to identify their credit needs. In addition, bank staff and management serve on various boards that keep them informed of projects that would require bank financing. The level of community development lending is reasonable considering the availability of such opportunities and the level of competition among the local banks for this type of lending.

Use of Innovative or Flexible Lending Practices

First Vantage Bank and its mortgage company affiliate offer programs with flexible or innovative underwriting criteria. Most of the innovative programs are offered through the affiliate, First Virginia Mortgage Company. As stated earlier, First Vantage Bank does not offer long-term mortgage loans and refers all requests for long-term mortgages the mortgage company. First Vantage Bank does little advertising of the mortgage products available through its affiliate. This fact could have affected the origination of HMDA loans by the bank and its affiliate. The bank's programs, such as the FirstHome mortgage program, SBA, FHA, VA, and FHA multifamily loans are all comparable to programs offered by similarly situated lenders. The bank's record of originating loans in these programs is considered adequate.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)
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Lending Test (Continued)

Responsiveness to Credit and Community Development Needs

First Vantage Bank has been responsive to community development needs through its origination of HMDA and small business loans and through the origination of community development loans that specifically target low- and moderate-income families or geographies. According to community contacts, the community has a need for flexible lending criteria for mortgage and small business loans and more home buying seminars. First Vantage Bank is addressing these needs primarily through the products named above and through its credit-related community development activities.

Investment Test

The investment test is rated high satisfactory. The evaluation period for the investment test was September 30, 1997 to June 21, 1999. First Vantage Bank's participation in qualified community investments has increased since the previous examination and is very reasonable considering limited opportunities and the presence of large regional institutions competing for investments. The bank has three investments totaling \$100,000 that were made before the previous examination. A review of the bank's portfolio revealed four qualified investments purchased since the previous examination. These investments were three Tennessee Housing Development Agency (THDA) bonds totaling \$2,195,000 and an equity investment in the Partnership for Neighborhood Improvement (PNI) in Knoxville for \$50,000. In addition, the bank had \$9,950 in qualified contributions. The THDA investments are qualified under CRA because the proceeds from the sale of the bonds are used to fund mortgage loans for purchasers who qualify as low- or moderate-income under THDA guidelines. These loans also carry below market interest rates. They are not targeted exclusively to the three assessment areas defined by the bank, but rather to loan applicants meeting the income criteria regardless of where they intend to buy a home. Therefore, all three assessment areas are included as beneficiaries of these investments.

The \$50,000 equity investment in PNI consists of several Knoxville banks pooling their resources in the Community Investment Fund, which provides low interest rate construction loans at 5.0 percent to low- and moderate-income individuals. The member banks expect a return of 2.5 percent annually from this investment. Bank management demonstrated an ongoing interaction and involvement with numerous organizations and agencies whereby an awareness of investment opportunities can be maintained, as they become available.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Investment Test (Continued)

The 11 qualified contributions totaling \$9,950 were provided to numerous organizations that have community development as their primary purpose. The following table shows the organizations and their purposes.

TABLE OF QUALIFIED CONTRIBUTIONS	
NAME OF ORGANIZATION	PURPOSE
Center for Neighborhood Development	Works to educate and support various community-based organizations relating to neighborhood revitalization projects for inner-city residents.
Community Action Committee	Trains emerging leaders in LMI neighborhoods with an overall strategy of "Helping People Help Themselves" in hopes of overcoming the barriers that often separate people.
East Tennessee Foundation	Administrator of housing and economic development that funds organizations such as Partnership for Neighborhood Improvement, Knox Housing Partnership, and Habitat for Humanity, among others. Funds are distributed for affordable housing projects and small lending programs.
Emerald Avenue Urban Youth & Leadership Foundation	Offers educational and recreational programs to Knoxville's inner-city children in the form of summer day care and after school child care.
Interfaith Health Clinic	Staffed by health professionals who work on a voluntary basis. Provides no-cost health care to individuals who cannot afford to pay.
Knoxville Community Development Corporation	Provides low rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development (HUD) and other federal agencies.
Lakeway Housing Development Corporation	A non-profit organization formed to provide housing and charitable assistance to LMI individuals.
Lutheran Family Services of Tennessee	A home for orphaned and disadvantaged children.
Monroe County Habitat for Humanity	Provides affordable housing to LMI individuals who would be unable to become homeowners without assistance.
Partnership for Neighborhood Improvement	Financial institutions, neighborhood organizations, local government, and other major community-based organizations collaborating to improve the LMI areas of Knoxville.
Realty Executives "Homes From the Heart" Golf Tournament to Benefit Habitat for Humanity	Benefit to assist in providing affordable housing to LMI individuals.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Service Test

The service test is rated high satisfactory. The distribution of the bank's branches by census tract income level was compared to the distribution of families residing in the assessment areas. The table below shows the distribution of branches and families.

GEOGRAPHIC DISTRIBUTION OF BRANCHES			
CENSUS TRACT OR BNA TYPE	NUMBER	PERCENTAGE	PERCENTAGE OF TOTAL FAMILIES
<i>Low-Income</i>	<i>1</i>	<i>9.1</i>	<i>3.3</i>
<i>Moderate-Income</i>	<i>2</i>	<i>18.2</i>	<i>13.5</i>
<i>Middle-Income</i>	<i>7</i>	<i>63.6</i>	<i>50.4</i>
<i>Upper-Income</i>	<i>1</i>	<i>9.1</i>	<i>32.8</i>
<i>Total</i>	<i>11</i>	<i>100.0</i>	<i>100.0</i>

Retail Banking Services

The bank's distribution of branches appears reasonably accessible to geographies and individuals of different income levels in the assessment area. One (9.1 percent) of the bank's branches is in a low-income tract, and two (18.2 percent) are in moderate-income BNAs, which contain a combined 16.8 percent (3.3 plus 13.5) of the total families. The one branch located in a low-income census tract is in Knoxville, where accessibility to banking services for low-income residents is somewhat difficult.

Alternative Delivery Systems

First Vantage Bank offers various alternative delivery systems for providing banking services in its assessment areas. These systems include automated teller machines (ATMs) and loan applications by telephone through the branches. A loan officer from First Virginia Mortgage Company is available for mortgage applications at locations convenient to customers. In addition, the bank also has a website, www.firstvirginia.com, which provides information about products, services, and branches, as well as advice on personal finance. These methods of providing other means of obtaining credit reduce travel problems encountered by many people, specifically low- and moderate-income people with restrictive work schedules or limited transportation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)
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Service Test (Continued)

Alternative Delivery System (Continued)

The bank operates four ATMs: one in a moderate-income tract, one in an upper-income tract in the Knoxville assessment area, one in a middle-income BNA in the Madisonville assessment area, and one in a moderate-income BNA in the Morristown assessment area. Management stated that it would like to operate more branches and ATMs in the Knoxville assessment area, which appears to be the only assessment area in which a greater presence is needed.

Reasonableness of Business Hours and Services in Meeting Assessment Area(s) Needs

The reasonableness of business hours as well as the availability and extent of credit services provided throughout the assessment areas were reviewed. Extended Friday hours and full-service Saturday hours are available in all three assessment areas. The bank's service delivery systems are accessible to geographies and individuals of different income levels, and its services and business hours do not vary in a way that inconveniences any segments of its assessment areas. The level of branch services is similar throughout the assessment areas. The availability of ATMs, extended hours, and Saturday banking hours across geographies is considered adequate.

Community Development Services

The bank has engaged in a significant number and variety of community development services. Bank personnel from many branches have used their financial expertise in various community development services to benefit residents in the assessment areas. The table on the following page illustrates some of the most significant activities during the review period, which involve direct involvement and leadership by bank employees.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Service Test (Continued)

Community Development Services (Continued)

COMMUNITY DEVELOPMENT SERVICES	
ORGANIZATION INVOLVED	POSITION/SERVICE
Affordable Housing Trust Fund	Board Member
Area-wide Development Corporation	President, Board Member
Central Business Improvement District	Incentive Committee
Community Investment Fund	Board Member
Knox Area Chamber Partnership	Finance Committee Member
Knoxville Area Urban League	Board Member, Executive Committee Member
Lakeway Housing Development Corporation	Board Member
Morristown Chamber of Commerce	President, Public Relationships Committee, Agri-Business Committee

Compliance with Antidiscrimination Laws

First Vantage Bank solicits applications from all segments of its communities, including low- and moderate-income areas. The bank's loan policy and internal control procedures are adequate to ensure that the evaluation of credit applications is based solely on financial and economic considerations. No evidence of prohibited discrimination or other illegal credit practices was noted during the examination. The bank is in compliance with the substantive provisions of antidiscrimination laws and regulations.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES

DESCRIPTION OF INSTITUTION'S OPERATIONS IN KNOXVILLE, KNOX COUNTY, TENNESSEE

First Vantage Bank has one assessment area located in Metropolitan Statistical Area (MSA). The assessment area is Knox County, the most populous of five counties that make up the Knoxville MSA. The city of Knoxville is the major population center in the MSA. First Vantage Bank operates four branches and three ATMs in the Knox County assessment area. Competition among financial entities in the market is significant.

According to estimated U.S. census data, the total population of the Knox County assessment area was 366,846 as of July 1, 1998. This represents an increase of 9.3 percent over the 1990 U.S. Census figure, which was 335,749. Economic market data showed that 62.6 percent of the housing units were owner-occupied, 29.1 percent were rental units, and 8.3 percent were vacant units. The median housing value was \$60,684. The median family income for the Knox County assessment area was \$30,967, which was slightly higher than the median family income of the overall assessment area at \$30,953 and the median family income of the state, which was \$29,546.

The local economy is stable, based on information obtained from the Regional Economic Information System as of 1996. The leading industries in the assessment area in terms of number of employees are services, retail trade, and government. From 1993 through 1996, most of the leading industries in the assessment area experienced significant growth. Employment levels in this assessment area increased from 1990 through 1995; however, farm proprietors experienced a slight decrease in employment levels. The U.S. Bureau of Labor Statistics shows that the unemployment rates for Knox County as of May 1, 1997, 1998, and 1999 were 3.5 percent, 2.5 percent, and 2.2 percent, respectively. These unemployment figures compare favorably to that of the state during the same time period at 5.1 percent, 3.7 percent, and 3.4 percent, respectively.

The 1994 U.S. Census employment data for county business patterns showed a total of 10,534 businesses in the assessment area. Of 10,534 businesses, 9,911 (94.1 percent) were small businesses with fewer than 50 employees. The table on the following page shows the business demographics in the Knox County assessment area by census tract and BNA income level.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN KNOXVILLE, KNOX COUNTY, TENNESSEE (CONTINUED)

BUSINESS DEMOGRAPHICS - KNOX COUNTY						
Percentage in Tract	Total Businesses		Businesses with Revenue:			
			Under \$1 Million		\$1 Million and Greater	
Low-Income Tracts	1,357	9.8%	1,099	8.9%	258	15.9%
Moderate-Income Tracts	2,581	18.6%	2,237	18.2%	344	21.2%
Middle-Income Tracts	4,436	31.9%	4,013	32.7%	423	26.1%
Upper-Income Tracts	5,336	38.4%	4,758	38.7%	578	35.6%
Tract Not Reported	201	1.4%	182	1.5%	19	1.2%
<i>Total</i>	<i>13,911</i>	<i>100.0%</i>	<i>12,289</i>	<i>100.0%</i>	<i>1,622</i>	<i>100.0%</i>

The table on the following page shows selected demographic characteristics for the Knox County assessment area in comparison to demographics for all the bank's assessment areas combined.

DEMOGRAPHIC COMPARISON												
Category	WHOLE BANK						KNOX COUNTY					
	Number			Percent			Number			Percent		
Distribution of Tracts												
Low-Income Tracts	13			13.0%			13			15.9%		
Moderate-Income Tracts	21			21.0%			20			24.4%		
Middle-Income Tracts	43			43.0%			30			36.6%		
Upper-Income Tracts	23			23.0%			19			23.2%		
Total Assessment Area	100			100.0%			82			100.0%		
Housing Units -												
Tract Distribution	Owner-Occupied		Rental		Vacant		Owner-Occupied		Rental		Vacant	
Low-Income Tracts	1,656	1.5%	7,378	13.2%	1,183	9.5%	1,656	1.9%	7,378	15.3%	1,183	11.9%
Moderate-Income Tracts	12,499	11.5%	13,613	24.3%	2,975	23.9%	11,996	14.1%	13,003	26.9%	2,857	28.7%
Middle-Income Tracts	56,144	51.8%	22,566	40.2%	5,458	43.8%	38,654	45.3%	16,296	33.7%	3,344	33.6%
Upper-Income Tracts	38,045	35.1%	12,530	22.3%	2,852	22.9%	32,977	38.7%	11,679	24.2%	2,559	25.7%
Total	108,344	100.0%	56,087	100.0%	12,468	100.0%	85,283	100.0%	48,356	100.0%	9,943	100.0%
Housing Units -												
Percentage in Tract												
Low-Income Tracts	16.2%		72.2%		11.6%		16.2%		72.2%		11.6%	
Moderate-Income Tracts	43.0%		46.8%		10.2%		43.1%		46.7%		10.3%	
Middle-Income Tracts	66.7%		26.8%		6.5%		66.3%		28.0%		5.7%	
Upper-Income Tracts	71.2%		23.5%		5.3%		69.8%		24.7%		5.4%	
Total Assessment Area	61.2%		31.7%		7.0%		59.4%		33.7%		6.9%	
Population -												
Tract Distribution	Families		Households		Population		Families		Households		Population	
Low-Income Tracts	3,891	3.4%	9,081	5.5%	27,129	6.5%	3,891	4.3%	9,081	6.8%	27,129	8.1%
Moderate-Income Tracts	15,518	13.5%	26,103	15.9%	59,871	14.4%	14,741	16.1%	24,970	18.7%	57,216	17.0%
Middle-Income Tracts	57,955	50.4%	78,667	47.9%	199,902	48.0%	39,991	43.8%	54,954	41.1%	137,792	41.0%
Upper-Income Tracts	37,729	32.8%	50,497	30.7%	129,868	31.2%	32,734	35.8%	44,579	33.4%	113,612	33.8%
Total	115,093	100.0%	164,348	100.0%	416,770	100.0%	91,357	100.0%	133,584	100.0%	335,749	100.0%
Population -												
Percentage by Income												
Low-Income	22,729	19.7%	40,582	24.7%			18,233	20.0%	33,750	25.3%		
Moderate-Income	18,927	16.4%	24,086	14.7%			14,942	16.4%	19,487	14.6%		
Middle-Income	24,698	21.5%	29,036	17.7%			19,156	21.0%	23,203	17.4%		
Upper-Income	48,739	42.3%	70,644	43.0%			39,026	42.7%	57,144	42.8%		
Total	115,093	100.0%	164,348	100.0%			91,357	100.0%	133,584	100.0%		
Families -												
Tract Distribution	Families < Poverty Level	Low-Income Families	Moderate-Income	Middle-Income	Upper-Income		Families < Poverty Level	Low-Income Families	Moderate-Income	Middle-Income	Upper-Income	
Low-Income Tracts	14.7%	11.2%	4.0%	1.3%	0.5%		19.5%	14.0%	5.0%	1.7%	0.7%	
Moderate-Income Tracts	25.2%	25.6%	19.4%	13.1%	5.7%		30.9%	30.2%	23.6%	15.9%	6.8%	
Middle-Income Tracts	48.8%	49.5%	56.0%	58.8%	44.3%		37.7%	41.2%	48.6%	53.2%	38.5%	
Upper-Income Tracts	11.2%	13.6%	20.6%	26.9%	49.5%		11.9%	14.6%	22.8%	29.2%	54.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%	100.0%	100.0%	
Families -												
Percentage in Tract												
Low-Income Tracts	46.7%	65.7%	19.3%	8.2%	6.8%		46.7%	65.7%	19.3%	8.2%	6.8%	
Moderate-Income Tracts	20.0%	37.5%	23.6%	20.8%	18.1%		19.6%	37.4%	23.9%	20.7%	18.0%	
Middle-Income Tracts	10.4%	19.4%	18.3%	25.1%	37.2%		8.8%	18.8%	18.1%	25.5%	37.6%	
Upper-Income Tracts	3.7%	8.2%	10.3%	17.6%	63.9%		3.4%	8.1%	10.4%	17.1%	64.4%	
Total Assessment Area	10.7%	19.7%	16.4%	21.5%	42.3%		10.2%	20.0%	16.4%	21.0%	42.7%	
Households Receiving Public Assistance	7.3%						6.9%					
MSA Median Family Income							\$30,967					
Population Age	Age 65 and Over			Age 18 and Over			Age 65 and Over			Age 18 and Over		
	12.7%			77.3%			12.7%			77.6%		

Totals in percentage columns are calculated independently and may not be exactly equal to the sum of the components due to rounding of the. These rounding errors are immaterial and have no effect on related analyses or

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KNOXVILLE, KNOX COUNTY, TENNESSEE

First Vantage Bank's lending, investment, and service test performance in the Knox County assessment area is considered reasonable and supports the institution's overall rating of satisfactory.

Lending Test

First Vantage Bank's lending performance in the Knox County assessment area is consistent with the performance to the institution overall. Unless otherwise noted, the lending percentages include affiliate lending. The following table shows lending in the Knox County assessment area compared to all assessment areas for the overall institution.

LENDING PERFORMANCE TEST COMPARISON								
Lending by Business/Farm Revenue	WHOLE BANK				KNOX COUNTY			
	Small Business		Small Farm		Small Business		Small Farm	
\$1 Million or Less	132	75.0%	14	93.3%	78	70.3%	3	75.0%
Over \$1 Million	44	25.0%	1	6.7%	33	29.7%	1	25.0%
Not Available	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Lending by Tract Income								
Low-Income Tracts	17	9.7%	3	20.0%	17	15.3%	3	75.0%
Moderate-Income Tracts	28	15.9%	1	6.7%	26	23.4%	1	25.0%
Middle-Income Tracts	57	32.4%	10	66.7%	15	13.5%	0	0.0%
Upper-Income Tracts	74	42.0%	1	6.7%	53	47.7%	0	0.0%
Loan Size								
\$100,000 or Less	143	81.3%	12	80.0%	87	78.4%	1	25.0%
\$100,001 - \$250,000	18	10.2%	3	20.0%	12	10.8%	3	75.0%
\$250,001 and Up *	15	8.5%	0	0.0%	12	10.8%	0	0.0%
<i>Total</i>	<i>176</i>	<i>100.0%</i>	<i>15</i>	<i>100.0%</i>	<i>111</i>	<i>100.0%</i>	<i>4</i>	<i>100.0%</i>
Lending by Tract Income								
	HMDA				HMDA			
Low-Income Tracts	3		0.9%		3		5.1%	
Moderate-Income Tracts	6		1.8%		5		8.5%	
Middle-Income Tracts	266		80.9%		25		42.4%	
Upper-Income Tracts	54		16.4%		26		44.1%	
Lending by Borrower Income								
Low-Income Borrowers	57		17.3%		7		11.9%	
Moderate-Income Borrowers	57		17.3%		5		8.5%	
Middle-Income Borrowers	85		25.8%		13		22.0%	
Upper-Income Borrowers	120		36.5%		30		50.8%	
Income Not Available	10		3.0%		4		6.8%	
<i>Total</i>	<i>329</i>		<i>100.0%</i>		<i>59</i>		<i>100.0%</i>	

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Geographic Distribution of Loans

The geographic distribution of loans is reasonable for HMDA and business lending, although the distribution of consumer loans is weak, particularly in low- and moderate-income tracts.

The following table shows the geographic distribution of consumer loans as a percentage of the total number of loans by type. Selected demographic information is included as a basis for comparison. Low-income tracts with little or no population were excluded in determining the distribution of census tracts by income percentage because lending opportunities are minimal in these tracts.

GEOGRAPHIC DISTRIBUTION OF CONSUMER LOANS			
Census Tract/BNA Income Level	Percentage of Total Tracts Excluding Low-Income Tracts with little or no population	Percentage of Total Families	Percentage of Consumer Loans
Low-Income	13.9%	4.3%	1.8%
Moderate-Income	24.1%	16.1%	9.0%
Middle-Income	37.9%	43.8%	42.8%
Upper-Income	24.1%	35.8%	46.4%
<i>Total</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>

The low penetration in low- and moderate-income tracts may be caused by the bank's limited number of branches. Many competing institutions have a larger branch presence in the Knoxville MSA, which is also a factor. Consumer lending in middle- and upper-income census tracts is reasonable given the percentage of families residing in these tracts.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

The following table depicts the geographic distribution of HMDA loan by the bank and the mortgage affiliate.

GEOGRAPHIC DISTRIBUTION OF HMDA LOANS			
Census Tract/ BNA Income Level	Percent of Owner- Occupied Units	Number	Percentage
Low-Income	1.9%	3	5.1%
Moderate-Income	14.1%	5	8.5%
Middle-Income	45.3%	25	42.4%
Upper-Income	38.7%	26	44.0%
<i>Total</i>	<i>100.0%</i>	<i>59</i>	<i>100.0%</i>

The bank's HMDA lending is generally reflective of the percentage of owner-occupied units in each income category of census tracts in the assessment area, except for in the moderate-income tracts. Lending in moderate-income census tracts is below the percentage of owner-occupied units in those tracts, and lending in low income tracts is slightly higher. The bank faces significant competition for mortgage loans in Knox County from banks and non-bank mortgage companies. Taking into consideration the fact that 46.7 percent of the families in low-income tracts are below poverty level and 18.6 percent in the moderate-income tracts are below poverty level, the bank's record of HMDA lending in these tracts is very good. The penetration in low income tracts of 5.1 percent exceeds the percentage of non-poverty families in low income tracts, which is 2.2 percent of the families in the assessment area. Non-poverty families in the moderate-income tracts represent 12.9 percent of total families. The bank's HMDA lending in the moderate-income tracts at 8.5 percent is slightly lower, but is reasonable. The bank's lending in middle- and upper-income census tracts and BNAs is reasonable based on the percentages of loans compared with the percentage of owner-occupied units. The bank's percentage of lending in the low-income tracts exceeds the percentage of owner-occupied units. In comparison to family distribution by tract income, the bank's penetration in the low-income tracts at 5.1 percent exceeds the percentage of families in those tracts, which is 4.3 percent. Penetration in moderate-income tracts, however, is lower than the percentage of families residing in moderate income tracts.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

The following table shows the geographic distribution of small business loans. Selected demographic information about the tracts is included as a basis for comparison. First Vantage Bank's percentages of small business lending in middle-income census tracts is less than the percentage of business in those tracts. However, lending in the low- and moderate-income tracts is excellent, and exceeds the percentage of businesses in both tract categories significantly.

GEOGRAPHIC DISTRIBUTION OF SMALL BUSINESS LOANS				
CENSUS TRACT/BNA INCOME LEVEL	TOTAL BUSINESSES		LOANS	
	Number	Percentage	Number	Percentage
Low-Income	1,357	9.9%	17	15.3%
Moderate-Income	2,581	18.8%	26	23.4%
Middle-Income	4,436	32.4%	15	13.5%
Upper-Income	5,336	38.9%	53	47.8%
<i>Total</i>	<i>13,710</i>	<i>100.0%</i>	<i>111</i>	<i>100.0%</i>

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Geographic Distribution of Loans (Continued)

The following table compares the geographic distribution of small business loans between First Vantage Bank and aggregate loan data. Selected information about concentrations of businesses in the tract types is included as a basis for comparison. The aggregate includes all financial entities reporting small business loans in the Knoxville assessment area. The percentages in the table exclude loans with no tract reported.

FIRST VANTAGE BANK VERSUS AGGREGATE SMALL BUSINESS LENDING IN 1998				
CENSUS TRACT/BNA INCOME LEVEL	FIRST VANTAGE BANK		AGGREGATE	TOTAL BUSINESSES
	Number	Percentage	Percentage	Percentage
Low-Income	11	12.9%	10.8%	9.9%
Moderate-Income	23	27.1%	15.5%	18.8%
Middle-Income	12	14.1%	25.5%	32.4%
Upper-Income	39	45.9%	47.8%	38.9%
<i>Total</i>	<i>85</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>

Lending percentages for First Vantage Bank are above the percentages for aggregate and total businesses in all income tracts except for middle-income census tracts and BNAs. The bank's penetration in low-income census tracts is excellent, and exceeds the lending levels of aggregate reporters as well as the percentage of business in the low-income tracts.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Lending by Borrower Characteristics

Overall, First Vantage Bank’s lending to borrowers of different incomes in the Knox County assessment area is reasonable, given certain demographic factors.

The following table shows the percentage distribution of the bank’s consumer purpose loans by the income level of the borrowers with reported incomes.

DISTRIBUTION OF CONSUMER LOANS FOR BORROWER INCOME LEVEL			
Borrower Income Level	Percentage of Families	Number	Percentage
Low-Income	20.0%	123	8.1
Moderate-Income	16.4%	241	15.8
Middle-Income	21.0%	430	28.2
Upper-Income	42.6%	732	47.9
<i>Total</i>	<i>100.0%</i>	<i>1,526</i>	<i>100.0</i>

The overall percentage of consumer loan originations to low-income borrowers by the bank and its affiliates is below the percentage of families in the assessment area that are classified as low-income families. A large percentage of the consumer loan volume is generated indirectly at automobile dealerships, and involve new car purchases, which may not be affordable to low-income borrowers. The bank has limited control over the geographic distribution of indirect loans. The lending percentage to moderate-income borrowers is reasonable when compared to the percentage of families living in moderate-income census tracts. The bank’s lending to middle- and upper-income borrowers is reasonable based on affordability and the fact that these types of borrowers can easily access the bank’s three branches.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Lending by Borrower Characteristics

In addition, the majority of loans were made to middle- and upper-income borrowers because they make up the greatest percentage of the population.

The following table depicts HMDA originations made by the bank and its affiliate according to borrowers income level.

DISTRIBUTION OF HMDA LOANS BY BORROWER INCOME LEVEL			
Borrower Income Level	Percentage of Families	Number	Percentage
Low-Income	20.0%	7	12.7%
Moderate-Income	16.4%	5	9.1%
Middle-Income	21.0%	13	23.6%
Upper-Income	42.6%	30	54.6%
<i>Total</i>	<i>100.0%</i>	<i>55</i>	<i>100.0%</i>

The bank's record of lending to borrowers of different income levels is weak, particularly to low- and moderate-income borrowers. One major factor affecting the bank's ability to lend to low- and moderate-income borrowers is the affordability of homes. Most low-income families in the assessment area cannot afford homes given the median values of homes. In addition, the fair lending analysis indicated that those denied for mortgage loans were treated fairly under the lending guidelines. Another factor contributing to the low level of lending to low-income borrowers is the low number of loan applications received from this income group.

Commercial and industrial loans account for approximately 18.4 percent of the bank's loan portfolio. Business revenues were reported for 115 small business/farm loans made inside the assessment area by the bank. Of the 115 loans, 81 (70.4 percent) were extended to entities which are classified as small businesses or small farms under the guidelines of CRA. The following table depicts, by loan size, the number and dollar volume of loans originated by First Vantage Bank and its affiliates that are considered small business loans. This table includes 1998 loans only.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Lending Test (Continued)

Lending by Borrower Characteristics

FIRST VANTAGE BANK VERSUS AGGREGATE SMALL BUSINESS LENDING IN 1998				
LOAN SIZE	FIRST VANTAGE BANK		AGGREGATE	
	Number	Percentage	Number	Percentage
\$100,000 or less	87	78.4%	3,071	81.8%
\$100,001 - \$250,000	12	10.8%	354	9.4%
\$250,000 - \$1 million	12	10.8%	330	8.8%
<i>Total</i>	<i>111</i>	<i>100.0%</i>	<i>3,755</i>	<i>100.0%</i>

The bank's lending reflects good responsiveness to small business loan needs. Of the total small business loans originated within the assessment areas, 87 were for amounts \$100,000 or less. According to management of the bank, a substantial majority of its commercial loan requests are from small businesses.

Community Development Lending

Since the previous examination, the bank has made several community development loans. First Vantage Bank has originated eight construction loans totaling \$470,400 to builders for the construction and resale of housing in low- and moderate-income census tracts in Knox County. The bank originated a \$500,000 loan with the Knoxville Community Development Corporation and loans totaling \$219,933 through First Virginia Mortgage Company to purchase and rehabilitate low-income housing in low- and moderate-income census tracts in Knox County. First Vantage Bank continues to originate community development loans with the Knox Housing Partnership FirstHome program. Loan officers continuously contact businesses throughout the assessment area to identify their credit needs. The level of community development lending is reasonable considering the bank's record of seeking such opportunities and the level of competition among the local banks for this type of lending. Refer to the Community Development Lending section for the overall institution on page 20 for additional information.

METROPOLITAN AREA REVIEWED USING EXAMINATION PROCEDURES (Continued)

Investment Test

First Vantage Bank's record of helping to meet the credit needs of the assessment area through qualified investments in the assessment area has improved since the last examination and is very good considering the bank's size, competition from other banks in the assessment area, and the availability of such investments. The bank's qualified investments include bond participations, an equity investment, and contributions to organizations with community development as a primary function. Refer to the Investment Test section for the overall institution on page 22 for additional information.

Service Test

The bank's three branches are reasonably accessible to all portions of the assessment area. One branch is located in a low-income census tract; one is in a moderate-income census tract; and the other is in an upper-income census tract.

First Vantage Bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies. Since the previous examination, the bank has not opened or closed any branches in the Knoxville assessment area. Branch services and business hours do not vary in a manner that inconveniences portions of the assessment area.

First Vantage Bank provides an adequate level of community development services in the Knox County assessment area. Information about these services can be found on page 24 of the evaluation.

NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES

PERFORMANCE CONCLUSION

The institution's lending, investment, and service test performance in the Monroe County assessment area exceeds the performance of the overall institution.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MONROE COUNTY, TENNESSEE

The Monroe County assessment area includes all of Monroe County, which includes the cities of Madisonville, Sweetwater, and Tellico Plains. First Vantage Bank operates five branches and one ATM, all located in middle-income census tracts.

The table on the following page shows selected demographic characteristics for the Monroe County assessment area compared to demographics for all the bank's assessment areas combined.

DEMOGRAPHIC COMPARISON												
Category	WHOLE BANK						MONROE COUNTY					
Distribution of Tracts	Number			Percent			Number			Percent		
	Low-Income Tracts	13			13.0%			0			0.0%	
Moderate-Income Tracts	21			21.0%			0			0.0%		
Middle-Income Tracts	43			43.0%			6			100.0%		
Upper-Income Tracts	23			23.0%			0			0.0%		
Total Assessment Area	100			100.0%			6			100.0%		
Housing Units - Tract Distribution	Owner-Occupied		Rental		Vacant		Owner-Occupied		Rental		Vacant	
Low-Income Tracts	1,656	1.5%	7,378	13.2%	1,183	9.5%	0	0.0%	0	0.0%	0	0.0%
Moderate-Income Tracts	12,499	11.5%	13,613	24.3%	2,975	23.9%	0	0.0%	0	0.0%	0	0.0%
Middle-Income Tracts	56,144	51.8%	22,566	40.2%	5,458	43.8%	9,052	100.0%	2,311	100.0%	1,440	100.0%
Upper-Income Tracts	38,045	35.1%	12,530	22.3%	2,852	22.9%	0	0.0%	0	0.0%	0	0.0%
Total	108,344	100.0%	56,087	100.0%	12,468	100.0%	9,052	100.0%	2,311	100.0%	1,440	100.0%
Housing Units - Percentage in Tract												
Low-Income Tracts	16.2%		72.2%		11.6%		0.0%		0.0%		0.0%	
Moderate-Income Tracts	43.0%		46.8%		10.2%		0.0%		0.0%		0.0%	
Middle-Income Tracts	66.7%		26.8%		6.5%		70.7%		18.1%		11.2%	
Upper-Income Tracts	71.2%		23.5%		5.3%		0.0%		0.0%		0.0%	
Total Assessment Area	61.2%		31.7%		7.0%		70.7%		18.1%		11.2%	
Population - Tract Distribution	Families		Households		Population		Families		Households		Population	
Low-Income Tracts	3,891	3.4%	9,081	5.5%	27,129	6.5%	0	0.0%	0	0.0%	0	0.0%
Moderate-Income Tracts	15,518	13.5%	26,103	15.9%	59,871	14.4%	0	0.0%	0	0.0%	0	0.0%
Middle-Income Tracts	57,955	50.4%	78,667	47.9%	199,902	48.0%	8,839	100.0%	11,354	100.0%	30,541	100.0%
Upper-Income Tracts	37,729	32.8%	50,497	30.7%	129,868	31.2%	0	0.0%	0	0.0%	0	0.0%
Total	115,093	100.0%	164,348	100.0%	416,770	100.0%	8,839	100.0%	11,354	100.0%	30,541	100.0%
Population - Percentage by Income												
Low-Income	22,729	19.7%	40,582	24.7%			2,038	23.1%	2,827	24.9%		
Moderate-Income	18,927	16.4%	24,086	14.7%			1,671	18.9%	1,927	17.0%		
Middle-Income	24,698	21.5%	29,036	17.7%			2,098	23.7%	2,293	20.2%		
Upper-Income	48,739	42.3%	70,644	43.0%			3,032	34.3%	4,307	37.9%		
Total	115,093	100.0%	164,348	100.0%			8,839	100.0%	11,354	100.0%		
Families - Tract Distribution	Families < Poverty Level		Low-Income Families	Moderate-Income	Middle-Income	Upper-Income	Families < Poverty Level		Low-Income Families	Moderate-Income	Middle-Income	Upper-Income
Low-Income Tracts	14.7%		11.2%	4.0%	1.3%	0.5%	0.0%		0.0%	0.0%	0.0%	0.0%
Moderate-Income Tracts	25.2%		25.6%	19.4%	13.1%	5.7%	0.0%		0.0%	0.0%	0.0%	0.0%
Middle-Income Tracts	48.8%		49.5%	56.0%	58.8%	44.3%	100.0%		100.0%	100.0%	100.0%	100.0%
Upper-Income Tracts	11.2%		13.6%	20.6%	26.9%	49.5%	0.0%		0.0%	0.0%	0.0%	0.0%
Total	100.0%		100.0%	100.0%	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%	100.0%
Families - Percentage in Tract												
Low-Income Tracts	46.7%		65.7%		19.3%		8.2%		6.8%		0.0%	
Moderate-Income Tracts	20.0%		37.5%		23.6%		20.8%		18.1%		0.0%	
Middle-Income Tracts	10.4%		19.4%		18.3%		25.1%		37.2%		15.2%	
Upper-Income Tracts	3.7%		8.2%		10.3%		17.6%		63.9%		0.0%	
Total Assessment Area	10.7%		19.7%		16.4%		21.5%		42.3%		15.2%	
Households Receiving Public Assistance	7.3%						10.4%					
State Non-Metro Median Family Income							\$24,938					
Population Age	Age 65 and Over			Age 18 and Over			Age 65 and Over			Age 18 and Over		
	12.7%			77.3%			13.7%			74.8%		

Totals in percentage columns are calculated independently and may not be exactly equal to the sum of the components due to rounding of the
 These rounding errors are immaterial and have no effect on related analyses or

**NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES
 (Continued)**

Summary of lending test performance compared to whole bank: First Vantage Bank's performance in the Monroe County assessment area is consistent with the performance of the overall institution.

LENDING PERFORMANCE TEST COMPARISON								
Lending by Business/Farm Revenue	WHOLE BANK				MONROE COUNTY			
	Small Business		Small Farm		Small Business		Small Farm	
\$1 Million or Less	132	75.0%	14	93.3%	15	88.2%	4	100.0%
Over \$1 Million	44	25.0%	1	6.7%	2	11.8%	0	0.0%
Not Available	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Lending by Tract Income								
Low-Income Tracts	17	9.7%	3	20.0%	0	0.0%	0	0.0%
Moderate-Income Tracts	28	15.9%	1	6.7%	0	0.0%	0	0.0%
Middle-Income Tracts	57	32.4%	10	66.7%	17	100.0%	4	100.0%
Upper-Income Tracts	74	42.0%	1	6.7%	0	0.0%	0	0.0%
Loan Size								
\$100,000 or Less	143	81.3%	12	80.0%	16	94.1%	4	100.0%
\$100,001 - \$250,000	18	10.2%	3	20.0%	0	0.0%	0	0.0%
\$250,001 and Up *	15	8.5%	0	0.0%	1	5.9%	0	0.0%
<i>Total</i>	<i>176</i>	<i>100.0%</i>	<i>15</i>	<i>100.0%</i>	<i>17</i>	<i>100.0%</i>	<i>4</i>	<i>100.0%</i>
Lending by Tract Income			HMDA		HMDA			
Low-Income Tracts			3	0.9%	0	0.0%		
Moderate-Income Tracts			6	1.8%	0	0.0%		
Middle-Income Tracts			266	80.9%	204	100.0%		
Upper-Income Tracts			54	16.4%	0	0.0%		
Lending by Borrower Income								
Low-Income Borrowers			57	17.3%	42	20.6%		
Moderate-Income Borrowers			57	17.3%	41	20.1%		
Middle-Income Borrowers			85	25.8%	55	27.0%		
Upper-Income Borrowers			120	36.5%	60	29.4%		
Income Not Available			10	3.0%	6	2.9%		
<i>Total</i>			<i>329</i>	<i>100.0%</i>	<i>204</i>	<i>100.0%</i>		

Lending to businesses with revenues of \$1 million or less reflects excellent responsiveness to the Monroe County assessment area credit needs. In addition, small business lending by BNA income level reflects excellent penetration throughout the assessment area. First Vantage Bank originates small business loans of different loan sizes in amounts of \$1 million or less. HMDA lending or tract income level is not relevant as the assessment area is only comprised of middle income tracts. The distribution of HMDA lending reflects excellent penetration among borrowers of different income levels.

**NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES
(Continued)**

The following table shows the percentage distribution of the bank's consumer purpose loans by the income level of the borrowers with reported incomes.

DISTRIBUTION OF CONSUMER LOANS BY BORROWER INCOME			
Borrower Income Level	Percentage of Families	Total Loans	Percentage of Total Loans
Low-income	23.1%	208	28.9%
Moderate-income	18.9%	223	30.9%
Middle-income	23.7%	133	18.4%
Upper-income	34.3%	157	21.8%
<i>Total</i>	<i>100.0%</i>	<i>721</i>	<i>100.0%</i>

The percentage of consumer loans extended to low- and moderate-income families is excellent, and exceeds the percentages of low- and moderate-income families living in the assessment area. This distribution of lending is consistent with the bank's large branch presence in the assessment area.

No community development loans have been originated in the Monroe County assessment area. The bank has made a small dollar qualified investment to the Monroe County Habitat for Humanity.

The branches and ATMs are reasonably accessible to all portions of the bank's assessment area. The variety of services offered is consistent with other assessment areas served by the bank. Branch hours are conveniently located to serve the banking needs in the assessment area. Community development services provided in the assessment area are minimal.

NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES
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PERFORMANCE CONCLUSION

The institution's lending, investment, and service test performance in the Hamblen County assessment area is consistent with the performance of the overall institution.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN HAMBLEN COUNTY, TENNESSEE

First Vantage Bank operates three branches and one ATM in the Hamblen County assessment area, which includes the city of Morristown. Two branches are located in middle-income BNAs, and the third is in a moderate-income BNA. This assessment area contains no low-income BNAs.

The table on the following page shows selected demographic characteristics for the Hamblen County assessment area compared to demographics for all the bank's assessment areas combined.

DEMOGRAPHIC COMPARISON												
Category	WHOLE BANK						HAMBLÉN COUNTY					
	Number			Percent			Number			Percent		
Distribution of Tracts												
Low-Income Tracts	13			13.0%			0			0.0%		
Moderate-Income Tracts	21			21.0%			1			8.3%		
Middle-Income Tracts	43			43.0%			7			58.3%		
Upper-Income Tracts	23			23.0%			4			33.3%		
<i>Total Assessment Area</i>	<i>100</i>			<i>100.0%</i>			<i>12</i>			<i>100.0%</i>		
Housing Units - Tract Distribution	Owner-Occupied		Rental		Vacant		Owner-Occupied		Rental		Vacant	
Low-Income Tracts	1,656	1.5%	7,378	13.2%	1,183	9.5%	0	0.0%	0	0.0%	0	0.0%
Moderate-Income Tracts	12,499	11.5%	13,613	24.3%	2,975	23.9%	503	3.6%	610	11.3%	118	10.9%
Middle-Income Tracts	56,144	51.8%	22,566	40.2%	5,458	43.8%	8,438	60.2%	3,959	73.0%	674	62.1%
Upper-Income Tracts	38,045	35.1%	12,530	22.3%	2,852	22.9%	5,068	36.2%	851	15.7%	293	27.0%
<i>Total</i>	<i>108,344</i>	<i>100.0%</i>	<i>56,087</i>	<i>100.0%</i>	<i>12,468</i>	<i>100.0%</i>	<i>14,009</i>	<i>100.0%</i>	<i>5,420</i>	<i>100.0%</i>	<i>1,085</i>	<i>100.0%</i>
Housing Units - Percentage in Tract												
Low-Income Tracts	16.2%		72.2%		11.6%		0.0%		0.0%		0.0%	
Moderate-Income Tracts	43.0%		46.8%		10.2%		40.9%		49.6%		9.6%	
Middle-Income Tracts	66.7%		26.8%		6.5%		64.6%		30.3%		5.2%	
Upper-Income Tracts	71.2%		23.5%		5.3%		81.6%		13.7%		4.7%	
<i>Total Assessment Area</i>	<i>61.2%</i>		<i>31.7%</i>		<i>7.0%</i>		<i>68.3%</i>		<i>26.4%</i>		<i>5.3%</i>	
Population - Tract Distribution	Families		Households		Population		Families		Households		Population	
Low-Income Tracts	3,891	3.4%	9,081	5.5%	27,129	6.5%	0	0.0%	0	0.0%	0	0.0%
Moderate-Income Tracts	15,518	13.5%	26,103	15.9%	59,871	14.4%	777	5.2%	1,133	5.8%	2,655	5.3%
Middle-Income Tracts	57,955	50.4%	78,667	47.9%	199,902	48.0%	9,125	61.3%	12,359	63.7%	31,569	62.5%
Upper-Income Tracts	37,729	32.8%	50,497	30.7%	129,868	31.2%	4,995	33.5%	5,918	30.5%	16,256	32.2%
<i>Total</i>	<i>115,093</i>	<i>100.0%</i>	<i>164,348</i>	<i>100.0%</i>	<i>416,770</i>	<i>100.0%</i>	<i>14,897</i>	<i>100.0%</i>	<i>19,410</i>	<i>100.0%</i>	<i>50,480</i>	<i>100.0%</i>
Population - Percentage by Income												
Low-Income	22,729	19.7%	40,582	24.7%			2,458	16.5%	4,005	20.6%		
Moderate-Income	18,927	16.4%	24,086	14.7%			2,314	15.5%	2,672	13.8%		
Middle-Income	24,698	21.5%	29,036	17.7%			3,444	23.1%	3,540	18.2%		
Upper-Income	48,739	42.3%	70,644	43.0%			6,681	44.8%	9,193	47.4%		
<i>Total</i>	<i>115,093</i>	<i>100.0%</i>	<i>164,348</i>	<i>100.0%</i>			<i>14,897</i>	<i>100.0%</i>	<i>19,410</i>	<i>100.0%</i>		
Families - Tract Distribution	Families < Poverty Level	Low-Income Families	Moderate-Income	Middle-Income	Upper-Income	Families < Poverty Level	Low-Income Families	Moderate-Income	Middle-Income	Upper-Income		
Low-Income Tracts	14.7%	11.2%	4.0%	1.3%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%		
Moderate-Income Tracts	25.2%	25.6%	19.4%	13.1%	5.7%	13.6%	12.6%	6.3%	5.1%	2.2%		
Middle-Income Tracts	48.8%	49.5%	56.0%	58.8%	44.3%	70.1%	69.7%	72.6%	64.5%	52.6%		
Upper-Income Tracts	11.2%	13.6%	20.6%	26.9%	49.5%	16.3%	17.7%	21.2%	30.4%	45.2%		
<i>Total</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>		
Families - Percentage in Tract												
Low-Income Tracts	46.7%	65.7%	19.3%	8.2%	6.8%	0.0%	0.0%	0.0%	0.0%	0.0%		
Moderate-Income Tracts	20.0%	37.5%	23.6%	20.8%	18.1%	29.0%	39.8%	18.7%	22.8%	18.8%		
Middle-Income Tracts	10.4%	19.4%	18.3%	25.1%	37.2%	12.7%	18.8%	18.4%	24.3%	38.5%		
Upper-Income Tracts	3.7%	8.2%	10.3%	17.6%	63.9%	5.4%	8.7%	9.8%	21.0%	60.5%		
<i>Total Assessment Area</i>	<i>10.7%</i>	<i>19.7%</i>	<i>16.4%</i>	<i>21.5%</i>	<i>42.3%</i>	<i>11.1%</i>	<i>16.5%</i>	<i>15.5%</i>	<i>23.1%</i>	<i>44.8%</i>		
Households Receiving Public Assistance	7.3%						8.2%					
State Non-Metro Median Family Income							\$24,938					
Population Age	Age 65 and Over			Age 18 and Over			Age 65 and Over			Age 18 and Over		
	12.7%			77.3%			12.0%			87.9%		

Totals in percentage columns are calculated independently and may not be exactly equal to the sum of the components due to rounding of the. These rounding errors are immaterial and have no effect on related analyses or

**NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES
 (Continued)**

Summary of lending test performance compared to whole bank: First Vantage Bank's performance in the Hamblen County assessment area is consistent with the performance of the overall institution.

LENDING PERFORMANCE TEST COMPARISON								
Lending by Business/Farm Revenue	WHOLE BANK				HAMBLEN COUNTY			
	Small Business		Small Farm		Small Business		Small Farm	
\$1 Million or Less	132	75.0%	14	93.3%	39	81.3%	7	100.0%
Over \$1 Million	44	25.0%	1	6.7%	9	18.8%	0	0.0%
Not Available	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Lending by Tract Income								
Low-Income Tracts	17	9.7%	3	20.0%	0	0.0%	0	0.0%
Moderate-Income Tracts	28	15.9%	1	6.7%	2	4.2%	0	0.0%
Middle-Income Tracts	57	32.4%	10	66.7%	25	52.1%	6	85.7%
Upper-Income Tracts	74	42.0%	1	6.7%	21	43.8%	1	14.3%
Loan Size								
\$100,000 or Less	143	81.3%	12	80.0%	40	83.3%	7	100.0%
\$100,001 - \$250,000	18	10.2%	3	20.0%	6	12.5%	0	0.0%
\$250,001 and Up *	15	8.5%	0	0.0%	2	4.2%	0	0.0%
<i>Total</i>	<i>176</i>	<i>100.0%</i>	<i>15</i>	<i>100.0%</i>	<i>48</i>	<i>100.0%</i>	<i>7</i>	<i>100.0%</i>
Lending by Tract Income								
			HMDA		HMDA			
Low-Income Tracts	3		0.9%		0		0.0%	
Moderate-Income Tracts	6		1.8%		1		1.5%	
Middle-Income Tracts	266		80.9%		37		56.1%	
Upper-Income Tracts	54		16.4%		28		42.4%	
Lending by Borrower Income								
Low-Income Borrowers	57		17.3%		8		12.1%	
Moderate-Income Borrowers	57		17.3%		11		16.7%	
Middle-Income Borrowers	85		25.8%		17		25.8%	
Upper-Income Borrowers	120		36.5%		30		45.5%	
Income Not Available	10		3.0%		0		0.0%	
<i>Total</i>	<i>329</i>		<i>100.0%</i>		<i>66</i>		<i>100.0%</i>	

Lending to businesses with revenues of \$1 million or less reflects excellent responsiveness to the Hamblen County assessment area credit needs. In addition, small business lending by BNA income level reflects reasonable penetration throughout the assessment area. First Vantage Bank originates small business loans of different loan sizes in amounts of \$1 million or less. HMDA lending by tract income level reflects reasonable penetration throughout the assessment area. The distribution of HMDA lending reflects reasonable penetration among borrowers of different income levels.

**NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES
 (Continued)**

The following table compares First Vantage Bank's volume of consumer loans by number of loans to the percentage of tracts and families in the Hamblen County assessment area.

GEOGRAPHIC DISTRIBUTION OF CONSUMER LOANS			
BNA Income Level	Percentage of Total Tracts Excluding Low-Income Tracts without population	Percentage of Total Families	Percentage of Consumer Loans
Low-income	0.0%	0.0%	0.0%
Moderate-income	8.3%	5.2%	4.1%
Middle-income	58.3%	61.3%	52.4%
Upper-income	33.3%	33.5%	43.5%
<i>Total</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>

The bank's level of lending is reasonably distributed in moderate-, middle-, and upper-income BNAs in the assessment area. The bank also has only one moderate-income BNA in this assessment area. Although the lending level is slightly below the percentage of families living in that particular BNA, approximately one third of the families in this BNA are below poverty level. As such, the bank's lending is considered reasonable throughout the assessment area with regard to the geographic distribution of consumer loans.

The table on the following page shows the percentage distribution of the bank's consumer purpose loans by the income level of the borrowers with reported incomes.

NONMETROPOLITAN AREAS REVIEWED WITHOUT USING EXAMINATION PROCEDURES

DISTRIBUTION OF CONSUMER LOANS BY BORROWER INCOME			
Borrower Income Level	Percentage of Families	Total Loans	Percentage of Total Loans
Low-income	16.5%	52	11.4%
Moderate-income	15.5%	91	19.8%
Middle-income	23.1%	91	19.8%
Upper-income	44.9%	225	49.0%
<i>Total</i>	<i>100.0%</i>	<i>459</i>	<i>100.0%</i>

The distribution of consumer loans extended to low-income families is below the percentage of families. This can be expected since 11.1 percent of families in the assessment area have incomes below the poverty level. Lending to moderate-income borrowers is above the percentage of families considered moderate-income families within the assessment area. Lending to borrowers of other is generally representative of the demographic percentage of families.

No community development loans have been originated in the Hamblen County assessment area. The bank has not participated in qualified investments in the assessment area.

The branches and ATMs are reasonably accessible to all portions of the bank's assessment area. The variety of services offered is consistent with other assessment areas served by the bank. Branch hours are convenient to serve the banking needs of the assessment area. The bank does provide a minimal amount of community development services in the assessment area.

APPENDIX A

SCOPE OF EXAMINATION

TIME PERIOD REVIEWED			
September 30, 1997 to December 31, 1998			
FINANCIAL INSTITUTION		PRODUCTS REVIEWED	
First Vantage Bank, Knoxville, Tennessee		Consumer Loans HMDA Loans Small Business Loans Small Farm Loans	
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
First Virginia Mortgage Company	Holding Company Subsidiary	HMDA Loans	
First Virginia Credit Services, Inc.	Holding Company Subsidiary	Indirect Consumer Loans	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
<u>MSA 3840</u> Knoxville (Knox County)	On-site	Downtown Branch Homberg Branch Land Oak Branch	None
<u>Non-MSA Tennessee</u> Madisonville (Monroe County)	On-site	Madisonville Branch Sweetwater Branch	None
<u>Non-MSA Tennessee</u> Morristown (Hamblen County)	On-site	West End Branch	None