

PUBLICDISCLOSURE

January26,2009

COMMUNITYREINVESTMENTACT PERFORMANCEEVALUATION

**LandMarkBank
544SouthWashingtonBoulevard
Sarasota,Florida34236**

RSSDIDNumber:2849212

**FEDERALRESERVEBANKOFATLANTA
1000PeachtreeStreet,N.E.
Atlanta,Georgia30309-4470**

<p>NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, 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.</p>	<p>tion's record of meeting the credit needs of income neighborhoods, consistent with safe and sound operation of the institution. The rating assigned to the institution on of the federal financial supervisory agency a institution.</p>
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INSTITUTION'S CRARATING

This institution is rated : **Satisfactory.**

The Lending Test is rated : **Satisfactory.**

The Community Development Test is rated : **Satisfactory.**

The following table indicates the performance level of LandMark Bank with respect to the lending and community development tests.

PERFORMANCE LEVELS	PERFORMANCE TESTS	
	Lending Test	Community Development Test
Outstanding		
Satisfactory	X	X
Need to Improve		
Substantial Noncompliance		

Major factors supporting the institution's rating include:

- The bank's loan-to-deposit ratio was more than reasonable.
- A substantial majority of loans were made in the assessment area.
- The geographic distribution of loans reflects marginally reasonable dispersion.
- The distribution of borrowers reflects reasonable penetration among businesses of different sizes.
- Given the bank's business market focus, the level of community development loans and services reflects marginally adequate responsiveness to community development needs in its assessment area.

SCOPE OF EXAMINATION

LandMark Bank's CRA performance evaluation was based on CRA activities in its assessment area using the Interagency Intermediate Small Institution Examination Procedures. As of December 31, 2008, intermediate small banks were small banks with assets of at least \$277 million as of December 31 of both of the prior two calendaryears and less than \$1.091 billion as of December 31 of either of the prior two calendaryears. These thresholds are adjusted annually and published by the Board of Governors of the Federal Reserve System. Under these procedures, effective as of September 1, 2005, institutions meeting the threshold size are evaluated under two separately rated tests: a lending test; and a community development test that includes an evaluation of community development loans, investments, and services in light of community needs and the capacity of the bank.

The evaluation included an analysis of commercial loans originated from October 1, 2007 through September 30, 2008. For this analysis, loans for commercial purposes, including loans to businesses with revenue equal to or under \$1 million were reviewed. Because the bank originated only 12 HMDA loans during 2007, a meaningful analysis of HMDA loans could not be performed. As a result, only commercial loans were reviewed to evaluate the bank's lending test performance.

For the community development test, the examination covered community development loans, qualified investments, and community development services from January 1, 2005 through December 30, 2008. A community development activity defined under the CRA must have a primary purpose of providing affordable housing or community services for low- or moderate-income persons, economic development through the financing of small businesses and farms, revitalizing or stabilizing low- or moderate-income geographies, designated disaster areas, or distressed or under-served nonmetropolitan middle-income geographies that benefit the assessment area or a larger statewide or regional area that includes the assessment area.

DESCRIPTION OF INSTITUTION

LandMark Bank is a full service community bank that is wholly owned by LandMark Financial Holding Company. The holding company is a non-complex shell organization whose sole purpose is to hold the bank's stock. Both companies are headquartered in Sarasota, Florida. The bank's total assets were \$354.1 million as of September 30, 2008, representing a 118 percent increase since September 30, 2004. As of September 30, 2008, gross loans totaled \$276.3 million and total deposits were \$285.7 million.

LandMark Bank operates seven branch offices. Five of the branches have ATMs. The bank's main office is located in a moderate-income census tract, three branches are located in middle-income tracts, and three are located in upper-income tracts. In addition, the bank has five ATMs in moderate-income tracts in Public stores. The three branches that are located in upper income tracts were opened during the review period. The South Trail Branch was opened in 2005; the Lakewood Ranch branch was opened in 2008; and the Kobernick House branch, a part-time branch located inside a retirement center, was opened in 2008. The bank has not closed any branches.

LandMark Bank focuses primarily on providing commercial banking services to local businesses and professionals. The bank's primary focus is commercial real estate lending. As such, these loans represent a significant portion of the bank's loan portfolio. Because consumer loans are extended mostly as an accommodation to existing business customers, very few are made. Examples of credit products offered include commercial real estate loans, loans to developers for real estate investments, loans to homeowners and condominium associations, business lines of credit, equipment loans, home equity lines of credit and home equity loans.

The composition of the loan portfolio according to the September 30, 2008 Consolidated Reports of Condition and Income is displayed in the following table:

COMPOSITION OF LOAN PORTFOLIO		09/30/2008		12/31/2007		12/31/2006	
Loan Type		\$(000s)	Percent	\$(000s)	Percent	\$(000s)	Percent
Construction and Development		\$57,226	20.7%	\$63,453	26.2%	\$76,886	33.4%
Secured by One-to-Four-Family Dwellings		\$70,905	25.6%	\$62,177	25.7%	\$45,530	19.8%
Other Real Estate: Farmland		\$0	0.0%	\$0	0.0%	\$0	0.0%
Multifamily		\$1,955	0.7%	\$2,228	0.9%	\$6,398	2.8%
Nonfarm Nonresidential		\$127,353	46.0%	\$96,989	40.1%	\$85,426	37.1%
Commercial and Industrial		\$15,095	5.5%	\$12,443	5.1%	\$12,789	5.6%
Loans to Individuals		\$4,074	1.5%	\$4,530	1.9%	\$3,213	1.4%
Agricultural Loans		\$0	0.0%	\$0	0.0%	\$0	0.0%
Total		\$276,608	100.0%	\$241,820	100.0%	\$230,242	100.0%

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

As indicated by the table, 93 percent of the portfolio is made up of real estate loans consisting primarily of nonfarm nonresidential (commercial real estate) loans (46.0 percent) followed by loans secured by one-to-four family dwellings (25.6 percent) and construction and development loans (20.7 percent). The loan portfolio grew 20 percent over the period shown. The loan mix remained relatively stable however there was a decrease in construction and development loans. The one-to-four family dwelling-secured loans are mostly business and investment loans secured by residential properties.

LandMark Bank complies with the requirements of the CRA. No known legal impediments exist that would restrain the bank from meeting the credit needs of its assessment area. LandMark received a satisfactory rating, using the small bank CRA examination procedures, at its last CRA evaluation dated January 10, 2005 by the Federal Reserve Bank of Atlanta.

DESCRIPTION OF ASSESSMENT AREA – Sarasota and Manatee Counties

Overview

LandMark Bank’s assessment area has not changed since the previous evaluation, and is made up of Sarasota and Manatee counties, which are located on Florida’s west coast, north of Fort Myers and south of St. Petersburg. Sarasota and Manatee Counties are part of the Bradenton-Sarasota-Venice Metropolitan Statistical Area (MSA).

Demographic Data by Census Tracts

Demographic data from the 2000 census was used to define the assessment area. The Sarasota assessment area consists of 143 census tracts that include 1 low-income tract, 31 moderate-income tracts, 77 middle-income tracts, and 34 upper-income tracts.

Population Information

According to the 2000 census, the population of the assessment area was 589,959 persons, which represents approximately 3.6 percent of the state of Florida’s population of 15,982,378. Between the 2000 census and population estimates of July 1, 2007, the population of the assessment area increased by approximately 97,222 persons or 16 percent.

Housing Characteristics

According to the 2000 census, there were 320,595 housing units in the assessment area. Of the total housing units, 62.8 percent were owner-occupied, 19 percent were rental, and 18.2 percent were vacant. The median housing value in the assessment area was \$104,746 which is 12 percent higher than the median housing value for the state of Florida at \$93,200.

Employment Statistics

According to Regional Economic Information Systems (REIS) data, the largest employment sectors in the MSA include retail trade, construction, real estate, administrative and wastes services, and healthcare.

Information from the Sarasota Economic Development Corporation lists the major employers in Sarasota County as the School Board of Sarasota (5,447); Sarasota County Government (3,600); Sarasota Memorial Health Care System (3,000); and Publix Supermarkets (2,795). Major employers in Manatee County are the Manatee County School Board (7,000), Manatee County Government (1,950), and Tropicana Products (1,600).

During the review period, unemployment rates show an upward trend at both the local and state level. As of September, the gap in unemployment rates between the MSA and that of the state has increased to one percent. The following table provides the unemployment rates for the MSA and the State of Florida.

UNEMPLOYMENT RATES (Not Seasonally Adjusted)			
Area	2006 (annualized)	2007 (annualized)	September 2008 (Monthly)
Sarasota-Bradenton-Venice MSA	3.0%	4.2%	7.6%
State of Florida	3.4%	4.0%	6.6%

Competition

According to the June 30, 2008 FDIC/OTS Summary of Deposits Report, the assessment area is highly competitive due to the significant presence of banks. There are 55 financial institutions operating 335 offices in the assessment area; LandMark Bank ranked 13th with a market share of 1.6 percent. Local competition, however, does not seem to adversely affect the bank's ability to serve the credit needs of its assessment area.

Community Contacts

As part of the CRA evaluation, information was obtained from a local housing organization and from a county-wide economic development agency. Among other information, both contacts mentioned that the state of the national economy has adversely affected the local community by making it more difficult for consumers to qualify for and receive first mortgage loans and for small business owners to get commercial loans for ongoing business needs. Both contacts expressed that opportunities are available for financial institutions to participate in affordable housing initiatives and small business loans.

The table on the next page provides demographic information to analyze the bank's CRA performance. Certain components of the data in the table are discussed in this evaluation as they apply to specific parts of the analysis.

AssessmentAreaDemographics

AssessmentArea:Sarasota

IncomeCategories	Tract Distribution		Familiesby TractIncome		Families<Poverty Levelas%of FamiliesbyTract		FamiliesbyFamily Income	
	#	%	#	%	#	%	#	%
Low-income	1	0.7	897	0.5	291	32.4	29,853	17.6
Moderate-income	31	21.7	37,541	22.2	4,826	12.9	33,150	19.6
Middle-income	77	53.8	89,610	52.9	3,830	4.3	39,877	23.6
Upper-income	34	23.8	41,200	24.3	1,130	2.7	66,368	39.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
TotalAssessmentArea	143	100.0	169,248	100.0	10,077	6.0	169,248	100.0
	HousingUnits byTract	HousingTypesbyTract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	1,621	601	0.3	37.1	853	52.6	167	10.3
Moderate-income	77,332	41,213	20.5	53.3	22,650	29.3	13,469	17.4
Middle-income	164,234	110,169	54.7	67.1	28,128	17.1	25,937	15.8
Upper-income	77,408	49,491	24.6	63.9	9,292	12.0	18,625	24.1
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
TotalAssessmentArea	320,595	201,474	100.0	62.8	60,923	19.0	58,198	18.2
	TotalBusinessesby Tract	BusinessesbyTract&RevenueSize						
		LessThanor=\$1 Million		Over\$1 Million		RevenueNot Reported		
		#	%	#	%	#	%	#
Low-income	154	0.5	139	0.5	15	0.6	0	0.0
Moderate-income	6,694	21.1	6,034	21.0	507	20.2	153	24.9
Middle-income	16,705	52.5	15,087	52.6	1,313	52.4	305	49.6
Upper-income	8,243	25.9	7,413	25.9	673	26.8	157	25.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
TotalAssessmentArea	31,796	100.0	28,673	100.0	2,508	100.0	615	100.0
	PercentageofTotalBusinesses:			90.2		7.9		1.9

Basedon2000CensusInformation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Overview

For this evaluation, commercial loans were determined to be the bank's major product by number, volume and dollar amount, and therefore, were used to assess the bank's CRA performance. During the review period of October 1, 2007 through September 30, 2008, the bank originated 170 commercial loans totaling \$121.0 million.

Loan-to-Deposit Ratio

LandMark Bank's average loan-to-deposit (LTD) ratio for the nine-quarter period ending September 30, 2008, was 96.1 percent and is considered more than reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's LTD ratio ranged from a low of 95.4 percent as of December 31, 2007, to a high of 97.5 percent as of June 30, 2008. The bank's average LTD ratio was compared with the average LTD ratio of six other financial institutions of similar asset size with branch offices in the assessment area. The LTD ratios for these six banks ranged from 80.3 percent to 115 percent.

Assessment Area Concentration

A substantial majority of the bank's lending occurs inside its assessment area. The following tables show the distribution of small business loans originated inside and outside the assessment area, by number and dollar amount.

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Commercial Loans	170	93.4	\$121,010	86.0	12	6.6	\$19,686	14.0
TOTAL LOANS	170	93.4	\$121,010	86.0	12	6.6	\$19,686	14.0

As indicated by the table, 93.4 percent of the small business loans were extended in the assessment area. Also, 86 percent of the dollars associated with the loans were inside the assessment area. The level of lending inside the credit needs of its assessment area.

The following table shows LandMark Bank's lending performance in the assessment area. Certain components of the data are discussed on the following pages as they apply to particular parts of the analysis.

Loan Distribution Table

Assessment Area: Sarasota

	Commercial Loans			
	#	%	\$(000s)	%
	By Tract Income			
Low	1	0.6%	350	0.3%
Moderate	27	15.9%	25,246	20.9%
Middle	70	41.2%	33,472	27.7%
Upper	72	42.4%	61,942	51.2%
Unknown	0	0.0%	0	0.0%
<i>Total</i>	<i>170</i>	<i>100.0%</i>	<i>121,010</i>	<i>100.0%</i>
	By Revenue			
\$1 Million or Less	117	68.8%	80,052	66.2%
Over \$1 Million	53	31.2%	40,956	33.8%
Not Known	0	0.0%	0	0.0%
<i>Total</i>	<i>170</i>	<i>100.0%</i>	<i>121,008</i>	<i>100.0%</i>
	By Loan Size			
\$100,000 or less	75	44.1%	3,925	3.2%
\$100,001-\$250,000	19	11.2%	3,806	3.1%
\$250,001-\$1 Million	42	24.7%	24,010	19.8%
Over \$1 Million	34	20.0%	89,270	73.8%
<i>Total</i>	<i>170</i>	<i>100.0%</i>	<i>121,010</i>	<i>100.0%</i>

Originations and Purchases

Geographic Distribution of Loans

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Commercial lending in low-income tracts at 0.6 percent is slightly more than the percentage of businesses located in these tracts at 0.5 percent. Performance in moderate-income tracts was less favorable where commercial lending at 15.9 percent was less than the percentage of businesses located in moderate-income tracts at 21.1 percent. It should be noted that the bank is primarily a commercial real estate lender, and that the depressed real estate market has adversely affected demand for these loans.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

The distribution of small business loans reflects reasonable penetration among businesses of different sizes.

LandMark Bank originated 170 commercial loans in its assessment area during the review period. 117 (68.8 percent), were extended to businesses with revenues of \$1 million or less, which is lower than the percentage of small businesses in the assessment area at 90.2 percent. However, 55.3 percent of the loans made were for \$250,000 or less; and 44.1 percent of the loans were for \$100,000 or less, indicating a willingness to make small loans to businesses. Because LandMark is not required to report its CRA loan data, a review of the peer group is not to the bank's competition could not be performed.

Responsiveness to Complaints

The bank has not received any CRA related complaint since the previous evaluation.

Community Development Test

According to the community development test, an institution should appropriately assess the needs in its community; engage in different types of community development activities based on those needs and the institution's capacity, and take reasonable steps to apply its community development resources strategically to meet those needs. Areas examined include community development lending, qualified investments, and community development services. Although the review period for the community development test is January 1, 2005 through September 30, 2008, the bank did not become subject to the intermediate small bank examination procedures until December 31, 2007. Considering the bank's recent transition to intermediate small bank and considering the bank's capacity and the need and availability of such opportunities in the assessment area, the bank's community development performance demonstrates adequate responsiveness to the community development needs of its assessment area.

The bank joined with four other banks in funding a community development trust whose purpose is to make housing more affordable. LandMark made a \$200,000 community development loan to the housing trust for the purpose of making down payment assistance loans to first time home buyers. To date, the trust has made three loans to first time home buyers.

LandMark Bank's community development investments were limited to a commitment to fund Sarasota Tomorrow, an entity established by the Sarasota Chamber of Commerce. Sarasota Tomorrow will provide financial services to small businesses and assist with workforce development and affordable housing. The Bank committed \$75,000 over five years at \$15,000 per year.

Bank staff contributed 358 hours of community development services to six community organizations throughout its assessment area. This included providing financial expertise and technical assistance by serving on various boards and committees of organizations that provide services to low income families and foster small business development. The table on the next page provides details regarding the bank's community development services.

Organization	Type of Organization	Activity/Service Provided
Economic Development Council of Sarasota	Nonprofit business assistance entity of the Sarasota County.	A bank representative provides technical assistance by serving on the board of directors.
All Faiths Food Bank	Nonprofit organization that provides food to low income families and individuals.	A bank representative provided financial expertise and technical assistance by chairing the annual fundraiser. Other bank representatives provided financial expertise and assisted in the organization and fundraiser activity.
Manatee County Schools	Education-school	Bank representatives provided financial literacy education to students.
Sarasota County High School	Education-school	Bank representatives provided financial literacy education to students.
Boys & Girls Club	Non-profit social and educational organization for low/mod income youth	Bank representatives provided financial literacy education to club members.
SCORE	Small business resource and mentoring organization	Bank representatives provided financial expertise by conducting a workshop for SCORE volunteers.

The bank's community development services are reasonably responsive to the needs of low and moderate income families and small businesses. Delivery systems, including ATMs and branches, are located in moderate income census tracts in the bank's assessment area. Of the seven banking offices, one office is located in a moderate income census tract. To further extend the reach of the bank's services, the bank makes no fee ATM services available to its customers at Publix supermarkets. Customers may make cash withdrawals and check their balances. Five (18 percent) of the Publix locations are in moderate income census tracts. Additionally, the bank offers several free services including a free checking account.

Compliance With Antidiscrimination Laws

The bank is in compliance with the substantive provisions of the antidiscrimination laws and regulations. No evidence of discrimination or the use of illegal credit practices was noted during the review of bank policies and procedures. No practices have the intent or the effect of discouraging applicants for credit.

APPENDIX A

SCOPE OF EXAMINATION

TIME PERIOD REVIEWED			
October 1, 2007–September 30, 2008–Lending Test			
January 1, 2005–September 30, 2008–Community Development Test			
FINANCIAL INSTITUTION		PRODUCTS REVIEWED	
LandMarkBank, Sarasota, Florida		Small Business Loans	
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
None	Not Applicable	None	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Sarasota and Manatee Counties, Florida	Full-Scope Exam Procedures	Fruitville Branch	None

APPENDIX B-GLOSSARY

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

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

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

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

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

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

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

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total

APPENDIX B—GLOSSARY (continued)

number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans : Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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

APPENDIX B—GLOSSARY (continued)

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

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

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

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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

APPENDIXC-DEFINITIONSANDGENERALINFORMATION

ATMs-..... AutomatedTellerMachines
CDE-.....CommunityDevelopmentEnterprise
CDFI-.....CommunityDevelopmentFinanc ialInstitution
CRA-.....CommunityReinvestmentA ct
FDIC-.....FederalDepositInsuranceCo rporation
FHA-.....FederalHousingAdm inistration
HMDA-..... HomeMortgageDisclosureAct
HUD-.....DepartmentofHousingandUrban Development
LTD-.....Loan-to-DepositRatio
LTV-.....Loan-to-ValueRati o
MD-.....MetropolitanDivisio n
MSA-.....MetropolitanStatistica lArea
OMB-..... OfficeofManagementandBudget
REIS-.....RegionalEconomicInformati onSystems
SBA-.....SmallBusinessAdministration
USDA-..... UnitedStatesDepartmentofAgriculture

ROUNDINGCONVENTION

Because percentages presented in tables were rounde d to the nearest whole number in most cases, some columnsmaynottotalexactly100percent.

APPENDIX C-DEFINITIONS AND GENERAL INFORMATION (continued)

General Information

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

This document is an evaluation of the CRA performance of **LandMarkBank** prepared by the **Federal Reserve Bank of Atlanta**, the institution's supervisory agency, as of **January 26, 2009**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 208.