

PUBLIC DISCLOSURE

January 4, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

SunTrust Bank, Tampa Bay
181637
Tampa, Florida

**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

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 understand of the terms, not a strict legal definition.

GEOGRAPHY TERMS

Block Numbering Areas (BNAs) – Statistical subdivisions of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts.

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

Census Tract – Small, locally defined statistical areas. These areas are created by the United States Census Bureau in an attempt to group homogenous populations. A census tract has defined boundaries and an average population of 4,000.

INCOME TERMS

Median Family Income – 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 incomes above it and half below it.

Low-Income – Less than 50 percent of the median family income.

Moderate-Income – At least 50 percent and less than 80 percent of the median family income.

Middle-Income – At least 80 percent and less than 120 percent of the median family income.

Upper-Income – 120 percent or more of the median family income.

INVESTMENT TERMS

Low-Income Housing Tax Credits (LIHTCs) – The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended, which is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department, through the Internal Revenue Service, distributes low-income housing tax credits to housing credit agencies. The housing agencies allocate tax credits on a competitive basis. Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits or sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains in place throughout the compliance period, usually 30 years.

GENERAL INFORMATION (Continued)

Definitions and Common Abbreviations (Continued)

Qualified Investments – A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development to support the following endeavors: 1) affordable housing; 2) community services targeting low- and moderate-income individuals; 3) activities that promote economic development by financing small farms and small businesses; and 4) activities that revitalize or stabilize low- and moderate-income geographies.

REGULATION TERMS

Community Reinvestment Act (CRA) – The statute that requires the Federal Reserve Bank 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.

Home Mortgage Disclosure Act (HMDA) – A statute that requires certain mortgage lenders that do business or have banking offices in an MSA to file annual summary reports of their mortgage lending activity. The report 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).

OTHER TERMS

Family – Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption,

Small Business Loans - Commercial 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.

Vacant Units – Includes those units that are for rent and for sale. It also includes units that have been recently rented or sold but where the new occupant has not yet moved in or those that are intended for use only in certain seasons or for occasional use.

GENERAL INFORMATION (Continued)

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 **SunTrust Bank Tampa Bay** prepared by the Federal Reserve Bank of Atlanta, the institution's supervisory agency, as of **January 4, 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 Outstanding.

Based on a review of the bank's lending record, qualified investments and services, and its distribution of branches, SunTrust Bank Tampa Bay has an outstanding record of serving its assessment area. General conclusions for each performance test are as follows:

Lending Test

- A high percentage of the bank's HMDA and small business loans were extended inside its assessment area.
- The geographic distribution of HMDA and small business loans by census tract income level reflects adequate penetration throughout the assessment area.
- The distribution of HMDA loans by borrower income, reflected adequate penetration among borrowers of different income levels.
- Small business loans were extended to businesses of various sizes based on loan size and the annual gross revenues of the businesses.
- The bank has originated a significant volume of loans through affordable housing loan programs with innovative or flexible lending criteria.
- The bank has a high level of community development loans based on its capacity to lend.

Investment Test

- The bank has invested in a high level of qualified investments given its asset size.
- The qualified investments demonstrate responsiveness to community development needs by addressing affordable housing, small business financing, and community services.

INSTITUTION (Continued)

Service Test

- The geographic distribution of the bank’s branches compares reasonably well to the distribution of families in the assessment area. The geographic distribution of the bank’s branches is highly consistent with the distribution of businesses among the four income groups of census tracts. Available services and business hours do not vary in a manner inconvenient to any segments of the assessment area.
- The bank’s other facilities, such as ATMs and bank by phone services supplement accessibility to banking services throughout the assessment area, so that all portions of the bank’s assessment area have access to retail banking services offered by SunTrust Bank Tampa Bay.
- The bank has engaged in a substantial number of community development services that promote affordable housing, community development, and financial services education.

The following table indicates the performance level of SunTrust Bank Tampa Bay with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	<u>SunTrust Bank Tampa Bay</u>		
	PERFORMANCE LEVELS		
	Lending Test*	Investment Test	Service Test
Outstanding		X	X
High Satisfactory	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)

SunTrust Bank Tampa Bay (SunTrust) is a wholly owned subsidiary of SunTrust Banks, Inc., a bank holding company that operates in Alabama, Florida, Georgia, and Tennessee. SunTrust Banks, Inc. had assets totaling \$61.4 billion as of June 30, 1998. According to the September 30, 1998 Consolidated Reports of Condition and Income, SunTrust had assets totaling \$2.9 billion, which represents a 38.1 percent increase from \$2.1 billion at the time of the last evaluation. The bank also had deposits of \$1.8 billion and total loans of \$1.7 billion. The bank operates 40 branches, including its main office, which is located in downtown Tampa. Of the 40 branches, 34 have drive-through facilities and 37 have automatic teller machines (ATMs). The bank operates an additional 20 ATM facilities in the assessment area.

The bank does not have any financial or legal impediments that would hinder its ability to meet community credit needs. The bank received a satisfactory CRA rating at its last evaluation dated February 18, 1997.

Loan products offered by SunTrust, as listed in the public file, include consumer, real estate, business loans, and loans to government entities. The following table shows the composition of the loan portfolio as of the third quarter of 1997 and 1998 from the bank's Consolidated Reports of Condition and Income for each year.

COMPOSITION OF THE LOAN PORTFOLIO		
LOAN TYPE	PERCENTAGE	
	9-30-1998	9-30-1997
Construction and development	5%	3%
Secured by one- to four-family dwellings	27%	31%
Other real estate including nonfarm nonresidential	12%	13%
Commercial and industrial	32%	26%
Loans to individuals	18%	18%
All other ¹	6%	9%
TOTAL	100%	100%

¹ Other loans include loans to depository institutions, foreign government and official institutions and loans for purchasing or carrying securities.

INSTITUTION (Continued)

While the bank's outstanding loans grew 9.7 percent from \$1,626MM to \$1,785MM during the year, as represented above, the composition of the loan portfolio remained relatively stable except for an increase in commercial and industrial loan outstandings. In 1997, loans secured by one- to four-family dwellings represented the leading product category. Additional efforts have been made in small business lending, which seem to be reflected in the increased proportion of outstanding commercial and industrial loan balances. The 9.7 percent increase in the loan portfolio between September 30, 1997 and September 30, 1998 was aided by a 35.3 percent growth in outstanding commercial and industrial loan balances over the same period. Total outstanding balances for loans secured by one- to four-family dwellings dropped by 6.4 percent.

SunTrust Banks, Inc. established a community development corporation (CDC), on May 5, 1998 pursuant to Section 225.24(a)(1) of Regulation Y, to facilitate community development lending for the entire organization. The CDC is a wholly owned subsidiary of SunTrust Banks, Inc. It was designed to be a vehicle through which the subsidiary banks may make community development investments that qualify for Low-Income Housing Tax Credits (LIHTC), Historical Tax Credits (HTC) as well as other projects that otherwise qualify as community development activities under Regulation Y. The CDC can make equity and debt investments in projects to construct, or rehabilitate affordable housing for low- and moderate-income persons. Projects will initially be undertaken in the four states where the holding company's subsidiary banks are located (Georgia, Florida, Tennessee, and Alabama), and potentially nationwide.

DESCRIPTION OF ASSESSMENT AREA

The bank has identified its assessment area as Hillsborough and Pinellas Counties, which represent a major part of the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (MSA).² This MSA is the largest MSA in the state of Florida, and is made up of four counties: Hillsborough, Pinellas, Pasco, and Hernando. The bank's assessment area contains 359 census tracts.

Income Statistics and Population Demographics

Of the 359 census tracts, 23 (6 percent) are low- income; 68 (19 percent) are moderate-income; 166 (46 percent) are middle-income and 102 (28 percent) are upper-income. Of the 23 low-income census tracts, 11 (48 percent) have fewer than 100 owner-occupied housing units. Those tracts include six with fewer than 100 persons. Because of these demographic characteristics, the lowest level of residential loan originations is expected in low-income census tracts. The following table compares the percentage of families located in each category of tracts.

COMPARISON OF FAMILIES TO TRACTS BY TRACT INCOME LEVEL					
Income Level →	Low	Moderate	Middle	Upper	Total
Percent of Tracts	6	19	46	29	100
Percent of Families	2	14	47	37	100

The table shows that 16 percent of the families in the assessment area live in the combined low- and moderate-income tracts, which together represent 25 percent of the total tracts in the assessment area.

The total population in the bank's assessment area was 1,685,713 as of the 1990 census with an estimated increase of 6 percent to 1,781,210 as of July 1, 1997. The highest population growth during the same period was in Hillsborough County, which increased 9 percent from 834,054 to 909,444. The population in Pinellas County increased by 2 percent from 851,659 to 871,766 during the same time frame. The state of Florida is an attractive place for retirees and many areas have substantial populations of senior citizens, including the bank's assessment area. Pinellas County has 221,000 people (26 percent) over the age of 65 compared to 101,000 (12 percent) over 65 in Hillsborough County. As of 1997, the median age in Pinellas County was 45, and the median age in Hillsborough County was 36. A total of 459,801 families live in the bank's assessment area. The following table shows the percentage of families living in each type of census tract by income level:

² Unless otherwise noted, demographic information was obtained from the 1990 Census.

DESCRIPTION OF ASSESSMENT AREA (Continued)

DISTRIBUTION OF FAMILIES BY TRACT INCOME LEVEL					
Family Income Level	% in Low-Income Tracts	% in Moderate-In Income Tracts	% in Middle-Income Tracts	% in Upper-Income Tracts	% of Families in each Tract Group
Low-Income	64	32	17	8	2
Moderate-Income	15	26	20	12	14
Middle-Income	12	22	26	20	47
Upper-Income	9	20	37	60	37
TOTAL	100	100	100	100	100

The table illustrates that the majority of families in low-income census tracts (64 percent) are low-income families and the majority of families in upper-income census tracts (60 percent) are upper-income. Low-income families also make up the largest family income group in moderate-income census tracts. The largest percentage of families in middle-income census tracts are upper-income families. Combined, 37 percent of total families are located in upper-income census tracts, and approximately 84 percent are either in middle- or upper-income census tracts. A higher percentage of residential loans would be expected from these tracts.

According to the Department of Housing and Urban Development, the 1998 estimated median family income for the MSA is \$42,000, which represents a 27 percent increase from the 1990 median family income of \$33,101. Of the total families in the assessment area, 17 percent are low-income; 18 percent are moderate-income; 23 percent are middle-income; and 42 percent are upper-income. 35,959 families, or 8 percent of all families, live below the poverty level. This group represents a significant part of the bank's market, but are not likely to qualify for some forms of credit without financial assistance. 5,044, or 48 percent of the families in low-income census tracts, are below the poverty level. The majority of families below the poverty level reside in middle- and upper-income census tracts.

For the purposes of this analysis, families living below the poverty level were not considered in evaluations of lending potential specific to demographic groups or geographic areas. When poverty level families are subtracted from low-income families, the number of low-income families that are generally considered viable candidates for loans declines. (This assumes the vast majority of families below the poverty level are low-income families, although poverty level status is based on the number of family members, while family income status is not dependent on the number of family members.) This adjustment also affects the geographic analysis to the extent that fewer residential loans are expected in areas where significant percentages of families below the poverty level are identified. Because 48

DESCRIPTION OF ASSESSMENT AREA (Continued)

percent of the families in low-income census tracts are below the poverty level, fewer residential loans in these tracts are expected. Also, 16.3 percent of the families in the moderate-income tracts are poverty level.

Business and Economic Statistics

The Tampa-St. Petersburg-Clearwater MSA has experienced consistent economic growth in recent years. Unemployment data from the U.S. Bureau of Labor statistics are shown in the following table:

UNEMPLOYMENT RATES IN NOVEMBER			
ASSESSMENT AREAS	1996	1997	1998
Hillsborough County	3.6	3.2	2.5
Pinellas County	3.7	3.5	3.0
Tampa-St. Petersburg –Clearwater MSA	3.7	3.4	2.9
State of Florida	4.9	4.6	4.3

No major fluctuations occurred in the unemployment rates for the bank’s assessment area, the MSA, or the state of Florida. The unemployment rate for the assessment area counties and the MSA remained below the state of Florida and gradually decreased between 1996 and 1998.

The 5 major types of industries in the assessment area are as follows:

Type Of Industry	Number Of Employees	Number Of Establishments
Services and Other	307,143	19,771
Retail Trade	159,447	11,057
Manufacturing	79,114	2,407
Finance, Insurance & Real Estate	64,608	5,469
Wholesale Trade	53,129	4,219

Census data showed a total of 48,819 business establishments in the bank’s assessment area. The economy draws primarily on the service and retail trade industries, which have increased 27 percent and 3 percent respectively between 1990 and 1995. 46,202 (94 percent) of the establishments had fewer than 50 employees. 63 percent of all establishments are in the service and retail trade industries.

DESCRIPTION OF ASSESSMENT AREA (Continued)

According to Dun and Bradstreet, the geographic distribution of total businesses in the assessment area is as follows: 1.7 percent in low-income census tracts, 19.3 percent in moderate-income census tracts, 43.0 percent in middle-income census tracts, 34.7 percent in upper-income tracts, and 1.3 percent in other census tracts. The "other" category is made up of tracts where no data was available. 88.1 percent of businesses in the bank's assessment area have gross revenues less than \$1 million.

Financial Competition

SunTrust operates in a competitive financial environment with numerous domestic and foreign-established community and corporate depository institutions, mortgage and finance companies, and credit card companies. These financial institutions vary greatly in size, business orientation, and degree of local control. SunTrust is in a sound position with respect to its financial resources, variety of financial services, local autonomy, and years of operation in the region. The bank has the financial and human resources to be competitive with the industry in all loan products offered.

Housing Statistics

The assessment area contains 826,081 housing units. 57 percent are owner-occupied units; 29 percent are rental units; and 15 percent are vacant units. 12 percent of the housing units are mobile homes. The median age of housing stock is 22 years. The median age of homes in low-income census tracts is 43 years and the median age in moderate-income tracts is 35 years. A high median housing age may indicate a need for home improvement loans for homes in these tracts. A study conducted by the University of South Florida is referenced in the Consolidated Plan Executive Summary for 1998-2001 by the U.S. Department of Housing and Urban Development for Hillsborough County. The study provided data on the number of standard and substandard housing units, local wage growth statistics, and the cost of living. It concluded that many units were not being maintained as they should, based on observations of the condition of property, low wage growth, and the rise in the cost of living. While most of the units that have been neglected are still structurally sound, a continued lack of maintenance may result in substandard housing affecting the welfare of the occupants.

DESCRIPTION OF ASSESSMENT AREA (Continued)

The following table depicts the distribution of housing units by census tract income level.

DISTRIBUTION OF HOUSING UNITS				
Census Tract Income Level	Total Units	Percentage Of Owner-Occupied Units To Total Units³	Percentage Of Rental Units To Total Units	Percentage Of Vacant Units To Total Units
Low-Income	20,785	26	57	17
Moderate-Income	135,644	45	37	18
Middle-Income	396,279	57	29	14
Upper-Income	273,373	64	22	14
TOTAL	826,081	57	29	15

Middle- and upper-income census tracts have the greatest percentage of owner-occupied units. As a result, it is expected that the greatest number of home loans would be originated in these tracts. Opportunities for mortgage originations in low-income census tracts may be limited because of the high percentages of rental units. The percentage of vacant units is slightly higher for low- and moderate-income tracts.

To determine whether low- and moderate-income families can afford to purchase homes in the assessment area, the maximum affordable mortgage was estimated. Based on the most current median family income for the MSA of \$42,000, and using flexible underwriting guidelines⁴, low-income families would generally qualify for a maximum home purchase price of approximately \$46,000 and moderate-income families would qualify for around \$88,000. These purchase prices are calculated assuming families have little or no additional debt. The maximum house price for a moderate-income family is close to the MSA median home value of \$84,747.

According to the American Metro Study for the Tampa Bay area for the third quarter of 1998, Tampa Bay area homebuilders began construction on 8,693 homes during the previous twelve months. This activity represents the highest level of housing starts since 1988. Single family starts and closings have increased over 20 percent compared to last year, but new housing continues to be in the middle- to upper end price range, as illustrated in the table on the next page.

³ The percentage is based on the total number of each unit type divided by the total number of housing units in each census tract level.
⁴ Most lenders use 33/38 as flexible debt ratios.

DESCRIPTION OF ASSESSMENT AREA (Continued)

HOUSING STARTS			
Price Range	4th Quarter 1996	4th Quarter 1997	3rd Quarter 1998
Less than \$85,000	511	558	613
\$85,000 - \$109,999	1,636	1,290	1,453
\$110,000 - \$149,999	2,936	2,997	3,435
\$150,000 - \$199,999	1,292	1,452	1,875
\$200,000 - \$249,999	468	521	626
\$250,000 - \$299,999	164	179	236
\$300,000+	405	422	534

According to the Tampa Bay Business Journal dated August 20, 1998, the average price of a new starter home is currently between \$109,000 and \$115,000. Substantially more new homes are priced between \$110,000 and \$199,000 than above or below that price range. In the resale market, the median sales price is slightly above \$105,000. To afford a home priced at \$115,000, a two-income family of four with bank debt of \$500 (car payments, loans and credit cards) would need approximately \$9,000 for a down payment and an income of approximately \$50,000. While housing activity has increased consistently for 10 years, the substantial majority of the housing is not at an affordable level for low-to moderate-income families.

The Tampa Tribune reported on October 11, 1998 that two-thirds of the county's rezoning and 57 percent of the residential permits since 1995 were issued in the eastern and southern portions of Hillsborough County. Over 66 percent of the housing permits issued during the past year have been along what is referred to as the I-75 corridor, which consists of North Hillsborough, the Bruce B. Downs area, North West Hillsborough, Brandon, and Apollo Beach areas in Hillsborough County. This corridor is experiencing high growth because of the availability of large tracts of undeveloped land. Practically all of the developing areas are designated as middle- and upper-income census tracts. It seems that while the housing market is creating supply at high levels, the majority of the growth is occurring in middle- and upper-income areas.

Two local community organizations were contacted to determine perceived credit needs in the area and the level of bank participation. Both contacts noted the unaddressed need for affordable housing. An absence of construction of affordable housing is evident in the assessment area. Most of the homes being built are priced far above what most low- to moderate-income families can afford. In addition, many of the low- to moderate-income borrowers face problems that limit their ability to qualify for mortgage loans, such as derogatory credit history, lack of savings for down payment, and insufficient

DESCRIPTION OF ASSESSMENT AREA (Continued)

income. Community contacts stated that programs designed to help families re-establish favorable credit histories and save money are needed so that they can become viable candidates for mortgage loans. In addition, contacts stated that in order to meet the need for affordable housing, public/private partnerships that include government, financial entities, non-profit organizations, and private businesses need to be established.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Preface

This section presents the facts and analysis used to evaluate the lending, investment, and service performance of the bank in the assessment area. It provides a comprehensive view of how the bank is addressing the banking needs in its entire assessment area.

Most of the tables in this report compare lending activity under the lending test and branch distribution under the service test to demographic percentages. This comparison facilitates the evaluation of whether the bank is performing above, at, or below standards. Because rounding was used in many of the tables, percentages may reflect rounding differences. Valid reasons beyond the control of the bank that can explain why the bank is not adequately serving the needs of low- and moderate-income people and areas are taken into account.

Sources of Information for the Lending Test

Statistics for the lending test were derived from several different sources. SunTrust residential loan volumes were compiled from the year-end 1997 HMDA loan application register and 1998 HMDA loan application register as of August 31, 1998. Small business and farm loan statistics were compiled from data collection reports required by the CRA regulation for the same time periods. The 1997 HMDA Tampa-St. Petersburg-Clearwater MSA Aggregate Report shows the residential lending volume in the MSA for all reporters combined. The 1997 CRA Tampa-St. Petersburg-Clearwater MSA Aggregate Report shows the small business lending volume in the MSA for all reporters combined. The HMDA and CRA Aggregate Reports include lending within the Tampa-St. Petersburg-Clearwater MSA whether or not the financial entity is located in the MSA. Demographic information was taken from the U.S. Bureau of Census unless otherwise noted.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

LENDING TEST

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

Lending Activity

Loans reportable under HMDA and small loans to businesses were used for the lending analysis. For purposes of CRA, HMDA loans are those loans as defined in Federal Reserve System Regulation C. The HMDA loan categories reviewed for the bank were home purchase, home refinance, home improvement, and multifamily loans. Unless noted otherwise, the time period for the loan data is from January 31, 1997 to August 31, 1998. Small business lending was assigned substantial weight in the lending test because of SunTrust's volume and growth in that product category. Small loans to businesses are loans with original amounts of \$1 million or less and small loans to farms are loans with original amounts of \$500,000 or less.⁵ Lending statistics represent originations and purchases unless otherwise noted.

Lending levels reflect good responsiveness to assessment area credit needs. The bank offers consumer purpose loans, fixed and adjustable rate residential mortgages, business loans, and loans to government entities. The bank's outstanding loans have been increasing since the last examination.

⁵Because of the few number of small farm loans originated (14), small farm lending was not considered in this analysis.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

The bank's average net loan-to-deposit ratio for the 7 quarters ending September 30, 1998 was 95 percent, which is typical for a bank of this size. The bank's loan-to-deposit ratio ranged from a low of 88 percent on March 31, 1997, to a high of 99 percent on September 30, 1998. The bank's loan-to-deposit ratio remained between 93 percent and 94 percent for the last three quarters of 1997. Four depository institutions with assets between \$1 and \$3 billion have a branch presence in SunTrust's assessment area, and have average net loan-to-deposit ratios ranging from 94 percent to 113 percent. SunTrust's loan-to-deposit ratio in relation to peer institutions is considered adequate.

The following table shows SunTrust's volume of HMDA and small business lending from January 1st, 1997 through August 31st, 1998.

MORTGAGE AND SMALL BUSINESS LENDING ACTIVITY				
LOAN TYPE	TOTAL ORIGINATIONS AND PURCHASES			
	#	% of Total	\$(000)	% of Total
Conventional Home Purchase	1,812	40	254,545	48
FHA/VA	128	3	8,928	2
Home Purchase Subtotal	1,940	43	263,473	50
Refinance	916	20	105,023	20
Home Improvement	414	9	8,511	2
Multifamily	5	0*	10,060	2
Residential Mortgage Total	3,275	72	387,067	73
Small Business	1,245	28	142,251	27
TOTAL	4,520	100	529,318	100

* Percentage rounds closer to zero than to 1 percent.

The table shows that most of the bank's lending activity was in home purchase loans. Also, 1997 market share indicate that the bank was quite active in FHA/VA, home improvement, and multifamily lending. Although FHA and VA loans made up only 3 percent of the loans during the review period, the bank captured 7.2 percent of the market in this type of lending. Also, consistent with the bank's improved competitive posture in commercial lending, SunTrust's most significant market share was in small business lending at 8.6 percent. The bank's market share for multi-family lending was good at 7 percent. These market share percentages are considered very good considering the level of competition in the area. Of the 83 lenders that reported small business loan data for originations in Pinellas County, SunTrust ranked 7th in the origination of small loans to businesses and 4th in the origination of small loans to small businesses. In Hillsborough County, of 90 lenders that reported small business loan data, SunTrust ranked 4th in the origination of small loans to businesses and 3rd in the origination of small loans to small businesses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Assessment Area Concentration

A high percentage of the bank's lending occurs inside its assessment area. Of the 4,520 HMDA and small business loans reported by the bank during the evaluation period, 90 percent of the HMDA loans and 83 percent of small business loans were made inside the bank's assessment area. Overall, 88 percent of the loans and 89 percent of the total dollars were inside the bank's assessment area, indicating the bank's willingness to originate loans inside its assessment area. Loans out of the area are primarily attributable to the bank's wholesale lending which covers Hillsborough, Pinellas, Pasco, Sarasota, and Manatee Counties.

Geographic Distribution

The geographic distribution of loans by census tract income level reflects adequate penetration throughout the assessment area.

Geographic Distribution of HMDA Loans

Factors considered in reviewing the bank's HMDA lending performance include population demographics, poverty levels, and the distribution of one- to four-family housing units among the census tracts by income level. Also, the percentage of the bank's HMDA-reportable loans to applicants residing in census tracts by income level was compared to aggregate market performance. The following table shows the geographic distribution of HMDA loans. Information about housing and family distribution at each census tract income level is included as a basis for comparison.

GEOGRAPHIC DISTRIBUTION OF HMDA LOANS BY CENSUS TRACT INCOME LEVEL										
CENSUS TRACT INCOME LEVEL	LOAN TYPE								% OF FAMILIES	% OF OWNER-OCCUPIED UNITS
	Conventional Home Purchase		FHA/VA		Refinance		Home Improvement			
	Number	%	Number	%	Number	%	Number	%		
Low-Income	9	0	1	1	17	2	14	3	2	1
Moderate-Income	84	5	8	6	89	10	56	14	14	13
Middle-Income	539	30	79	62	291	32	170	41	47	48
Upper-Income	1,180	65	40	31	519	56	174	42	37	38
Total	1,812	100	128	100	916	100	414	100	100	100

The data in the table indicate that the bank performed well in extending loans in upper-income census tracts for all loan types except FHA/VA. The low level of conventional purchase loans in low-income census tracts can be attributed to the significant proportion of families residing in such tracts that have incomes below the poverty level and the scarcity of owner-occupied units. FHA, refinance, and home

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

improvement lending was highly comparable to the percentage of families and owner-occupied housing units in the low-income census tracts. Penetration was low in moderate-income census tracts for home purchase and FHA/VA loan types when compared with the percentage of families and owner-occupied units in these tracts. 16.3 percent of the families in the moderate-income tracts are poverty level. Excluding poverty level families in moderate-income census tracts, the percentage of non-poverty families in those tracts would reduce to 13 percent. Consequently, penetration of these census tracts would still be considered low. Except for FHA/VA lending, penetration in middle-income census tracts is also less than the proportion of families and owner-occupied units. Conversely, the penetration of FHA/VA loans in these census tracts is significantly higher than the proportion of families or owner occupied units. SunTrust offers a variety of affordable housing programs with flexible underwriting guidelines to attract low- and moderate-income borrowers. The bank originates substantial volumes of these loans. The high penetration of FHA loans in middle-income census tracts may be explained by a combined effect of the highest proportions of both families and owner-occupied units among the four classes of tracts.

Out of the 68 moderate-income census tracts in the assessment area, 12 seem to have limited residential lending opportunities. These tracts contain 3,936 families with a median family income at 60 percent of the MSA median. They contain 6,253 one- to four-family housing units and 2,451 owner-occupied housing units. The table on the next page lists some conditions possibly limiting residential lending in 8 of these tracts.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

TRACTS WITH LIMITED OR NO RESIDENTIAL LENDING OPPORTUNITIES				
COUNTY	TRACT	FAMILIES	OWNER- OCCUPIED UNITS	REASON FOR NO OR LOW LENDING
57	26.00	474	209	Located in West Central Tampa. This tract is comprised primarily of the Tampa International Airport (60 percent), and light industrial properties. This tract is highly developed, with vacant land used as stadium parking and as a buffer zone for the airport.
57	32.00	524	467	Of the 524 families, 33 percent are below poverty level and 33 percent of the housing units are rental. Structures are in poor condition and in great need of repair.
57	37.00	402	338	Comprised of moderate-sized industrial, manufacturing, and wholesale businesses. More than 40 percent of the area's housing units are rental.
57	50.00	407	276	Comprised primarily of Riverfront Park, the University of Tampa, and light commercial properties. 21 percent of the families are below the poverty level and 65 percent of housing is rental.
57	108.06	946	127	Because of its proximity to the University of South Florida, this tract is largely populated by students, which accounts for its high renter-occupancy rate.
103	214.00	253	145	Located in downtown St. Petersburg and is largely commercial in nature.
103	274.01	659	572	Located in Tarpon Springs. This tract is largely residential, with some light commercial properties and two cemeteries. Six financial institutions serve this tract while the nearest SunTrust office is more than 5 miles away.
103	284.02	271	317	Located in the Gulfport region of St. Petersburg. Made up of older, single-family residential housing and rental units.
Total	8	3,936	2,452	

The table below illustrates the geographic distribution of HMDA-reportable originations and purchases for SunTrust and aggregate HMDA reporters in the assessment area. Penetration of different types of census tracts for SunTrust and the aggregate market are compared. Only 1997 data were available for comparison.

MARKET COMPARISON OF HMDA LENDING FOR 1997				
CENSUS TRACT INCOME LEVEL	PERCENTAGES			
	SUNTRUST	AGGREGATE	OWNER-OCCUPIED UNITS	FAMILIES
Low-Income	1	1	1	2
Moderate-Income	7	10	13	14
Middle-Income	33	43	48	47
Upper-Income	59	46	38	37
TOTAL	100%	100%	100%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

SunTrust's lending is comparable to the aggregate market in low- and moderate-income census tracts. However, when compared with the demographics of the census tracts, both SunTrust and the market were slightly below the percentages of owner-occupied units and families in moderate- and middle-income census tracts. According to management, the low level of lending in moderate-income tracts can be attributed to the bank targeting loan production in the low-income tracts, which are more economically disadvantaged. Management views these areas as being valuable in determining the types of lending initiatives that are most effective. SunTrust is also performing below the aggregate in the origination of HMDA loans in middle-income census tracts while the bank is outperforming the aggregate in loan originations in upper-income census tracts.

The distribution of HMDA loans is reasonable given the distribution families, including poverty level families, and housing.

Geographic Distribution for Small Business Loans

The following table shows the geographic distribution of small loans to businesses. Information about the geographic distribution of the businesses by census tract income level is included as a basis for comparison.

GEOGRAPHIC DISTRIBUTION OF SMALL LOANS TO BUSINESSES				
CENSUS TRACT INCOME LEVEL	LOANS		BUSINESSES*	
	Number	Percentage	Number	Percentage
Low-Income	24	2	1,000	2
Moderate-Income	281	23	11,706	19
Middle-Income	487	39	26,080	44
Upper-Income	453	36	21,061	35
TOTAL	1,245	100	59,847	100

* Source: Dun and Bradstreet Tampa-St. Petersburg-Clearwater MSA data

** Excludes 719 loans (1 percent) in CTs not classified by income

The geographic distribution of small business loans reflects good penetration throughout the assessment area. According to the data from Dun and Bradstreet, the percentage of businesses in the various census tract income levels were either close to or slightly exceeded the number of loans originated by the bank.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Distribution by Borrower Profile and to Small Businesses

The distribution of HMDA loans by borrower income reflects generally good penetration among customers of different income levels. Distribution of loans to businesses of different sizes reflects a reasonable distribution of loans. The following table shows the percentage distribution of SunTrust's HMDA-reportable loans by the income level of the borrower:

DISTRIBUTION OF HMDA LOANS BY BORROWER INCOME LEVEL									
BORROWER INCOME LEVEL	LOAN TYPE								TOTAL FAMILIES
	Conventional		FHA/VA		Refinancing		Home Improvement		
	Number	%	Number	%	Number	%	Number	%	%
Low-Income	84	5	13	10	62	7	70	17	17
Moderate-Income	283	16	61	48	133	15	69	17	18
Middle-Income	246	14	39	30	159	17	93	22	23
Upper-Income	1,120	62	11	9	518	57	178	43	42
Income Unknown	79	3	4	3	44	4	4	1	
TOTAL	1,812	100	128	100	916	100	414	100	100

The bank was highly successful in making home improvement loans to borrowers from all income groups. The bank has also been moderately successful in reaching low-income borrowers, and highly successful in reaching moderate- and middle-income borrowers under FHA and VA programs. FHA and VA lending to moderate- and middle-income families was significantly higher than their respective percentages in the assessment area. Conventional purchase and refinance lending to low-income borrowers is less than the percentage of low-income families, but these two types of loans are not typically sought by low-income people. The low level of penetration for conventional lending can also be attributed to the lack of affordable homes for low-income families in the assessment area. The next table shows the percentages of HMDA loans to borrowers of different income levels for the bank and aggregate market. Only 1997 lending data were available for competitor comparison.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

COMPARISON OF HMDA LENDING FOR 1997 TO AGGREGATE			
Borrower Income Level	PERCENTAGES		
	SUNTRUST	AGGREGATE	FAMILIES
Low-Income	7	8	17
Moderate-Income	17	19	18
Middle-Income	16	24	23
Upper-Income	56	46	43
Income Unknown	4	3	
Total	100	100	100

SunTrust is performing just below the aggregate in the origination of HMDA loans to low-and moderate-income borrowers. Both SunTrust and the aggregate market do not lend to low- and moderate-income families in proportion to their representation in the assessment area. The data above indicate that lenders generally have problems in originating substantial volumes of loans to low-income borrowers, which may be attributed to a lack of affordable housing and family poverty levels represented in the market demographics. The bank is performing below market in its origination of loans to middle-income borrowers but above market in the origination of HMDA loans to upper-income borrowers.

Commercial and industrial lending, including nonfarm nonresidential real estate loans, accounted for 44 percent of the bank's portfolio on September 30, 1998. The following table summarizes the number and dollar volume by different loan sizes, of small loans to businesses reported by SunTrust during the review period.

SMALL LOANS TO BUSINESSES BY LOAN SIZE				
LOAN AMOUNT	NUMBER OF LOANS	PERCENTAGE OF LOANS	DOLLARS (000s)	PERCENTAGE OF DOLLARS
\$100,000 or less	915	74	29,831	21
\$100,001- \$250,000	167	13	31,187	22
\$250,001-\$1 million	163	13	81,233	57
TOTAL	1,245	100	142,251	100

The table shows an excellent record of making small loans to businesses, with 74 percent of the loans in amounts of \$100,000 or less.

The bank also has a good record of making loans to businesses of different revenue sizes. 53 percent (660) of the loans and 35 percent (\$50,393M) of the dollars were extended to businesses with revenues of \$1 million or less, which indicates the bank's willingness to meet the needs of small businesses. The bank hired and trained four small business lenders, and established a centralized small business underwriting area with new products. To increase commercial lending, particularly to small businesses,

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

management assigned low- and moderate-income census tracts to lenders for promoting lending in those segments of the assessment area.

Responsiveness to Credit Needs of Economically Disadvantaged Groups

The bank exhibits a good record of serving the credit needs of low-income individuals and areas and very small businesses. As indicated by the lending data analysis, the bank has been able to penetrate low-income census tracts given the demographics in these areas. Considering the demographic characteristics in moderate-income census tracts, particularly the percentage of owner-occupied units, additional opportunities may exist to increase residential mortgage lending. Targeted efforts that have succeeded in improving penetration in low-income areas and to low-income families should be extended to moderate-income areas and families. Good penetration of small business lending throughout the assessment area and to businesses of different sizes was noted. Penetration was considered adequate for low- and moderate-income borrowers. SunTrust targets specific markets to generate activity in segments of the assessment area that appear to be underserved. As of September 30, 1998, SunTrust had 15 residential real estate originators, four of whom are dedicated to affordable housing lending. Two are assigned to each county. To avoid penalizing loan officers for making smaller dollar or more complex loans, the compensation program has features that reward originations in targeted areas.

Community Development Lending

Overall, the bank has extended an exceptional level of community development loans. Since the previous examination, the bank originated 39 qualified community development loans in its assessment area totaling \$66,556,679. Listed below are the types of projects in which the bank participated.

COMMUNITY DEVELOPMENT LENDING			
PURPOSE OF LOANS	# OF LOANS	\$ OF LOANS	% OF TOTAL DOLLARS
Bond Issues	4	25,200,000	38
Loan pool participation	2	15,000,000	23
Affordable Housing	4	8,196,220	12
Commercial facilities	8	6,289,459	9
Government securities	1	5,000,000	8
Funding gaps	9	4,750,000	7
Short-term capital	11	2,121,000	3
Total	39	66,556,679	100

The table shows that the greatest number of loans were to assist organizations with short-term capital needs, and the largest dollar volume went toward bond issues.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Use of Innovative or Flexible Lending Practices

SunTrust makes use of flexible and innovative lending practices in serving assessment area credit needs. SunTrust offers and participates in many programs with flexible and innovative underwriting criteria, which are comparable in nature to those products offered by similarly situated lenders. The table below depicts the most frequently used programs offered, general underwriting guidelines as well as the number and dollar amount of loans since the last evaluation.

AFFORDABLE HOUSING PROGRAMS			
Loan Program	#of Loans	\$ of Loans	Program Description
Various Bond Programs	90	5,652,693	The bank participates in various local mortgage bond programs. Mortgage revenue bond programs included benefits such as below market rates, lower down payments, closing cost assistance, homebuyer training classes, and a variety of fixed rate mortgages under FHA/VA and conventional programs. In the past 21 months, the bank has participated in seven local bond programs.
Clearwater Challenge 2000	11	431,584	The bank is a financial participant in this program. Home loans at reduced rates are available for the rehabilitation of existing homes or new construction, in the city's Greenwood neighborhood. Applicants must attend home ownership and budgeting classes.
Tampa Challenge	43	2,457,469	Loans guaranteed by the City of Tampa offer liberal qualifying standards and below market interest rates. The Challenge Fund is used for rehabilitating homes in economically distressed areas of Tampa and constructing single family dwellings in the Tampa area.
Sold on Largo	24	1,308,010	This program is a partnership with the City of Largo and several lenders. The lenders provide mortgage loans up to 95 percent loan-to-value for first time homebuyers with household incomes not exceeding 80% of adjusted median income. The loans are for new and existing homes in the city limits. The City of Largo provides a 5-year guaranty loan buy back to the lender. Deferred, 0% interest second mortgages for units requiring rehab assistance, as well as down payment and closing cost assistance programs are available through the program. Applicants must attend home ownership and budgeting classes
Hillsborough Challenge	35	2,185,391	This program is modeled after the Tampa Challenge Fund program and provides financing for low- and moderate-income families throughout the county. The program offers below market rate loans, home ownership budgeting and training, and liberal qualifying standards.
St. Petersburg First Time Home Buyer	12	550,605	WIN stands for "Working to Improve Our Neighborhoods." The WIN program is a joint effort between the City of St. Petersburg and local lending institutions that provides residential property owners with reduced cost loans. A "First Time Home Buyers" program provides up to 95% loan-to-value mortgage loans for the purchase, construction, and purchase-rehab of owner-occupied property; as well as "WIN" loans used for the repair or renovation of owner-occupied housing. The interest rate for the WIN rehabilitation program is two percent less than the lending institution's market rate for similar loans, and guaranteed by the City of St. Petersburg. Both programs offer liberal underwriting guidelines.
St. Petersburg/WIN/Action	19	602,091	
SunTrust Bank Fix Up	19	73,594	Program assists low- and moderate-income borrowers repair and improve single family owner-occupied residences. This product offers liberal underwriting, a reduced interest rate or low fixed rate at approximately prime; no closing costs or loan fees; flexible payment terms from 1-12 years, with a minimum loan amount of \$4,600 and a maximum loan amount of \$10,000.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

AFFORDABLE HOUSING PROGRAMS (CONTINUED)			
United Guaranty-Type 1 Home Improvement	3	28,002	This product is used for 100% home improvement purposes and carries an insurance guaranty by a private mortgage insurer, United Guaranty, Mortgage insurance is paid by the bank with its cost built into in the interest rate. The maximum loan is \$7,500 unsecured for up to 36 months, and requires the approval of the United Guaranty.
Tampa Bay Community Reinvestment Corporation	13 ⁶	2,006,123	13 local banks and thrifts pooled together \$75 million to participate in loans made to non-profit and for-profit developers of affordable low-income rental housing.
City of Tampa FixUp	0	0	The City of Tampa provides a three-year guaranty and buy down of 3%, increasing the affordability for LMI families in Tampa that could not otherwise obtain financing to make needed repairs to bring their homes up to standards (applications were in process at the time of the evaluation). This program offers a low fixed rate of 3% with no closing costs; the homeowner can apply for a loan from \$600 to \$10,000 with a term of up to 12 years.
Total	166	\$15,295,562	

The table shows that the most effective programs in terms of dollars invested are the mortgage revenue bond programs. During the past 21 months, the bank has participated in seven local bond programs. These programs are through Hillsborough County, Florida Housing Finance Agency, the Housing Authority of Pinellas County, and the Housing Authority of Hillsborough County. Qualifying mortgage loans under these programs must be FHA Insured, VA Guaranteed or Rural Development Guaranteed and eligible for securitization by Ginnie Mae, or purchase by Fannie Mae. The 1998 mortgage bond series had interest rates ranging from 4.95 percent to 7.10 percent. Interest rates depend upon whether the loan is in a target area and the loan's assistance status in relation to State Housing Initiative Partnership (SHIP) program subsidies. For SHIP assisted loans, a special subsidy is available to buyers which reduces the bond program mortgage rate and provides down payment and closing cost assistance.

The most recent program developed by the bank, which responds to a significant need in the community, is the City of Tampa Fix Up Loan Program. This program is a joint effort between the City of Tampa and SunTrust designed to assist low- and moderate-income families residing in the City of Tampa. This program will offer homeowners a flexible, affordable way to make basic improvements to their homes. The program is offered at a fixed interest rate of 3 percent with no closing costs. The homeowner can apply for a loan from \$600 to \$10,000. The loan will be structured to fit a homeowner's budget by allowing repayment terms from one to 12 years. The income of program applicants cannot exceed 80 percent of the HUD Federal Income Guidelines adjusted for family size, or \$33,600 annually. The

⁶ Under the bank's \$10 million line, the bank funded 13 loans. For 1998, the bank increased its pool participation from \$5 million to \$10 million.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

maximum debt-to-income ratio limits are 30 percent of monthly gross income for the mortgage payment, including a monthly amount for taxes and insurance, and 40 percent for all monthly debt payments, including the mortgage payment. Since inception of the program in April 1998, 10 applications have been received, 2 of which have been approved but not yet closed.

INVESTMENT TEST

The component rating for the investment test is a summation of the following criteria: (1) the dollar amount of qualified investments; (2) the innovativeness or complexity of qualified investments; (3) the responsiveness of qualified investments to community development credit needs; and (4) the degree to which the qualified investments are not routinely provided by private investors. The evaluation period for the investment test was January 1, 1997 to September 30, 1998.

Volume of Qualified Investments

SunTrust has invested in an exceptional level of qualified investments, and has significantly improved its performance since the previous evaluation. SunTrust has participated in 147 qualified investments totaling \$4.2 million in the form of grants, contributions, and debt and equity investments. This level of qualified investments is a substantial increase from the \$248,000 in qualified investments at the previous examination. The following table summarizes changes in the level of qualified investments at this examination compared to the previous evaluation dated February 18, 1997.

QUALIFIED INVESTMENTS				
Type of Qualified Investment	Performance at Previous Examination dated February 18, 1997		Performance at Examination dated January 4, 1999	
	#	\$	#	\$
Investments	2	\$109,000	8	\$3,822,811
Grants/Donations	83	\$139,000	139	\$371,327
Total	85	\$248,000	147	\$4,194,138

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

The bank has 2 equity investments that remain outstanding totaling \$109,000 outstanding from the previous evaluation. A comparison to two peer banks in the assessment area revealed that SunTrust exceeded both in its number and amount of qualified investments.

Use of Innovative or Complex Investments

Most of the bank's qualified investments were not innovative or complex. However, the investments purchased by the bank and the grants and donations provided to various non-profit organizations have promoted much needed community development by providing affordable housing, through revitalization of depressed areas, and by advocating the needs of small businesses. According to bank management, only one investment with low-income housing tax credits was made available in Pinellas and Hillsborough Counties. Efforts were made to obtain this investment; however, it was funded by a competitor. Numerous contacts were made with community development corporations, investment companies such as Merrill Lynch, and others to gain access to qualified investments. However, a limited number of investments that meet the definition of community development were available.

Responsiveness to Credit and Community Development Needs

SunTrust's responsiveness to community needs is evidenced by the number of grants and donations extended by the bank during the review period. The contributions and grants supported organizations that provided or promoted credit counseling, affordable housing seminars, youth education, scholarships for "at risk" young people, life skills to low- and moderate-income families, and small business development in the community. Grants and donations are responsive to the needs of the community and are not routinely provided by private investors because they do not yield financial returns as typical investments do. If it were not for the grants and contributions provided by SunTrust and other financial institutions to various non-profit organizations that have a purpose of community development, some of these organizations would not be able to function, because their operations depend on private donations. SunTrust has provided grants or donations to Goodwill Industries-Suncoast, Consumer Credit Counseling Service, ALPHA House of Tampa, Florida United Methodist Children's Home, Meals on Wheels, Metropolitan Ministries, Salvation Army, United Way of Hillsborough and Pinellas Counties, Resurrection House, Project Link, Inc., Habitat for Humanity, St. Petersburg City Small Business Development Center, St. Petersburg Neighborhood Housing Services, Inc., Tampa Bay Partnership, and Tampa Hillsborough Urban League.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

SERVICE TEST

The component rating for the service test is the summation of evaluating several factors concerning the bank's provision of retail banking and community development services. The component rating for the service test is based on the following criteria: (1) the current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies; (2) in the context of the current distribution of the bank's branches, the bank's record of opening and closing branches; (3) the availability and effectiveness of alternative systems for delivering retail banking services; (4) the range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies; (5) the extent to which the bank provides community development services; and (6) the innovativeness and responsiveness of community development services. The evaluation period for the service test was January 1, 1997 to September 30, 1998.

Accessibility of Delivery Systems

SunTrust operates 40 full-service branches throughout Pinellas and Hillsborough Counties. 16 of them are in Pinellas County and 24 are located in Hillsborough County. The tables below show the distribution of the bank's branches in each county by income level of census tracts in which they are located.

DISTRIBUTION OF BRANCHES IN PINELLAS COUNTY			
Income Level of Census Tract	Number of Branches	Percentage of Branches	Percentage of Families by Census Tract
Low-Income	0	0.0	2.0
Moderate-Income	4	25.0	15.0
Middle-Income	9	56.3	50.7
Upper-Income	3	18.7	32.3
Total	16	100.0	100.0

DISTRIBUTION OF BRANCHES IN HILLSBOROUGH COUNTY			
Income Level of Census Tract	Number of Branches	Percentage of Branches	Percentage of Families by Census Tract
Low-Income	0	0.0	3.7
Moderate-Income	5	20.9	17.6
Middle-Income	8	33.3	42.9
Upper-Income	11	45.8	35.8
Total	24	100.0	100.0

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

DISTRIBUTION OF BRANCHES IN PINELLAS AND HILLSBOROUGH COUNTIES (COMBINED)			
Income Level of Census Tract	Number of Branches	Percentage of Branches	Percentage of Families by Census Tract
Low-Income	0	0.0	2.9
Moderate-Income	9	22.5	16.3
Middle-Income	17	42.5	46.8
Upper-Income	14	35.0	34.0
Total	40	100.0	100.0

Branches are accessible to essentially all portions of the bank's assessment area, including low-income areas. Although no branches are in low-income census tracts, the review of branch locations relative to low-income tracts revealed that several branches are located in moderate- and middle-income census tracts adjacent to low-income census tracts, making retail banking services reasonably accessible to those areas. For example, eight low-income tracts are located in Pinellas County. Low-income tracts 210.95, 209.95, 212, 205, and 216.95 are within a reasonable distance of the Plaza Parkway branch. Low-income tracts 213.99 and 260.99 are coast guard facilities and have little or no population. Low-income tract 262 is adjacent to the tract where the Clearwater Square branch is located. Also, only 16.8 percent of the total families in the assessment area are low-income, and 91 percent of them live in moderate- middle- and upper-income tracts, where the bank's branch distribution is excellent.

It is significant to note that less than 3.0 percent of the population and 1.65 percent of the businesses are located in low-income census tracts. The percentage of branches in moderate-income census tracts is excellent when compared to the percentage of families, and businesses in those tracts. Distribution of branches in middle- and upper-income census tracts is considered reasonable.

Alternative Delivery Systems

SunTrust offers several alternative delivery systems and services for providing banking services in the assessment area. These services include ATMs, telephone banking, a pre-qualification loan system called StepOne, and availability of loan applications at an off-site location. These systems and services enhance access to both loan and deposit services and are provided to all individuals, including both low- and moderate- individuals and to those individuals located in low- and moderate-income census tracts.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

SunTrust has a network of 57 ATMs. 37 are located at full-service branches and 20 are at remote locations. Of these 57 ATMs, none are in low-income census tracts, 12 are in moderate-income census tracts, 22 are in middle-income census tracts, and 23 are in upper-income census tracts. 9 ATMs were opened since the previous examination. Of these nine ATMs, three were added to branch locations and six were remote ATMs. Three out of the nine additional ATMs were located in moderate-income census tracts. These ATMs supplement those already located at SunTrust branch locations in moderate-income census tracts. The addition of remote ATMs improved accessibility for census tracts located in and near downtown Tampa. Branches closest to the low-income census tracts (West Tampa, Westshore, and SunTrust Financial Centre) are closed Saturdays because of lack of traffic, therefore the remote ATMs provide customers access to retail banking services evenings and weekends.

SunTrust operates a 24-hour banking service, TeleBank 24. This service provides account information, fund transfer capabilities, loan application options, and check services such as stop payment and new check ordering over the telephone. A local telephone number and a toll-free number are available for nationwide access. Service associates are available 24 hour a day if personal service is required.

SunTrust offers an automated residential pre-qualification system called StepOne. This system allows individuals to determine the price of a home that they can afford and fit into their budget. Customers can call the toll-free mortgage phone number from a touch tone phone at any time. The telephone procedure takes less than 15 minutes. After the call, StepOne sends their information to a mortgage loan specialist, who responds to the callers to discuss the amount they are pre-qualified to borrow.

Since January 1998, SunTrust has provided lenders to take applications at the City of Tampa's Community Redevelopment Agency Office located in a low-income area. The staff of the agency sets up appointments for SunTrust lenders to take applications from potential borrowers, who are mostly low- and moderate-income families and individuals.

Although not usually considered an alternative delivery system improving low- and moderate-income segments, SunTrust offers PC Banking. According to bank management, several local non-profit organizations and agencies provide Internet access for low- and moderate-income persons and small businesses. Some of these organizations are Clearwater Neighborhood Housing Services, Small Business Development Center in Tampa, and St. Petersburg Chamber of Commerce.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

Changes in Branch Locations

Since the previous examination, the bank has not opened, closed, or moved any branches. SunTrust has adopted branch closing procedures that are in compliance with section 42 of the Federal Deposit Insurance Act.

Reasonableness of Business Hours and Services in Meeting Assessment Area Needs

The reasonableness of business hours branch services is considered above average. The bank offers a full range of services at each location. The office hours, products, and services offered are consistent at each branch location. The two branches located in downtown Tampa do not offer Saturday banking hours. However, this is commonplace in major metropolitan downtown areas. ATMs and telephone banking services are available for accessing retail-banking services for neighborhoods close to downtown areas.

Community Development Services

SunTrust has participated in a substantial number of community development services, given the level of opportunity in the assessment area. SunTrust has sponsored banking, credit, and homeownership seminars for low- and moderate-income families and areas, and provided financial expertise to various organizations by serving on their boards or loan committees. The table below and on following page lists various financial and housing seminars sponsored by the bank and some of the organizations in which bank management served as an officer or board member.

COMMUNITY DEVELOPMENT SERVICES	
FINANCIAL SEMINARS AND PRESENTATIONS	
Small Business Development Center/University of South Florida Clearwater Chamber of Commerce Tampa Chamber of Commerce Small Business Council/Black Business Roundtable	Sponsored financial seminar for small businesses
Hillsborough High School Lakewood High School Lockhart Elementary School	Provided financial seminars to low- and moderate-income students.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)

COMMUNITY DEVELOPMENT SERVICES (CONTINUED)	
HOMEBUYER SEMINARS OR LOAN COUNSELING	
Beulah Baptist Church	Home repair workshop
Consumer Credit Counseling Service Tampa Housing Authority Home Ownership for People Everywhere Exposition Bethel Mission homebuyer Class Hillsborough County Challenge Fund Greater Tampa Bay Partnership Housing Fair Clearwater Neighborhood Housing Services, Inc. Family Self Sufficiency Center Hillsborough Rural Community Development Corp. Tampa Bay Community Development Corp. City of Plant City	First time homebuyer seminar for low- and moderate-income people
Florida Community Loan Fund, Inc. (FCLF)	Sponsored and participated in this workshop regarding resources for community and economic development, accessing funds and technical assistance from FCLF. 30 persons representing various non-profit organizations, and governmental agencies.
Greater Ridgecrest Area Board of Realtors	Participated in housing fair sponsored in moderate-income area of Largo.
BOARD MEMBER OR OFFICER	
ALPHA House of Tampa Family Resources, Inc. Family Service Centers Goodwill Industries – Suncoast Inc. Florida Chamber of Commerce Greater Tampa Chamber of Commerce Hillsborough County Community Action Board Salvation Army Neighborly Senior Services St. Petersburg Chamber of Commerce St. Petersburg Progress, Inc. Tampa Bay Black Business Investment Corporation Tampa Bay Community Reinvestment Corporation Tampa Bay Economic Development Corporation WIN Coalition Boys and Girls Club of Tampa Bay, Inc. Homes for Hillsborough, Inc. Pinellas Economic Development Council Tampa Habitat for Humanity, Inc. Urban Partnership for Economic Revitalization	Board Member
Clearwater Neighborhood Housing Services, Inc.	Micro Loan Fund Consortium and Loan committee member
Clearwater Chamber of Commerce	Small Business Committee, Chairman
ALPHA House of Tampa	Chairman, Fundraising Committee
Community Service Foundation	Vice President
Florida Chamber of Commerce	Director
Greater Plant City Chamber of Commerce	Chairman, Economic Development Committee
Project Link, Inc.	Advisor to Board of Directors
St. Petersburg Economic Development Corp.	Loan Committee member
St. Petersburg Neighborhood Housing Services, Inc.	Chairperson, Loan Committee
Tampa Bay Community Reinvestment Corporation	Member, Loan Committee
Salvation Army	Regional Chairperson

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (Continued)
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Compliance with Antidiscrimination Laws

SunTrust solicits applications from all segments of its assessment area, including low- and moderate-income areas. The bank's policies and internal control procedures are adequate to ensure that the evaluation of credit evaluations 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 incompliant with the substantive provisions of antidiscrimination laws and regulations. The bank provides its employees with satisfactory fair lending training.

APPENDIX A

SCOPE OF EXAMINATION

The scope of this examination included a review of the bank's home mortgage and small business lending activities within the bank's assessment area of Hillsborough and Pinellas Counties. The analysis focused on lending activities from January 1, 1997 through August 31st, 1998. The analysis of community development lending and services, and qualified investments focused on activities from January 1, 1997 through September 30, 1998.

TIME PERIOD REVIEWED

Home mortgage and small business lending : February 1, 1997 to September 1, 1998
Community development lending and services, and qualified investments: January 1, 1997 to September 30, 1998.

FINANCIAL INSTITUTION

SunTrust Bank Tampa Bay

PRODUCTS REVIEWED

HMDA and small business loans

AFFILIATE(S)

None

AFFILIATE RELATIONSHIP

NA

PRODUCTS REVIEWED

NA

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION

ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Hillsborough County	on-site	West Tampa Office 1705 N. Howard Avenue Tampa, Florida 33607	None
Hillsborough County		Van Dyke Office 17802 N. Dale Mabry Hwy Lutz, Florida 33549	
Pinellas County		Clearwater Square Office 601 Cleveland Street Clearwater, Florida 34615	
Pinellas County		Gateway Office 8299 9 th St North St. Petersburg, Florida 33702	