

PUBLIC DISCLOSURE

May 1, 2006

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First American Bank
Birmingham, Alabama
RSSD ID Number: 424035**

**FEDERAL RESERVE BANK OF ATLANTA
1000 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30309-4470**

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.

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INSTITUTION

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

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

| PERFORMANCE LEVELS | <u>First American Bank</u> | | |
|---------------------------|----------------------------|-----------------|--------------|
| | PERFORMANCE TESTS | | |
| | Lending Test* | Investment Test | Service Test |
| Outstanding | | X | |
| High Satisfactory | | | |
| Low Satisfactory | X | | X |
| 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.

Based on a review of the bank's lending record, qualified investments, and services, the bank meets the standards for a satisfactory level of performance in its assessment areas; however, more emphasis should be placed community development lending and services.

- **Lending Test** – First American Bank's lending levels reflect **ADEQUATE** responsiveness to assessment area credit needs. A **HIGH PERCENTAGE** of the bank's lending is inside its assessment areas. The distribution of borrowers reflects **ADEQUATE** penetration among borrowers of different income levels and businesses of various revenue sizes. The geographic distribution reflects **ADEQUATE** penetration throughout the assessment area. Considering the level of opportunity and competition in the bank's assessment areas, the bank **MAKES AN ADEQUATE LEVEL** of community development loans. The bank makes **LIMITED USE** of innovative and flexible lending practices in serving assessment area credit needs.
- **Investment Test** – The bank makes an **EXCELLENT** level of qualified community development investments and grants. Investments totaled \$10.1 million and included mortgage-backed securities totaling \$9.7 million and contributions totaling \$414,538. The bank exhibits **EXCELLENT** responsiveness to credit and community economic development needs.

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| INSTITUTION (Continued) |
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- *Service Test* – The bank’s systems for delivering retail-banking services are **REASONABLY ACCESSIBLE** to the bank’s geographies and individuals of different income levels in its assessment area. Also, the bank’s record of opening and closing branches has **NOT ADVERSELY AFFECTED** the accessibility of its delivery systems, particularly low- and moderate-income geographies and/or low- and moderate-income individuals. Business hours and services **DO NOT VARY IN A WAY THAT INCONVENIENCES PORTIONS** of the assessment areas, particularly low- and moderate-income geographies and/or low- and moderate-income individuals. The bank **PROVIDES A RELATIVELY HIGH LEVEL OF** community development services.

INSTITUTION (Continued)

DESCRIPTION OF INSTITUTION

First American Bank is an intrastate commercial bank headquartered in Birmingham, Alabama. The bank is a wholly-owned subsidiary of Alabama National Bancorporation (ANB), a multi-bank holding company also headquartered in Birmingham, Alabama. As of December 31, 2005, First American Bank had total assets of \$2.8 billion.

In February 2005 two subsidiary banks of ANB (National Bank of Commerce, headquartered in Birmingham, and First Citizens Bank, headquartered in Talladega,) were merged into First American Bank. First American Bank's headquarters was moved from Decatur, Alabama to Birmingham. As of the date of this examination, the bank operated 35 full-service banking offices and 41 full-service ATMs throughout central and northern Alabama. The bank also has a proprietary cash dispensing ATM in Tuscaloosa County, Alabama.

First American Bank offers a variety of business, construction, mortgage, and consumer loan products to meet the credit needs of its assessment areas. Agricultural loans and farm loans are not a significant loan product for the bank. The composition of the loan portfolio is displayed in the following table:

| COMPOSITION OF LOAN PORTFOLIO | | | | | | |
|---|--------------------|----------------|-------------------|----------------|-------------------|----------------|
| Loan Type | 12/31/2005 | | 12/31/2004 | | 12/31/2003 | |
| | \$ (000s) | Percent | \$ (000s) | Percent | \$ (000s) | Percent |
| Construction and Development | 508,255 | 29.9% | 149,408 | 23.1% | 141,003 | 24.0% |
| Secured by One- to Four- Family Dwellings | 517,296 | 30.4% | 193,145 | 29.9% | 156,570 | 26.7% |
| Other Real Estate: | | | | | | |
| Farmland | 3,988 | 0.2% | 3,032 | 0.5% | 3,395 | 0.6% |
| Multifamily | 42,548 | 2.5% | 17,831 | 2.8% | 18,375 | 3.1% |
| Nonfarm nonresidential | 411,870 | 24.2% | 193,660 | 29.9% | 179,818 | 30.6% |
| Commercial and Industrial | 173,947 | 10.2% | 63,298 | 9.8% | 61,010 | 10.4% |
| Loans to Individuals | 40,412 | 2.4% | 25,342 | 3.9% | 25,487 | 4.3% |
| Agricultural Loans | 1,295 | 0.1% | 1,131 | 0.2% | 1,081 | 0.2% |
| Total | \$1,699,611 | 100.00% | \$646,847 | 100.00% | \$586,739 | 100.00% |

* 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 illustrated by the table, the bank's loan portfolio is primarily composed of loans secured by one- to four-family dwellings and construction and development loans, followed by loans secured by nonfarm nonresidential real estate. The growth in the loan portfolio during the period shown above was primarily because of the merger in February 2005 as well as some internal loan growth.

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| INSTITUTION (Continued) |
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First American Bank's average net loan-to-deposit (LTD) ratio for the eight quarters ended December 31, 2005 was 99.9 percent. During this period, the bank's LTD ratio ranged from a low of 94.1 percent as of June 30, 2004 to a high of 105.4 percent as of September 30, 2005. First American Bank's average net LTD ratio was compared with the LTD ratio of four financial institutions of similar asset size with branch offices in the bank's assessment areas. The average net LTD ratio of the four institutions ranged from 70.9 percent to 115.0 percent.

No known legal impediments exist that would restrain the bank from meeting the credit needs of its assessment areas. First American Bank received a satisfactory CRA rating at its previous evaluation conducted by the Federal Deposit Insurance Corporation dated April 6, 2004, using the large bank CRA examination procedures.

For purposes of CRA, the bank's operations were organized into five assessment areas: the Auburn Assessment Area, which consists of Lee County in the Auburn-Opelika, Alabama MSA; the Birmingham Assessment Area, which consists of Jefferson, Shelby, and St. Clair Counties in the Birmingham-Hoover, Alabama MSA; the Decatur Assessment Area which consists of Morgan County, in the Decatur, Alabama MSA; the Huntsville Assessment Area, which consists of Madison and Limestone Counties in the Huntsville, Alabama MSA; and the Talladega Assessment Area, which consists of Clay County and a portion of Talladega County. The Birmingham Assessment Area and the Huntsville Assessment Area were reviewed using full-scope examination procedures. The Auburn, Decatur, and Talladega Assessment Areas were reviewed using limited-scope examination procedures.

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| INSTITUTION (Continued) |
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CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

SCOPE OF EXAMINATION

The evaluation included an analysis of HMDA loans and small business loans originated from January 1, 2004 through December 31, 2005. The review period for community development lending, investments, and services was January 1, 2004, through May 1, 2006. Affiliate HMDA and small business loan data for National Bank of Commerce and small business loan data for First Citizens Bank for 2004 were also considered for this examination. During the review period, the number and dollar volume of HMDA loans exceeded the number and dollar volume of small business loans. Therefore, HMDA loans were given more weight in determining the lending test rating.

For purposes of CRA, HMDA loans are those loans as defined in the Federal Reserve Board's Regulation C. The loan categories are home purchase, home refinance, multi-family, and home improvement loans. Small business loans are loans with original amounts of \$1 million or less. To supplement its small business lending data, a financial institution can also have other small business loans reviewed. Other small business loans are defined as other secured lines/loans for purposes of small businesses. Typically, these loans are secured by residential real estate. Small farm loans are loans with an original amount of \$500,000 or less. At the bank's option, consumer loans may also be considered in the lending test. Consumer loans are loans to one or more individuals for household, family, or other personal expenditures. A community development loan is a loan to an entity for the purpose of providing affordable housing to or community services for low- and moderate-income persons, revitalization or stabilization of low- and moderate-income areas through the creation or retention of jobs for low- and moderate-income persons, or economic development through the financing of small businesses and farms that meet certain eligibility standards.

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| INSTITUTION (Continued) |
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LENDING TEST

Overview

The overall rating of the institution for the lending test is **LOW SATISFACTORY**. The rating is primarily based on the bank's performance in the Birmingham and Huntsville Assessment Areas. The Birmingham Assessment Area and the Huntsville Assessment Area both had about the same percentage of the bank's lending; however, because the greater percentage of population, deposits and branches is in the Birmingham Assessment Area, the bank's performance in the Birmingham Assessment Area was given greater weight in the overall CRA rating of First American Bank. The bank's performance in the limited scope assessment areas (Auburn, Decatur, and Talladega) was generally consistent with the performance of the Birmingham and Huntsville Assessment Areas and did not affect the bank's overall CRA performance.

Lending Activity

Considering the bank's market share of deposits in its assessment areas, information gathered from community contacts, and demographic information, lending levels reflect **ADEQUATE** responsiveness to assessment area credit needs. The bank originated or purchased 3,993 HMDA loans, which includes affiliate lending, totaling \$623.5 million within the assessment areas. Of these, 2,574 (64.5 percent) were home purchase loans; 1,295 (32.4 percent) were home refinance loans; 106 (2.6 percent) were home improvement loans; and 18 (0.5 percent) were multi-family housing loans. In addition, First American Bank originated or purchased 2,363 small business loans, which includes affiliate lending, totaling \$274.6 million in its assessment areas. The bank reported a small number of small farm loans, but as this is not a significant product for the bank, small farm lending was not included in the evaluation.

Assessment Area Concentration

A **HIGH PERCENTAGE** of the bank's lending occurred inside its assessment areas. The following table shows the distribution of loans that were originated during the review period inside and outside the bank's assessment areas, by number and dollar amount of loans, according to loan type. It is important to remember that affiliate loan data is not included in the assessment area concentration analysis. As a result, lending activity data and loan data for assessment area concentration will not match.

INSTITUTION (Continued)

Lending Inside and Outside the Assessment Area

| Loan Type | Inside | | | | Outside | | | |
|---------------------------------|--------------|-------------|------------------|-------------|--------------|-------------|------------------|-------------|
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| Home Improvement | 90 | 85.7 | \$4,229 | 87.3 | 15 | 14.3 | \$615 | 12.7 |
| Home Purchase - | 2,035 | 81.1 | \$307,327 | 77.2 | 474 | 18.9 | \$90,716 | 22.8 |
| Home Purchase - FHA | 60 | 90.9 | \$5,941 | 93.0 | 6 | 9.1 | \$446 | 7.0 |
| Home Purchase - VA | 19 | 82.6 | \$2,950 | 78.4 | 4 | 17.4 | \$812 | 21.6 |
| Multi-Family Housing | 9 | 100.0 | \$21,935 | 100.0 | 0 | 0.0 | \$0 | 0.0 |
| Refinancing | 1,029 | 74.5 | \$150,878 | 71.3 | 352 | 25.5 | \$60,662 | 28.7 |
| Total HMDA related | 3,242 | 79.2 | \$493,260 | 76.3 | 851 | 20.8 | \$153,251 | 23.7 |
| Small Business | 1,936 | 89.5 | \$207,053 | 90.5 | 227 | 10.5 | \$21,610 | 9.5 |
| Total Small Bus. related | 1,936 | 89.5 | \$207,053 | 90.5 | 227 | 10.5 | \$21,610 | 9.5 |
| Small Farm | 60 | 75.0 | \$4,991 | 64.6 | 20 | 25.0 | \$2,734 | 35.4 |
| Total Small Farm related | 60 | 75.0 | \$4,991 | 64.6 | 20 | 25.0 | \$2,734 | 35.4 |
| TOTAL LOANS | 5,238 | 82.7 | \$705,304 | 79.9 | 1,098 | 17.3 | \$177,595 | 20.1 |

Note: Affiliate loans not included

As indicated by the table above, 82.7 percent of the bank's loans were to customers and businesses inside the bank's assessment areas. Also, a majority of the loan dollars associated with the loans was inside the bank's assessment areas. This level of lending inside the assessment areas indicates that the bank is serving the credit needs of its assessment areas.

Geographic and Borrower Distribution of Loans

The geographic distribution of loans reflects **ADEQUATE** penetration throughout the assessment areas. The distribution of borrowers reflects **ADEQUATE** penetration among customers of different income levels and businesses of different sizes. These conclusions were based upon the bank's performance in each assessment area considering performance context information and in comparison to available demographic and aggregate lending data. The analysis of HMDA and small business lending within each assessment area is discussed in greater detail later in the report.

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| INSTITUTION (Continued) |
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The bank exhibits an **ADEQUATE** record of serving the credit needs of low- and moderate-income individuals and areas and very small businesses within its assessment areas. First American Bank **MAKES LIMITED USE** of flexible and innovative lending programs in serving the credit needs of its assessment areas. Some of the bank's flexible lending programs, which are available in all of the assessment areas, are listed below:

- Guaranteed Rural Housing Residential Mortgage Program – This program is designed for moderate-income families and generally offers mortgages with minimal, to no, closing costs, low to zero percent down payment, and relaxed underwriting guidelines. The home financed or to be built must be located in a designated rural area. The bank originated 27 loans totaling \$2.8 million under this program during the evaluation period.
- Veterans' Administration-guaranteed Home Loan Program – The purpose of this program is to help eligible military veterans finance the purchase of homes with favorable loan terms and at an interest rate which is competitive with the rate charged on other types of mortgage loans. The bank originated 23 loans totaling \$3.2 million under this program during the evaluation period.
- Flexible 97 Loan Program – This is a home loan program that requires only a 3 percent down payment. The bank originated 9 loans totaling \$1.3 million under this program during the evaluation period.
- Flexible 100 Loan Program – This is a home loan program that offers a zero percent down payment. A minimum of \$500 is required from the borrowers' own funds. The bank originated 3 loans totaling \$331,708 under this program during the evaluation period.
- Federal Housing Administration Loan Program – This home loan program offers relaxed underwriting guidelines and lower than market down payment requirements. The bank originated 37 loans totaling \$3.7 million under this program during the evaluation period.
- Small Business Administration-guaranteed Loan Program – The bank originated 5 loans totaling \$704,000 under this program during the evaluation period.

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| INSTITUTION (Continued) |
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- VISA Payment Card – The purpose of this payment card is for employers to deposit an employee’s wages to a stored value card allowing access to the payroll funds immediately on payday without having to incur high fees associated with cashing a paper check. This service typically benefits individuals who do not maintain a deposit account with a financial institution. The bank issued 444 payroll payment cards under this program during the evaluation period.

Community Development Lending

First American Bank **MAKES AN ADEQUATE LEVEL** of community development loans that primarily benefit its assessment areas. The bank originated 24 community development loans totaling \$5.6 million. Of the 24 loans, 11 loans totaling \$120,713 were funded under a \$1.1 million commitment to the Alabama Multi-family Loan Consortium that develops affordable multi-family housing for low- to moderate-income persons. Also, the bank originated a \$1.6 million community development loan to an organization that administers various federal programs primarily for low- to moderate-income senior citizens. The other community development loans were for the construction or rehabilitation of affordable multi-family housing units.

INVESTMENT TEST

The bank’s rating under the investment test is **OUTSTANDING**.

First American Bank participated in an **EXCELLENT** level of community development investments. Qualified investments during the review period totaled \$10.1 million, which is comprised of investments totaling \$9.7 million and grants and donations totaling \$414,538. Competition and the lack of available direct investments have hampered the bank’s ability to engage in qualified investments in the Birmingham and Huntsville Assessment Areas. Based on an evaluation of performance context, area demographics, and available opportunities in the assessment area, the bank’s investments exhibit **EXCELLENT** responsiveness to credit and community development needs. The distribution of the bank’s grants and contributions is listed in the table on the following page.

INSTITUTION (Continued)

| FIRST AMERICAN BANK GRANTS AND CONTRIBUTIONS | | |
|---|---------------------|-------------------|
| ASSESSMENT AREA | AMOUNT | PERCENTAGE |
| Auburn | \$12,775.00 | 3.1 |
| Birmingham | \$181,485.00 | 43.9 |
| Decatur | \$25,600.00 | 6.2 |
| Huntsville | \$15,325.00 | 3.7 |
| Talladega | \$12,135.00 | 2.9 |
| All Assessment Areas | \$167,218.00 | 40.3 |
| Total | \$414,538.00 | 100 % |

SERVICE TEST

The overall rating of the institution with regard to the service test is **LOW SATISFACTORY**. The bank's systems for delivering retail-banking services are **REASONABLY ACCESSIBLE** to the bank's geographies and individuals of different income levels in its assessment area. This conclusion is based primarily on the bank's distribution of branches in the Birmingham and Huntsville Assessment Areas. The record of opening and closing branches has **NOT ADVERSELY AFFECTED** the accessibility of its delivery systems, particularly to low-to moderate-income geographies and/or low- and moderate-income individuals. Since the previous examination, the bank opened one office in a middle-income census tract and relocated one office from a middle-income census tract to a middle-income census tract. Business hours and services **DO NOT VARY IN A WAY THAT INCONVENIENCES PORTIONS** of the assessment areas, particularly low- and moderate-income geographies and/or low- and moderate-income individuals.

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| INSTITUTION (Continued) |
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Community Development Services

The bank **PROVIDES A RELATIVELY HIGH LEVEL OF** community development services throughout most of its assessment areas. Board members, officers, and employees have used their financial and technical expertise to provide financial services that benefit residents in the assessment areas. The community development services are responsive to the needs of low- and moderate-income families or areas, and small businesses in the assessment areas. Please refer to the specific assessment areas for descriptions of the community development services provided by the bank.

Compliance with Antidiscrimination Laws

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

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| METROPOLITAN AREA: Birmingham Assessment Area |
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DESCRIPTION OF INSTITUTION'S OPERATIONS IN BIRMINGHAM ASSESSMENT AREA

Overview

First American Bank's performance in the Birmingham Assessment Area was evaluated using full-scope examination procedures. As of the examination date, the bank's Birmingham Assessment Area included Jefferson, Shelby, and St. Clair Counties, which are part of the Birmingham-Hoover MSA. The bank operates 16 banking offices and 21 ATMs in the Birmingham Assessment Area. As of December 31, 2005, the bank had \$921.4 million in deposits in the Birmingham Assessment Area representing 48.9 percent of the bank's total deposits outstanding and a 5.0 percent deposit market share. The Birmingham Assessment Area contained 35.3 percent of the HMDA loans and 30.4 percent of the small business loans originated/purchased during the review period.

DEMOGRAPHIC DATA

The table on page 16 provides demographic data that were used in analyzing the bank's CRA performance. Certain components of the data in the table are discussed in this evaluation as they apply to particular parts of the analysis.

Population Characteristics

2000 census data indicates that the population of the Birmingham Assessment Area was 870,082 persons. This figure represents 19.6 percent of the population of the state of Alabama.

Poverty Level

Of the total families in the Birmingham Assessment Area, 24,311 (10.3 percent) had incomes below the poverty level. A high level of poverty was noted in low-income census tracts, where 41.7 percent of the families had incomes below poverty level. A high level of poverty was also noted in moderate-income census tracts, where 20.7 percent of the families had incomes below the poverty level. The high level of poverty could affect financial institutions' ability to originate loans in low- and moderate-income census tracts.

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

Housing Characteristics

2000 census data indicates a very small percentage (2.8 percent) of owner-occupied housing units are located in low-income tracts, where 5.3 percent of families reside. With the limited amount of owner-occupied housing units coupled with a high poverty level, financial institutions may have extreme difficulty originating HMDA loans in low-income census tracts.

2000 census data indicates that the median housing value in the assessment area is \$94,826. This is higher than the median housing value for the Birmingham MSA at \$88,282 and the state of Alabama at \$76,700. The median housing age in the assessment area is 28 years, compared to the Birmingham MSA at 27 years and the state of Alabama at 25 years. The age of housing would indicate a possible need for home improvement loans.

HUD Estimated Median Family Incomes for 2004 and 2005

The 2004 HUD estimated median family income for the Birmingham-Hoover MSA is \$52,800. Based on the HUD estimated median family income, low-income families are those families whose gross annual income is \$26,399 or less. Moderate-income families are families with gross annual income ranging from \$26,400 to \$42,239. The 2005 HUD estimated median family income for the Birmingham-Hoover MSA is \$54,350. Based on the HUD estimated median family income, low-income families are families whose gross annual income is \$27,174 or less. Moderate-income families are families with gross annual income ranging from \$27,175 to \$43,479. Based on these income levels and median housing values, it may be difficult for financial institutions to originate home purchase loans (excluding manufactured housing) to low-income families and some moderate-income families due to the lack of available homes in a price range that is affordable to them.

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

Employment Statistics

According to 2003 REIS, Jefferson County’s employment was primarily supported by government agencies, retail trade, and health care and social services. Shelby County’s employment was primarily supported by government agencies, manufacturing, construction, and retail trade. St. Clair County’s employment was primarily supported by government agencies, and retail trade. The following table shows the annual unemployment rates for Jefferson, Shelby, and St. Clair Counties, and the state of Alabama for 2003, 2004, 2005, and February 2006.

| <i>UNEMPLOYMENT RATES FOR YEARS 2003 – 2006 (Not Seasonally Adjusted)</i> | | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| <i>Area</i> | <i>2003 (annual)</i> | <i>2004 (annual)</i> | <i>2005 (annual)</i> | <i>February 2006</i> |
| <i>Jefferson County</i> | 5.4% | 5.3% | 4.0% | 4.2% |
| <i>Shelby County</i> | 3.3% | 3.2% | 2.6% | 2.6% |
| <i>St. Clair County</i> | 4.9% | 4.8% | 3.4% | 3.3% |
| <i>State of Alabama</i> | 5.5% | 5.2% | 4.0% | 4.0% |

Business Size Characteristics

The table on page 16 provides key demographic business data by revenue size and census tracts in the assessment area. The table illustrates that, according to Dun & Bradstreet, 85.6 percent of the businesses in the assessment area that reported annual revenues had total annual revenues of less than \$1 million. For the purposes of this report, businesses with less than \$1 million in total annual revenues are considered small businesses.

Competition

The level of competition is considered high in the assessment area because of the significant presence of banks in this market. There are many other financial institutions operating offices in the Birmingham Assessment Area. Many of these banks are large statewide, multi-regional, or national banks. According to the June 30, 2005 FDIC/OTS Summary of Deposits Report, 31 financial institutions operated 271 branches in the Birmingham Assessment Area. First American Bank ranked 7th in deposit market share at 5.0 percent and 6th in number of branches with 16 banking facilities. AmSouth Bank ranked 1st in deposit market share at 21.5 percent and 1st in number of branches at 47 banking facilities.

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| METROPOLITAN AREA: Birmingham Assessment Area (Continued) |
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First American Bank's competition comes mainly from FDIC-Insured institutions with branch offices located in the Birmingham Assessment Area. Many of these banks are statewide, multi-regional, or national banks. First American Bank's largest competitors in the Birmingham Assessment Area are Amsouth Bank, Compass Bank, Wachovia Bank, NA, and Regions Bank. Local competition, particularly from these very large multi-regional financial institutions, may adversely affect the bank's ability to originate community development loans and to purchase qualified community development investments that serve the community development needs of the Birmingham Assessment Area.

Community Contacts

As a part of the CRA examination, information was obtained from one community leader regarding economic conditions and community credit needs in the Birmingham area. The contact's organization is going to approach local banks for funds to be used in housing construction and permanent residential financing, and to conduct financial literacy and homebuyer education programs for potential applicants. The contact had generally positive remarks about the degree of involvement of the local financial institutions.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The tables on the following pages and in Appendix B to this report provide information that was used in analyzing the bank's CRA performance for the assessment area. Certain components of the data in the table are discussed in the evaluation as they apply to particular parts of the analysis.

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

The following tables show demographic and lending data in the Birmingham Assessment Area for the entire review period.

Assessment Area Demographics

Assessment Area: Birmingham 2004 & 2005

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families by Tract | | Families by Family Income | |
|------------------------------|--|---|--------------------------|-------------------------|--|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 16 | 8.5 | 12,468 | 5.3 | 5,203 | 41.7 | 48,581 | 20.5 |
| Moderate-income | 46 | 24.5 | 46,037 | 19.5 | 9,514 | 20.7 | 39,091 | 16.5 |
| Middle-income | 66 | 35.1 | 89,461 | 37.8 | 7,313 | 8.2 | 47,241 | 20.0 |
| Upper-income | 60 | 31.9 | 88,631 | 37.5 | 2,281 | 2.6 | 101,684 | 43.0 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 188 | 100.0 | 236,597 | 100.0 | 24,311 | 10.3 | 236,597 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 25,276 | 6,654 | 2.8 | 26.3 | 14,136 | 55.9 | 4,486 | 17.7 |
| Moderate-income | 80,182 | 41,564 | 17.4 | 51.8 | 29,582 | 36.9 | 9,036 | 11.3 |
| Middle-income | 140,244 | 94,782 | 39.6 | 67.6 | 33,185 | 23.7 | 12,277 | 8.8 |
| Upper-income | 129,065 | 96,408 | 40.3 | 74.7 | 25,728 | 19.9 | 6,929 | 5.4 |
| Unknown-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 374,767 | 239,408 | 100.0 | 63.9 | 102,631 | 27.4 | 32,728 | 8.7 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 3,950 | 12.4 | 3,170 | 11.6 | 643 | 18.2 | 137 | 12.8 |
| Moderate-income | 4,812 | 15.1 | 4,159 | 15.3 | 491 | 13.9 | 162 | 15.2 |
| Middle-income | 10,283 | 32.3 | 8,996 | 33.0 | 920 | 26.1 | 367 | 34.3 |
| Upper-income | 12,793 | 40.2 | 10,917 | 40.1 | 1,473 | 41.8 | 403 | 37.7 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 31,838 | 100.0 | 27,242 | 100.0 | 3,527 | 100.0 | 1,069 | 100.0 |
| | Percentage of Total Businesses: | | | 85.6 | | 11.1 | | 3.4 |

Based on 2000 Census Information.

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

Loan Distribution Table

Assessment Area: Birmingham

| Income Categories | HMDA | | | | | | | |
|-------------------------|-----------------|---------------|----------------|---------------|--------------------|---------------|----------------|---------------|
| | By Tract Income | | | | By Borrower Income | | | |
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| Home Purchase | | | | | | | | |
| Low | 13 | 1.4% | 2,721 | 1.6% | 38 | 4.1% | 4,094 | 2.4% |
| Moderate | 35 | 3.8% | 3,387 | 2.0% | 179 | 19.5% | 22,206 | 13.0% |
| Middle | 266 | 28.9% | 35,588 | 20.8% | 145 | 15.8% | 18,780 | 11.0% |
| Upper | 605 | 65.8% | 129,432 | 75.6% | 528 | 57.5% | 123,147 | 72.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 29 | 3.2% | 2,901 | 1.7% |
| Total | 919 | 100.0% | 171,128 | 100.0% | 919 | 100.0% | 171,128 | 100.0% |
| Refinance | | | | | | | | |
| Low | 12 | 2.6% | 1,209 | 1.5% | 19 | 4.2% | 1,783 | 2.2% |
| Moderate | 45 | 9.9% | 2,055 | 2.5% | 44 | 9.7% | 5,404 | 6.7% |
| Middle | 127 | 28.0% | 14,916 | 18.4% | 69 | 15.2% | 8,536 | 10.6% |
| Upper | 270 | 59.5% | 62,680 | 77.5% | 259 | 57.0% | 52,403 | 64.8% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 63 | 13.9% | 12,734 | 15.7% |
| Total | 454 | 100.0% | 80,860 | 100.0% | 454 | 100.0% | 80,860 | 100.0% |
| Home Improvement | | | | | | | | |
| Low | 2 | 9.1% | 64 | 12.8% | 4 | 18.2% | 16 | 3.2% |
| Moderate | 2 | 9.1% | 23 | 4.6% | 2 | 9.1% | 10 | 2.0% |
| Middle | 6 | 27.3% | 45 | 9.0% | 3 | 13.6% | 73 | 14.6% |
| Upper | 12 | 54.5% | 368 | 73.6% | 12 | 54.5% | 393 | 78.6% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 1 | 4.5% | 8 | 1.6% |
| Total | 22 | 100.0% | 500 | 100.0% | 22 | 100.0% | 500 | 100.0% |
| Multi-Family | | | | | | | | |
| Low | 2 | 13.3% | 685 | 3.2% | 0 | 0.0% | 0 | 0.0% |
| Moderate | 4 | 26.7% | 811 | 3.7% | 0 | 0.0% | 0 | 0.0% |
| Middle | 8 | 53.3% | 18,201 | 84.1% | 0 | 0.0% | 0 | 0.0% |
| Upper | 1 | 6.7% | 1,950 | 9.0% | 0 | 0.0% | 0 | 0.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 15 | 100.0% | 21,647 | 100.0% |
| Total | 15 | 100.0% | 21,647 | 100.0% | 15 | 100.0% | 21,647 | 100.0% |
| HMDA Totals | | | | | | | | |
| Low | 29 | 2.1% | 4,679 | 1.7% | 61 | 4.3% | 5,893 | 2.1% |
| Moderate | 86 | 6.1% | 6,276 | 2.3% | 225 | 16.0% | 27,620 | 10.1% |
| Middle | 407 | 28.9% | 68,750 | 25.1% | 217 | 15.4% | 27,389 | 10.0% |
| Upper | 888 | 63.0% | 194,430 | 70.9% | 799 | 56.7% | 175,943 | 64.2% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 108 | 7.7% | 37,290 | 13.6% |
| Total | 1,410 | 100.0% | 274,135 | 100.0% | 1,410 | 100.0% | 274,135 | 100.0% |
| SMALL BUSINESS | | | | | | | | |
| | # | % | \$(000s) | % | | | | |
| By Tract Income | | | | | | | | |
| Low | 115 | 16.0% | 23,898 | 20.8% | | | | |
| Moderate | 72 | 10.0% | 9,091 | 7.9% | | | | |
| Middle | 215 | 29.9% | 24,337 | 21.2% | | | | |
| Upper | 316 | 44.0% | 57,405 | 50.0% | | | | |
| Unknown | 0 | 0.0% | 0 | 0.0% | | | | |
| Total | 718 | 100.0% | 114,731 | 100.0% | | | | |
| By Revenue | | | | | | | | |
| \$1 Million or Less | 224 | 31.2% | 36,526 | 31.8% | | | | |
| Over \$1 Million | 163 | 22.7% | 39,248 | 34.2% | | | | |
| Not Known | 331 | 46.1% | 38,957 | 34.0% | | | | |
| Total | 718 | 100.0% | 114,731 | 100.0% | | | | |
| By Loan Size | | | | | | | | |
| \$100,000 or less | 451 | 62.8% | 15,775 | 13.7% | | | | |
| \$100,001 - \$250,000 | 125 | 17.4% | 21,870 | 19.1% | | | | |
| \$250,001 - \$1 Million | 142 | 19.8% | 77,086 | 67.2% | | | | |
| Total | 718 | 100.0% | 114,731 | 100.0% | | | | |

Originations and Purchases

| |
|--|
| METROPOLITAN AREA: Birmingham Assessment Area (Continued) |
|--|

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overview

In the Birmingham Assessment Area, First American Bank's number and dollar volume of HMDA lending exceeded both the number and the dollar volume of small business lending for the review period. Therefore, HMDA lending was weighted more heavily than small business lending in determining the bank's lending test rating for the Birmingham Assessment Area. First American Bank offers small farm loans; however, the volume of small farm loans was minimal, therefore, it was not considered in the lending test evaluation.

Lending levels reflect **ADEQUATE** responsiveness to assessment area credit needs. The geographic distribution of loans reflects **ADEQUATE** penetration throughout the assessment area. The distribution of borrowers reflects **ADEQUATE** penetration among customers of different income levels and businesses of different revenue sizes. The bank **MAKES AN ADEQUATE** level of community development loans in this assessment area.

Lending Activity

Lending levels reflect **ADEQUATE** responsiveness to assessment area credit needs. During the review period, the bank originated 1,410 HMDA loans totaling \$274.1 million within the Birmingham Assessment Area. Of those 1,410 HMDA loans, 919 (65.2 percent) were home purchase loans, 454 (32.2 percent) were home refinance loans, 22 (1.6 percent) were home improvement loans, and 15 loans (1.1 percent) were for multi-family housing loans. According to market share data reports for 2005, First American Bank ranked 24th out of 474 reporters with a market share of 1.4 percent, by number, in the origination of HMDA loans. Countrywide Home Loans had the largest market share of HMDA loan originations by a single entity at 5.6 percent. Of regulated financial institutions with at least one branch office in the assessment area, the top three loan entities were Amsouth Bank, Regions Bank, and Renasant Bank. Of peer banks (banks with assets ranging from \$1 billion to \$3 billion operating at least one branch office in the assessment area), the top three entities were Renasant Bank, New South Federal Savings Bank and First American Bank.

The bank originated 718 small business loans totaling \$114.7 million during the review period within the Birmingham Assessment Area. According to market share data reports from 2005, First American Bank ranked 15th out of 76 reporters with a market share of 1.1 percent, by number, in the origination of small business

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

loans. MBNA American DE, N.A., had the largest market share of small business loans at 23.0 percent. The top three originators of small business loans were MBNA America DE, N.A., GE Capital Financial, and Citibank USA, N.A. Of regulated financial institutions with at least one branch office in the assessment area, the top three originators of small business loans were AmSouth Bank, Regions Bank, and First Commercial Bank. Of peer banks (banks with assets ranging from \$1 billion to \$3 billion operating at least one branch office in the assessment area), the top three entities were First Commercial Bank, First American Bank, and Renasant Bank.

Geographic Distribution of Loans

For this analysis, the geographic distribution of HMDA and small business lending was compared with the demographic information available. Performance context issues were also considered, as well as the performance of other banks.

First American Bank's level of HMDA lending in the Birmingham Assessment Area in low-income census tracts at 2.1 percent is slightly below the percentage of owner-occupied units in these tracts at 2.8 percent. Issues that could have affected by the bank's ability to originate loans are high poverty level and limited number of housing units. HMDA lending in moderate-income tracts at 6.1 percent is lower than the percentage of owner-occupied units in these tracts at 17.4 percent. The low level of lending can partially be attributed to a moderate level of poverty coupled with competition from bank and non-bank lending entities. The aggregate comparison loan distribution table for the Birmingham Assessment Area in Appendix C shows that the bank's HMDA lending in low-income tracts in 2004 at 2.2 percent exceeded aggregate performance at 1.5 percent. However, in moderate-income tracts, the bank's HMDA lending at 8.3 percent was lower than aggregate performance at 11.9 percent. Aggregate HMDA data for 2005 was not available.

The bank's small business lending in low-income tracts in the Birmingham Assessment Area at 16.0 percent is higher than the percentage of small businesses located in these tracts at 11.6 percent. The bank's small business lending in moderate-income tracts at 10.0 percent is lower than the percentage of small businesses located in these tracts at 15.3 percent. The aggregate comparison loan distribution table for the Birmingham Assessment Area in Appendix C shows that the bank's small business lending in 2004 in low-income tracts at 17.1 percent significantly exceeded aggregate performance at 9.7 percent. In moderate-income tracts, the bank's small

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

business lending at 10.9 percent was slightly above aggregate performance at 10.2 percent. Aggregate CRA data for 2005 was not available.

Based on demographic factors, community contact information, competition, and aggregate lending data, the geographic distribution of loans reflects **ADEQUATE** penetration throughout the assessment area.

Distribution by Borrower Profile

For this analysis, the distribution of HMDA lending across borrower income levels and small business lending across business revenue sizes was compared with available demographic information. Performance context issues were also considered, including the performance of other banks.

Based on demographic and loan data from the review period, low-income families represented 20.5 percent of total families; however, only received 4.3 percent of the bank's HMDA loans. The bank's level of lending to low-income families could have been affected by the percentage of families with incomes below the poverty level at 10.3 percent. Typically, low-income families are most affected by the poverty level criteria. The bank's percentage of HMDA loans to moderate-income borrowers at 16.0 percent was comparable to the percentage of moderate-income families in the assessment area at 16.5 percent. The aggregate comparison loan distribution table for the Birmingham Assessment Area in Appendix C shows that First American Bank's HMDA lending in 2004 to low-income borrowers at 4.2 percent was lower than aggregate performance at 7.3 percent. The bank's HMDA lending to moderate-income borrowers at 16.3 percent was slightly lower than aggregate performance at 18.1 percent. Aggregate HMDA data for 2005 was not available.

Of the 718 small business loans originated in the assessment area, gross revenue was reported for 387 (53.9 percent). Of the 387 small business loans with reported gross revenues, 57.9 percent were extended to businesses with gross annual revenues of \$1 million or less, which was significantly below the percentage of businesses with gross annual revenues of \$1 million or less in the assessment area at 85.6 percent. 62.8 percent of the small business loans originated were made in amounts of \$100,000 or less, indicating the bank's willingness to make small loans to businesses. The aggregate comparison loan distribution table for the Birmingham Assessment Area in Appendix C shows that First American Bank's level of small business lending in 2004 to small businesses at 32.9 percent was lower than the aggregate performance at 46.1 percent. Aggregate CRA data for 2005 was not available.

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

Based on these factors, the distribution of borrowers reflects ADEQUATE penetration among customers of different income levels and businesses of different sizes. The bank exhibits an **ADEQUATE** record of serving the credit needs of low-income individuals and areas and very small businesses.

Community Development Lending

First American Bank **MAKES AN ADEQUATE LEVEL** of community development loans in the Birmingham Assessment Area. Seven loans totaling \$1.8 million were made in the assessment area during the review period. These loans were for the purchase, rehabilitation or construction of affordable multi-family housing units for low- and moderate-income persons.

INVESTMENT TEST

The bank has an **EXCELLENT LEVEL** of qualified community development investments and grants. The bank purchased \$9.7 million in investments consisting of various mortgage backed securities. The underlying mortgages of the securities were related to low- and moderate-income individuals or geographies in the bank's assessment areas, including the Birmingham Assessment Area. In addition, the bank made qualified contributions totaling \$181,485 to community-based organizations in the Birmingham Assessment Area, and \$167,218 to organizations which serve all of the bank's assessment areas.

SERVICE TEST

Accessibility of Delivery Systems

Delivery systems are **REASONABLY ACCESSIBLE** to the bank's geographies and individuals of different income levels in the Birmingham Assessment Area. The following tables show the branch and ATM distribution by tract income level based on the 2000 census (reflecting 2004 OMB changes).

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

| FIRST AMERICAN BANK – DISTRIBUTION OF BRANCHES AND ATMS BIRMINGHAM ASSESSMENT AREA | | | | | | |
|---|-------------------------------|-----------------------------------|---------------------------|-------------------------------|---|---|
| TRACT INCOME LEVEL | NUMBER OF BRANCHES | PERCENTAGE OF BRANCHES | NUMBER OF ATMS | PERCENTAGE OF ATMS | PERCENTAGE OF TOTAL FAMILIES | PERCENTAGE OF BUSINESSES |
| Low-Income | 2 | 12.5 | 2 | 9.5 | 5.3 | 12.4 |
| Moderate-Income | 0 | 0.0 | 0 | 0.0 | 19.5 | 15.1 |
| Middle-Income | 6 | 37.5 | 7 | 33.3 | 37.8 | 32.3 |
| Upper-Income | 8 | 50.0 | 12 | 57.2 | 37.5 | 40.2 |
| <i>Total</i> | <i>16</i> | <i>100%</i> | <i>21</i> | <i>100%</i> | <i>100%</i> | <i>100%</i> |

As shown in the above table, First American Bank has no branches in moderate-income tracts. However, five of the bank's branches are located within a reasonable distance of the moderate-income tracts thereby providing accessibility to branches and ATMs.

Alternative Delivery Systems

Alternative systems for delivering retail-banking services to the bank's assessment areas include:

- ATMs
- Internet Banking
- First Call – Automated phone banking line gives the customer access to information about their bank accounts, and allows the customer to transfer funds between checking and money market accounts, make loan payments, place a stop payment, and report lost or stolen First American Bank debit/credit cards 24 hours a day, 7 days a week

Changes in Branch Locations

The bank did not open or close any branches in the Birmingham Assessment Area since the previous examination; therefore, the bank's record of opening and closing branches has **NOT ADVERSELY AFFECTED** the accessibility of delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. A branch closing policy has been adopted as required by the Federal Deposit Insurance Corporation Improvement Act of 1991.

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

Reasonableness of Business Hours and Services in Meeting the Assessment Area Needs

Availability of banking services and hours of operations **DO NOT VARY IN A WAY THAT INCONVENIENCES PORTIONS** of the assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals. The level of branch services and hours offered by the bank is basically the same throughout the assessment area. In addition, the bank offers Saturday drive-through teller hours in most of its branch offices.

Community Development Services

The bank **PROVIDES A RELATIVELY HIGH LEVEL OF** community development services throughout its Birmingham Assessment Area. Board members, officers, and employees have used their financial expertise to provide financial services that benefit residents in the assessment area. The following table shows some of the community development services provided by representatives of the bank.

| COMMUNITY DEVELOPMENT SERVICES - BIRMINGHAM ASSESSMENT AREA | |
|--|--|
| ORGANIZATION | POSITION/SERVICE |
| Birmingham's 10 Year Plan to End Chronic Homelessness | A bank officer serves as co-chairman of this steering committee whose purpose is to provide necessary services and resources to end chronic homelessness. |
| H2O Foundation | A bank officer provides financial expertise to this organization that assists LMI persons pay for their water and waste bills and/or provide financial assistance with costs of plumbing repairs. |
| Birmingham Business Development Initiative | A bank officer serves as a board member of this CDFI which provides loans, equity investments, and technical assistance to small business enterprises including start-up businesses. |
| Jefferson County Commission | A bank officer serves on the community development block grant loan review committee of this organization that provides financial assistance through loans to assist businesses and industries create jobs for LMI persons. |
| Neighborhood Housing Services of Birmingham | A bank officer serves as a board member of this organization that provides homeownership education through credit counseling, down payment assistance, and home rental counseling to assist LMI persons acquire the skills and resources to save for, purchase, and maintain a home. |
| Housing Enterprise of Central Alabama | A bank officer serves on the loan and investment committee of this organization that provides financing for the purpose of constructing, acquiring, or rehabilitating affordable housing. |

METROPOLITAN AREA: Birmingham Assessment Area (Continued)

| COMMUNITY DEVELOPMENT SERVICES - BIRMINGHAM ASSESSMENT AREA | |
|--|--|
| ORGANIZATION | POSITION/SERVICE |
| Alabama Jump Start | A bank officer provides financial and technical expertise to this organization that promotes financial literacy for students. |
| Bessemer Salvation Army | A bank officer serves as chairman of the board of this organization that provides food, services, and shelter to LMI individuals. |
| Housing Authority of the Birmingham District | A bank officer provides financial expertise to this organization for redevelopment initiatives in three predominantly low- and moderate-income minority communities. |

METROPOLITAN AREA: Huntsville Assessment Area

DESCRIPTION OF INSTITUTION'S OPERATIONS IN HUNTSVILLE ASSESSMENT AREA

Overview

First American Bank's performance in the Huntsville Assessment Area was also evaluated using full-scope examination procedures. As of the examination date, the bank's Huntsville Assessment Area consists of all of Madison and Limestone Counties, which comprise the Huntsville MSA. The bank operates eight banking offices and eight ATMs in the Huntsville Assessment Area. As of December 31, 2005, the bank had \$355.0 million in deposits in the Huntsville Assessment Area representing 19.8 percent of the bank's total deposits outstanding and a 7.3 percent deposit market share. Of total lending by the bank, the Huntsville Assessment Area contained 35.8 percent of the HMDA loans and 33.1 percent of the small business loans originated or purchased during the review period.

DEMOGRAPHIC DATA

The table on page 29 provides demographic data that were used in analyzing the bank's CRA performance. Certain components of the data in the table are discussed in this evaluation as they apply to particular parts of the analysis.

Population Characteristics

2000 census data indicates that the population of the Huntsville Assessment Area was 342,376 persons. This figure represents 7.7 percent of the population of the state of Alabama.

Poverty Level

Of the total families in the Huntsville Assessment Area, 7,913 (8.4 percent) had incomes below the poverty level. A high level of poverty was noted in low-income census tracts, where 45.1 percent of the families had incomes below poverty level. The high level of poverty could affect financial institutions' ability to originate loans in low- and moderate-income census tracts.

Housing Characteristics

2000 census data indicates a very small percentage (1.2 percent) of owner-occupied housing units are located in low-income tracts, where 3.1 percent of families reside. As previously mentioned, there is a high level of poverty in low-income census tracts, where approximately 45.1 percent of families are below the poverty level.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

With the limited amount of owner-occupied housing units coupled with a high poverty level, financial institutions may have extreme difficulty originating HMDA loans in low-income census tracts.

2000 census data indicates that the median housing value in the assessment area is \$94,956. This was higher than the median housing value for the state of Alabama at \$76,700. The median housing age in the assessment area is 22 years compared to the state of Alabama at 25 years. The age of housing would indicate a possible need for home improvement loans.

HUD Estimated Median Family Incomes for 2004 and 2005

The 2004 HUD estimated median family income for the Huntsville MSA is \$59,600. Based on the HUD estimated median family income, low-income families are those families whose gross annual income is \$29,799 or less. Moderate-income families are families with gross annual income ranging from \$29,800 to \$47,679. The 2005 HUD estimated median family income for the Birmingham-Hoover MSA is \$61,250. Based on the HUD estimated median family income, low-income families are families whose gross annual income is \$30,624 or less. Moderate-income families are families with gross annual income ranging from \$30,625 to \$48,999. Based on these income levels and median housing values, it may be difficult for financial institutions to originate home purchase loans (excluding manufactured housing) to low-income families and some moderate-income families due to the lack of available homes in a price range that is affordable to them.

Employment Statistics

According to 2003 REIS, the Huntsville Assessment Area employment was primarily supported by government agencies, professional and technical services, manufacturing, and retail trade. Madison County is home to the NASA Marshall Space Flight Center and to the U.S. Army's Redstone Arsenal, which are the largest employers in Madison County and foster a strong research and development economy. The manufacturing sector is a diverse mix of traditional and technology manufacturers contributing to the local area employment base.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

The following table shows the unemployment rates for Limestone and Madison counties, and for the state of Alabama for 2003, 2004, 2005, and February 2006.

| <i>UNEMPLOYMENT RATES FOR YEARS 2003 – 2006 (Not Seasonally Adjusted)</i> | | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| <i>Area</i> | <i>2003 (annual)</i> | <i>2004 (annual)</i> | <i>2005 (annual)</i> | <i>February 2006</i> |
| <i>Limestone County</i> | 5.3% | 5.0% | 3.9% | 4.0% |
| <i>Madison County</i> | 4.5% | 4.5% | 3.1% | 3.3% |
| <i>State of Alabama</i> | 5.5% | 5.2% | 4.0% | 4.0% |

Business Size Characteristics

The table on page 29 provides key demographic business data by revenue size and census tracts in the assessment area. According to Dun & Bradstreet, the table illustrates that 88.1 percent of the businesses in the assessment area that reported annual revenues had total annual revenues of less than \$1 million. For the purposes of this report, businesses with less than \$1 million in total annual revenues are considered small businesses.

Competition

The level of competition is considered high in the assessment area due to the significant presence of banks in this market. There are many other financial institutions operating offices in the Huntsville Assessment Area. Many of these banks are large statewide, multi-regional, or national banks. According to the June 30, 2005 FDIC/OTS Summary of Deposits Report, 17 financial institutions operated 93 branches in the Huntsville Assessment Area. First American Bank ranked 7th in deposit market share at 7.3 percent and 6th in number of branches with 8 banking facilities. Region Bank ranked 1st in deposit market share at 23.1 percent and 1st in number of branches at 18 banking facilities.

First American Bank’s competition comes mainly from FDIC-Insured institutions with branch offices located in the Huntsville Assessment Area. Many of these banks are statewide, multi-regional, or national banks. First American Bank’s largest competitors in the Huntsville Assessment Area are Regions Bank, Amsouth Bank, Compass Bank, and Wachovia Bank, NA. Local competition, particularly from these very large multi-regional financial institutions, may adversely affect the bank’s ability to originate community development loans and to

| |
|--|
| METROPOLITAN AREA: Huntsville Assessment Area (Continued) |
|--|

purchase qualified community development investments that serve the community development needs of the Huntsville Assessment Area.

Community Contacts

As a part of the CRA examination, information was obtained from one community leader regarding local economic conditions and community credit needs. The contact stated that there are opportunities for local banks to support community development initiatives such as addressing affordable housing issues in the City of Huntsville and Madison County.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The tables on the following pages and in Appendix B to this report provide information that was used in analyzing the bank's CRA performance for the Huntsville Assessment Area. Certain components of the data in the table are discussed in the evaluation as they apply to particular parts of the analysis.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

Assessment Area Demographics

Assessment Area: Huntsville 2004 & 2005)

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families by Tract | | Families by Family Income | |
|------------------------------|--|---|--------------------------|-------------------------|--|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 6 | 6.9 | 2,903 | 3.1 | 1,309 | 45.1 | 19,747 | 21.0 |
| Moderate-income | 24 | 27.6 | 21,931 | 23.3 | 3,008 | 13.7 | 16,663 | 17.7 |
| Middle-income | 35 | 40.2 | 42,678 | 45.3 | 2,736 | 6.4 | 19,733 | 20.9 |
| Upper-income | 22 | 25.3 | 26,722 | 28.4 | 860 | 3.2 | 38,091 | 40.4 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 87 | 100.0 | 94,234 | 100.0 | 7,913 | 8.4 | 94,234 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 6,314 | 1,147 | 1.2 | 18.2 | 4,037 | 63.9 | 1,130 | 17.9 |
| Moderate-income | 40,732 | 19,925 | 20.8 | 48.9 | 16,001 | 39.3 | 4,806 | 11.8 |
| Middle-income | 63,287 | 45,829 | 47.8 | 72.4 | 12,828 | 20.3 | 4,630 | 7.3 |
| Upper-income | 36,852 | 28,998 | 30.2 | 78.7 | 5,878 | 16.0 | 1,976 | 5.4 |
| Unknown-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 147,185 | 95,899 | 100.0 | 65.2 | 38,744 | 26.3 | 12,542 | 8.5 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | |
| Low-income | 1,433 | 11.4 | 1,187 | 10.7 | 210 | 19.4 | 36 | 8.6 |
| Moderate-income | 2,628 | 20.9 | 2,308 | 20.9 | 223 | 20.6 | 97 | 23.3 |
| Middle-income | 5,037 | 40.1 | 4,469 | 40.4 | 405 | 37.4 | 163 | 39.1 |
| Upper-income | 3,465 | 27.6 | 3,098 | 28.0 | 246 | 22.7 | 121 | 29.0 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 12,563 | 100.0 | 11,062 | 100.0 | 1,084 | 100.0 | 417 | 100.0 |
| | Percentage of Total Businesses: | | | 88.1 | | 8.6 | | 3.3 |

Based on 2000 Census Information.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

Loan Distribution Table

Assessment Area: Huntsville

| Income Categories | HMDA | | | | | | | |
|-------------------------|-----------------|---------------|----------------|---------------|--------------------|---------------|----------------|---------------|
| | By Tract Income | | | | By Borrower Income | | | |
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| Home Purchase | | | | | | | | |
| Low | 5 | 0.5% | 346 | 0.2% | 69 | 7.2% | 4,914 | 3.4% |
| Moderate | 112 | 11.6% | 10,869 | 7.5% | 166 | 17.2% | 17,359 | 12.0% |
| Middle | 488 | 50.6% | 64,398 | 44.4% | 234 | 24.2% | 29,636 | 20.4% |
| Upper | 360 | 37.3% | 69,364 | 47.8% | 447 | 46.3% | 88,423 | 61.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 49 | 5.1% | 4,645 | 3.2% |
| Total | 965 | 100.0% | 144,977 | 100.0% | 965 | 100.0% | 144,977 | 100.0% |
| Refinance | | | | | | | | |
| Low | 11 | 2.5% | 699 | 1.1% | 22 | 4.9% | 1,562 | 2.4% |
| Moderate | 64 | 14.3% | 4,730 | 7.2% | 71 | 15.9% | 5,957 | 9.1% |
| Middle | 232 | 52.0% | 31,803 | 48.7% | 92 | 20.6% | 11,581 | 17.7% |
| Upper | 139 | 31.2% | 28,120 | 43.0% | 231 | 51.8% | 42,461 | 65.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 30 | 6.7% | 3,791 | 5.8% |
| Total | 446 | 100.0% | 65,352 | 100.0% | 446 | 100.0% | 65,352 | 100.0% |
| Home Improvement | | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 1 | 5.0% | 3 | 0.2% |
| Moderate | 5 | 25.0% | 249 | 12.7% | 5 | 25.0% | 185 | 9.4% |
| Middle | 8 | 40.0% | 492 | 25.1% | 3 | 15.0% | 51 | 2.6% |
| Upper | 7 | 35.0% | 1,221 | 62.2% | 9 | 45.0% | 1,543 | 78.6% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 2 | 10.0% | 180 | 9.2% |
| Total | 20 | 100.0% | 1,962 | 100.0% | 20 | 100.0% | 1,962 | 100.0% |
| Multi-Family | | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Moderate | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Middle | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Upper | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Total | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| HMDA Totals | | | | | | | | |
| Low | 16 | 1.1% | 1,045 | 0.5% | 92 | 6.4% | 6,479 | 3.1% |
| Moderate | 181 | 12.6% | 15,848 | 7.5% | 242 | 16.9% | 23,501 | 11.1% |
| Middle | 728 | 50.9% | 96,693 | 45.5% | 329 | 23.0% | 41,268 | 19.4% |
| Upper | 506 | 35.4% | 98,705 | 46.5% | 687 | 48.0% | 132,427 | 62.4% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 81 | 5.7% | 8,616 | 4.1% |
| Total | 1,431 | 100.0% | 212,291 | 100.0% | 1,431 | 100.0% | 212,291 | 100.0% |
| SMALL BUSINESS | | | | | | | | |
| | # | % | \$(000s) | | % | | | |
| By Tract Income | | | | | | | | |
| Low | 66 | 8.5% | 10,824 | | 14.1% | | | |
| Moderate | 118 | 15.1% | 10,492 | | 13.7% | | | |
| Middle | 408 | 52.2% | 36,750 | | 48.0% | | | |
| Upper | 189 | 24.2% | 18,499 | | 24.2% | | | |
| Unknown | 0 | 0.0% | 0 | | 0.0% | | | |
| Total | 781 | 100.0% | 76,565 | | 100.0% | | | |
| By Revenue | | | | | | | | |
| \$1 Million or Less | 304 | 38.9% | 31,650 | | 41.3% | | | |
| Over \$1 Million | 119 | 15.2% | 17,117 | | 22.4% | | | |
| Not Known | 358 | 45.8% | 27,798 | | 36.3% | | | |
| Total | 781 | 100.0% | 76,565 | | 100.0% | | | |
| By Loan Size | | | | | | | | |
| \$100,000 or less | 597 | 76.4% | 21,052 | | 27.5% | | | |
| \$100,001 - \$250,000 | 109 | 14.0% | 18,660 | | 24.4% | | | |
| \$250,001 - \$1 Million | 75 | 9.6% | 36,853 | | 48.1% | | | |
| Total | 781 | 100.0% | 76,565 | | 100.0% | | | |

Originations and Purchases

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overview

In the Huntsville Assessment Area, First American Bank's number and dollar volume of HMDA lending exceeded both the number and the dollar volume of small business lending for the review period. Therefore, HMDA lending was weighted more heavily than small business lending in determining the bank's lending test rating for the Huntsville Assessment. First American Bank offers small farm loans; however, the volume of small farm lending was minimal, therefore, it was not considered in the lending test evaluation.

Lending levels reflect **ADEQUATE** responsiveness to assessment area credit needs. The geographic distribution of loans reflects **ADEQUATE** penetration throughout the assessment area. The distribution of borrowers reflects **ADEQUATE** penetration among customers of different income levels and businesses of different revenue sizes. The bank **MAKES AN ADEQUATE LEVEL** of community development loans in this assessment area.

Lending Activity

Lending levels reflect **GOOD** responsiveness to assessment area credit needs. During the review period, the bank originated 1,431 HMDA loans totaling \$212.3 million within the Huntsville Assessment Area. Of those 1,431 HMDA loans, 965 (67.4 percent) were home purchase loans, 446 (31.2 percent) were home refinance loans, and 20 (1.4 percent) were home improvement loans. According to market share data reports for 2005, First American Bank ranked (4th) out of 333 reporters with a market share of 3.7 percent, by number, in the origination of HMDA loans. The largest market share of HMDA loan originations by a single entity was Countrywide Home Loans with a market share of 11.3 percent. Of regulated financial institutions with at least one branch office in the assessment area, the top three loan entities were Amsouth Bank, Regions Bank, and First American Bank. Of peer banks (banks with assets ranging from \$1 billion to \$3 billion operating at least one branch office in the assessment area), the top two entities were First American and Renasant Bank.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

The bank originated 781 small business loans totaling \$76.6 million during the review period in the Huntsville Assessment Area. According to market share data reports from 2005, First American Bank ranked 10th out of 53 reporters with a market share of 3.4 percent, by number, in the origination of small business loans. MBNA America DE, N.A. had the largest market share of small business loans by a single reporting entity at 18.4 percent. The top three originators of small business loans were MBNA America DE, N.A., GE Capital Financial, and Citibank USA, N.A. Of regulated financial institutions with at least one branch office in the assessment area, the top three originators of small business loans were Regions Bank, AmSouth Bank, Compass Bank. Of peer banks (banks with assets ranging from \$1 billion to \$3 billion operating at least one branch office in the assessment area), the top two entities were First American Bank and Renasant Bank.

Geographic Distribution of Loans

For this analysis, the geographic distribution of HMDA and small business lending was compared with the demographic information available for the Huntsville Assessment area. Performance context issues were also considered, as well as the performance of other banks operating in the area.

First American Bank's level of HMDA lending in the Huntsville Assessment Area in low-income census tracts at 1.1 percent is comparable to the percentage of owner-occupied units in these tracts at 1.2 percent. HMDA lending in moderate-income tracts at 12.6 percent is significantly lower than the percentage of owner-occupied units in these tracts at 20.8 percent. The aggregate comparison loan distribution table for the Huntsville Assessment Area in Appendix C shows that the bank's HMDA lending in 2004 in low-income tracts at 1.1 percent significantly exceeds aggregate performance at 0.8 percent. However, in moderate-income tracts, the bank's HMDA lending at 11.9 percent is lower than aggregate performance at 17.7 percent. Aggregate HMDA data for 2005 was not available.

The bank's small business lending in low-income tracts in the Huntsville Assessment Area at 8.5 percent is lower than the percentage of small businesses located in these tracts at 10.7 percent. The bank's small business lending in moderate-income tracts at 15.1 percent is also lower than the percentage of small businesses located in these tracts at 20.9 percent. The aggregate comparison loan distribution table for the Huntsville Assessment Area in Appendix C shows that the bank's small business lending in 2004 in low-income tracts at 7.5 percent is below aggregate performance at 10.1 percent. In moderate-income tracts, the bank's small business lending at

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

13.9 percent is also lower than aggregate performance at 19.1 percent. Aggregate CRA data for 2005 was not available.

Based on demographic factors, community contact information, competition, and aggregate lending data, First American Bank's performance with regard to the geographic distribution of HMDA and small business lending reflects marginally **ADEQUATE** penetration throughout the Huntsville Assessment Area.

Distribution by Borrower Profile

For this analysis, the distribution of HMDA lending across borrower income levels and small business lending across business revenue sizes was compared with available demographic information. Performance context issues were also considered, including the performance of other banks.

Based on demographic and loan data from the review period, low-income families represented 21.0 percent of total families; however, only received 6.4 percent of the bank's HMDA loans. The bank's percentage of HMDA loans to moderate-income borrowers at 16.9 percent is reasonable even though it is slightly below the percentage of moderate-income families in the assessment area at 17.7 percent. The aggregate comparison loan distribution table for the Huntsville Assessment Area in Appendix C shows that First American Bank's HMDA lending in 2004 to low-income borrowers at 6.3 percent was below aggregate performance at 11.1 percent. The bank's HMDA lending to moderate-income borrowers at 16.5 percent was below aggregate performance at 18.8 percent. Aggregate HMDA data for 2005 was not available.

Of the 781 small business loans originated in the assessment area, gross revenue was not reported for 358 (45.8 percent) of the loans. Of the 423 small business loans with reported gross revenues, 71.9 percent were originated to businesses with annual gross revenues of \$1 million or less, which is below the percentage of total businesses in the assessment area that are considered to be small businesses at 88.1 percent. However, more than one-half (76.4 percent) of the loans originated were made in amounts of \$100,000 or less, indicating the bank's willingness to make small loans to businesses. The aggregate comparison loan distribution table for the Huntsville Assessment Area in Appendix C shows that First American Bank's level of small business lending in 2004 to small businesses at 41.4 percent was lower than aggregate performance at 53.0 percent. Aggregate CRA data for 2005 was not available.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

Considering the bank's market share of deposits, branch network, competition, and demographic information in the assessment area, the distribution of borrowers reflects **ADEQUATE** penetration among customers of different income levels and businesses of different sizes.

The bank exhibits an **ADEQUATE** record of serving the credit needs of low-income individuals and areas and very small businesses within the Huntsville assessment area.

Community Development Lending

First American Bank **MAKES AN ADEQUATE LEVEL** of community development loans in the Huntsville Assessment Area. Five loans totaling \$1.7 million were made in the assessment area during the review period. Four of the five loans were for affordable multi-family housing for low- and moderate-income persons, and one loan was to an organization that administers various federal programs primarily for low- and moderate-income senior citizens.

INVESTMENT TEST

The bank has an **EXCELLENT** level of qualified community development investments and grants in the Huntsville Assessment Area. The bank purchased \$9.7 million in investments consisting of various mortgage backed securities. The underlying mortgages of the securities were related to LMI individuals or geographies in the bank's assessment areas including the Huntsville Assessment Area. In addition, the bank made qualified contributions totaling \$15,325 to community-based organizations in the Huntsville Assessment Area, and \$167,218 to organizations which serve all of the bank's assessment areas.

SERVICE TEST

Accessibility of Delivery Systems

Delivery systems are **REASONABLY ACCESSIBLE** to the bank's geographies and individuals of different income levels in the assessment area. The bank's eight banking offices and eight ATMs in the Huntsville Assessment Area were compared to the distribution of families and businesses by census tract income level as of the 2000 census and are displayed in the following table.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

| FIRST AMERICAN BANK – DISTRIBUTION OF BRANCHES AND ATMS HUNTSVILLE ASSESSMENT AREA | | | | | | |
|---|-------------------------------|-----------------------------------|---------------------------|-------------------------------|---|---|
| TRACT INCOME LEVEL | NUMBER OF BRANCHES | PERCENTAGE OF BRANCHES | NUMBER OF ATMS | PERCENTAGE OF ATMS | PERCENTAGE OF TOTAL FAMILIES | PERCENTAGE OF BUSINESSES |
| Low-Income | 0 | 0.0 | 0 | 0.0 | 3.1 | 11.4 |
| Moderate-Income | 2 | 25.0 | 2 | 25.0 | 23.3 | 20.9 |
| Middle-Income | 5 | 62.5 | 5 | 62.5 | 45.3 | 40.1 |
| Upper-Income | 1 | 12.5 | 1 | 12.5 | 28.4 | 27.6 |
| <i>Total</i> | 8 | <i>100%</i> | 8 | <i>100%</i> | <i>100%</i> | <i>100%</i> |

As indicated in the table above, the bank has no branches in low-income census tracts. However, one of the bank's branches in a middle-income census tract is surrounded by four of the six low-income tracts in the assessment area thereby providing reasonable accessibility to banking services to the residents and businesses of these tracts. Also, that same branch located in the middle-income census tract is located between two moderate-income tracts. The percentage of branches in the moderate-income census tracts is comparable to the percentage of families as well as businesses in these tracts.

The bank also offers the following alternative systems for delivering retail-banking services to low- and moderate-income persons and geographies:

- ATMs
- Internet Banking
- First Call – Automated phone banking line gives the customer access to information about their bank accounts, and allows the customer to transfer funds between checking and money market accounts, make loan payments, place a stop payment, and report lost or stolen First American Bank debit/credit cards 24 hours a day, 7 days a week

Changes in Branch Locations

The bank opened one branch in a middle-income census tract in Madison County in the Huntsville Assessment Area since the previous examination. The bank has not closed any branches in the assessment area. The bank's record of opening and closing branches has **NOT ADVERSELY AFFECTED** the accessibility of delivery systems, particularly in low-and moderate-income geographies and/or low- and moderate-income individuals.

METROPOLITAN AREA: Huntsville Assessment Area (Continued)

A branch closing policy has been adopted as required by the Federal Deposit Insurance Corporation Improvement Act of 1991.

Reasonableness of Business Hours and Services in Meeting the Assessment Area Needs

Availability of banking services and hours of operations **DO NOT VARY IN A WAY THAT INCONVENIENCES CERTAIN PORTIONS** of the assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals. The level of branch services and hours offered by the bank is basically the same throughout the assessment area.

Community Development Services

The bank **PROVIDES AN ADEQUATE LEVEL OF** community development services throughout its assessment areas. Board members, officers, and employees have used their financial expertise to provide financial services that benefit residents in the assessment area. The community development services are responsive to the needs of low- and moderate-income families or areas, and small businesses. The following table shows the community development services provided by representatives of the bank.

| COMMUNITY DEVELOPMENT SERVICES - HUNTSVILLE ASSESSMENT AREA | |
|--|---|
| ORGANIZATION | POSITION/SERVICE |
| YMCA of Huntsville | A bank officer serves as a board member of this organization that assists with fundraisers that provides community services primarily to LMI persons. |
| Heritage Elementary School | A bank officer conducted a financial literacy seminar for students of this school located in a moderate-income tract. |
| Boys & Girls Club of Huntsville | A bank officer serves as a board member of this organization that assist in fundraising activities that primarily assists disadvantaged children of LMI persons. |
| Ardmore Tennessee Industrial Development Board | A bank officer serves as a board member of this organization whose mission is to promote economic and industrial business development, including the attraction of small businesses, in Limestone County. |
| Limestone County Economic Development Association | A bank officer serves as a board member of this organization that promotes economic development activities to Limestone County. |

| |
|---|
| METROPOLITAN AND NONMETROPOLITAN AREAS (LIMITED REVIEWS) |
|---|

The following assessment areas of First American Bank were not reviewed using full-scope examination procedures; however, through the use of available facts and data, including performance and demographic information, conclusions regarding performance, which did not impact the overall rating, are provided. Please refer to the tables in Appendix B for information regarding these areas.

The following table compares the bank's overall statewide performance to the assessment areas.

| Assessment Areas | Lending Test | Investment Test | Service Test |
|-------------------------|---------------------|------------------------|---------------------|
| Auburn | Not Consistent | Consistent | Consistent |
| Decatur | Consistent | Consistent | Consistent |
| Talladega | Consistent | Consistent | Consistent |

APPENDIX A – SCOPE OF EXAMINATION

The examination included a review of all HMDA-reportable lending and small business lending for January 1, 2004 through December 31, 2005. In addition, community development lending, investment, and service activities for the period from January 1, 2004 through May 1, 2006 were reviewed.

| | | | |
|---|---------------------------------------|--|--------------------------|
| TIME PERIOD REVIEWED | | | |
| January 1, 2004 through December 31, 2005 (HMDA-reportable lending and small business lending) | | | |
| January 1, 2004 through May 1, 2006 (community development lending, investment, and service activities) | | | |
| FINANCIAL INSTITUTION | | PRODUCTS REVIEWED | |
| First American Bank, Birmingham, Alabama | | HMDA Loans, Small Business Loans, Community Development Loans, and Qualified Investments | |
| AFFILIATE(S) | AFFILIATE RELATIONSHIP | PRODUCTS REVIEWED | |
| National Bank of Commerce First Citizens Bank | Affiliate Bank Affiliate Bank | HMDA Loans, Small Business Loans, Community Development Loans, and Qualified Investments | |
| LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION | | | |
| ASSESSMENT AREA | TYPE OF EXAMINATION | BRANCHES VISITED | OTHER INFORMATION |
| Birmingham, Alabama | Full Scope Exam Procedures Used | 1 | |
| Huntsville, Alabama | Full-Scope Exam Procedures Used | | |
| Auburn, Alabama | Limited-Scope Exam Procedures Used | | |
| Decatur, Alabama | Limited-Scope Exam Procedures Used | | |
| Talladega, Alabama | Limited-Scope Exam Procedures Used | | |

APPENDIX B – DEMOGRAPHIC & HMDA/SMALL BUSINESS LENDING TABLES (Continued)

Assessment Area Demographics

Assessment Area: Auburn 2004 & 2005

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families by Tract | | Families by Family Income | | |
|------------------------------|--|---|--------------------------|-------------------------|--|-----------------------------|---------------------------|--------------|----------|
| | # | % | # | % | # | % | # | % | |
| Low-income | 3 | 14.3 | 1,003 | 3.6 | 400 | 39.9 | 6,248 | 22.6 | |
| Moderate-income | 4 | 19.0 | 3,396 | 12.3 | 843 | 24.8 | 4,470 | 16.2 | |
| Middle-income | 10 | 47.6 | 18,168 | 65.8 | 1,657 | 9.1 | 5,998 | 21.7 | |
| Upper-income | 4 | 19.0 | 5,046 | 18.3 | 173 | 3.4 | 10,897 | 39.5 | |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Total Assessment Area | 21 | 100.0 | 27,613 | 100.0 | 3,073 | 11.1 | 27,613 | 100.0 | |
| | Housing Units by Tract | Housing Types by Tract | | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | | |
| | | # | % | % | # | % | # | % | |
| Low-income | 4,045 | 472 | 1.7 | 11.7 | 3,108 | 76.8 | 465 | 11.5 | |
| Moderate-income | 8,059 | 4,330 | 15.3 | 53.7 | 2,715 | 33.7 | 1,014 | 12.6 | |
| Middle-income | 30,486 | 18,020 | 63.5 | 59.1 | 9,710 | 31.9 | 2,756 | 9.0 | |
| Upper-income | 7,739 | 5,554 | 19.6 | 71.8 | 1,793 | 23.2 | 392 | 5.1 | |
| Unknown-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Total Assessment Area | 50,329 | 28,376 | 100.0 | 56.4 | 17,326 | 34.4 | 4,627 | 9.2 | |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | | |
| | | # | % | # | % | # | % | # | % |
| Low-income | 308 | 9.1 | 251 | 8.4 | 28 | 10.3 | 29 | 21.0 | |
| Moderate-income | 351 | 10.4 | 312 | 10.5 | 25 | 9.2 | 14 | 10.1 | |
| Middle-income | 2,237 | 66.1 | 1,982 | 66.7 | 178 | 65.2 | 77 | 55.8 | |
| Upper-income | 488 | 14.4 | 428 | 14.4 | 42 | 15.4 | 18 | 13.0 | |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Total Assessment Area | 3,384 | 100.0 | 2,973 | 100.0 | 273 | 100.0 | 138 | 100.0 | |
| | Percentage of Total Businesses: | | | 87.9 | | 8.1 | | 4.1 | |

Based on 2000 Census Information.

APPENDIX B – DEMOGRAPHIC & HMDA/SMALL BUSINESS LENDING TABLES (Continued)

Loan Distribution Table

Assessment Area: Auburn

| Income Categories | HMDA | | | | | | | |
|-------------------------|-------------------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|
| | By Tract Income | | | | By Borrower Income | | | |
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| | Home Purchase | | | | | | | |
| Low | 30 | 9.5% | 3,087 | 9.2% | 33 | 10.5% | 1,826 | 5.4% |
| Moderate | 46 | 14.6% | 4,503 | 13.4% | 50 | 15.9% | 3,096 | 9.2% |
| Middle | 163 | 51.7% | 15,502 | 46.1% | 78 | 24.8% | 7,572 | 22.5% |
| Upper | 76 | 24.1% | 10,512 | 31.3% | 145 | 46.0% | 20,090 | 59.8% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 9 | 2.9% | 1,020 | 3.0% |
| Total | 315 | 100.0% | 33,604 | 100.0% | 315 | 100.0% | 33,604 | 100.0% |
| | Refinance | | | | | | | |
| Low | 7 | 4.7% | 1,541 | 9.0% | 18 | 12.1% | 964 | 5.6% |
| Moderate | 32 | 21.5% | 3,644 | 21.3% | 26 | 17.4% | 2,461 | 14.4% |
| Middle | 69 | 46.3% | 7,001 | 41.0% | 39 | 26.2% | 3,153 | 18.5% |
| Upper | 41 | 27.5% | 4,896 | 28.7% | 61 | 40.9% | 9,122 | 53.4% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 5 | 3.4% | 1,382 | 8.1% |
| Total | 149 | 100.0% | 17,082 | 100.0% | 149 | 100.0% | 17,082 | 100.0% |
| | Home Improvement | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 4 | 25.0% | 42 | 9.7% |
| Moderate | 2 | 12.5% | 13 | 3.0% | 3 | 18.8% | 25 | 5.8% |
| Middle | 13 | 81.3% | 405 | 93.5% | 3 | 18.8% | 53 | 12.2% |
| Upper | 1 | 6.3% | 15 | 3.5% | 6 | 37.5% | 313 | 72.3% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Total | 16 | 100.0% | 433 | 100.0% | 16 | 100.0% | 433 | 100.0% |
| | Multi-Family | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Moderate | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Middle | 1 | 50.0% | 3,050 | 43.7% | 0 | 0.0% | 0 | 0.0% |
| Upper | 1 | 50.0% | 3,932 | 56.3% | 0 | 0.0% | 0 | 0.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 2 | 100.0% | 6,982 | 100.0% |
| Total | 2 | 100.0% | 6,982 | 100.0% | 2 | 100.0% | 6,982 | 100.0% |
| | HMDA Totals | | | | | | | |
| Low | 37 | 7.7% | 4,628 | 8.0% | 55 | 11.4% | 2,832 | 4.9% |
| Moderate | 80 | 16.6% | 8,160 | 14.0% | 79 | 16.4% | 5,582 | 9.6% |
| Middle | 246 | 51.0% | 25,958 | 44.7% | 120 | 24.9% | 10,778 | 18.6% |
| Upper | 119 | 24.7% | 19,355 | 33.3% | 212 | 44.0% | 29,525 | 50.8% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 16 | 3.3% | 9,384 | 16.2% |
| Total | 482 | 100.0% | 58,101 | 100.0% | 482 | 100.0% | 58,101 | 100.0% |
| | SMALL BUSINESS | | | | | | | |
| | # | % | \$(000s) | | % | | | |
| | By Tract Income | | | | | | | |
| Low | 28 | 0.1% | 2,512 | | 0.1% | | | |
| Moderate | 18 | 0.1% | 1,970 | | 0.1% | | | |
| Middle | 132 | 0.6% | 15,726 | | 0.7% | | | |
| Upper | 40 | 0.2% | 3,133 | | 0.1% | | | |
| Unknown | 0 | 0.0% | 0 | | 0.0% | | | |
| Total | 218 | 100.0% | 23,341 | | 100.0% | | | |
| | By Revenue | | | | | | | |
| \$1 Million or Less | 79 | 0.4% | 8,519 | | 0.4% | | | |
| Over \$1 Million | 68 | 0.3% | 9,564 | | 0.4% | | | |
| Not Known | 71 | 0.3% | 5,258 | | 0.2% | | | |
| Total | 218 | 100.0% | 23,341 | | 100.0% | | | |
| | By Loan Size | | | | | | | |
| \$100,000 or less | 162 | 0.7% | 4,779 | | 0.2% | | | |
| \$100,001 - \$250,000 | 29 | 0.1% | 4,770 | | 0.2% | | | |
| \$250,001 - \$1 Million | 27 | 0.1% | 13,792 | | 0.6% | | | |
| Total | 218 | 100.0% | 23,341 | | 100.0% | | | |

Originations and Purchases

APPENDIX B – DEMOGRAPHIC & HMDA/SMALL BUSINESS LENDING TABLES (Continued)

Assessment Area Demographics

Assessment Area: Decatur 2004 & 2005

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families by Tract | | Families by Family Income | |
|------------------------------|--|---|--------------------------|-------------------------|--|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 1 | 4.2 | 697 | 2.2 | 232 | 33.3 | 6,098 | 19.3 |
| Moderate-income | 4 | 16.7 | 4,707 | 14.9 | 973 | 20.7 | 5,592 | 17.7 |
| Middle-income | 10 | 41.7 | 15,121 | 47.8 | 1,382 | 9.1 | 6,535 | 20.7 |
| Upper-income | 9 | 37.5 | 11,108 | 35.1 | 471 | 4.2 | 13,408 | 42.4 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 24 | 100.0 | 31,633 | 100.0 | 3,058 | 9.7 | 31,633 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 1,340 | 607 | 1.9 | 45.3 | 519 | 38.7 | 214 | 16.0 |
| Moderate-income | 8,453 | 4,018 | 12.6 | 47.5 | 3,561 | 42.1 | 874 | 10.3 |
| Middle-income | 22,475 | 15,570 | 48.8 | 69.3 | 5,108 | 22.7 | 1,797 | 8.0 |
| Upper-income | 15,120 | 11,686 | 36.7 | 77.3 | 2,533 | 16.8 | 901 | 6.0 |
| Unknown-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 47,388 | 31,881 | 100.0 | 67.3 | 11,721 | 24.7 | 3,786 | 8.0 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 58 | 1.6 | 51 | 1.6 | 6 | 1.7 | 1 | 0.8 |
| Moderate-income | 945 | 26.0 | 826 | 26.3 | 90 | 25.1 | 29 | 22.5 |
| Middle-income | 1,701 | 46.8 | 1,473 | 46.8 | 168 | 46.8 | 60 | 46.5 |
| Upper-income | 929 | 25.6 | 795 | 25.3 | 95 | 26.5 | 39 | 30.2 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 3,633 | 100.0 | 3,145 | 100.0 | 359 | 100.0 | 129 | 100.0 |
| | Percentage of Total Businesses: | | | 86.6 | | 9.9 | | 3.6 |

Based on 2000 Census Information.

APPENDIX B – DEMOGRAPHIC & HMDA/SMALL BUSINESS LENDING TABLES (Continued)

Loan Distribution Table

Assessment Area: Decatur

| Income Categories | HMDA | | | | | | | |
|-------------------------|-------------------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|
| | By Tract Income | | | | By Borrower Income | | | |
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| | Home Purchase | | | | | | | |
| Low | 1 | 0.3% | 22 | 0.0% | 13 | 3.6% | 891 | 1.9% |
| Moderate | 41 | 11.4% | 3,464 | 7.6% | 50 | 13.9% | 4,325 | 9.5% |
| Middle | 117 | 32.6% | 15,351 | 33.6% | 81 | 22.6% | 8,397 | 18.4% |
| Upper | 200 | 55.7% | 26,859 | 58.8% | 189 | 52.6% | 29,112 | 63.7% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 26 | 7.2% | 2,971 | 6.5% |
| Total | 359 | 100.0% | 45,696 | 100.0% | 359 | 100.0% | 45,696 | 100.0% |
| | Refinance | | | | | | | |
| Low | 2 | 0.9% | 45 | 0.2% | 10 | 4.7% | 417 | 1.5% |
| Moderate | 30 | 14.2% | 2,180 | 8.0% | 22 | 10.4% | 1,535 | 5.6% |
| Middle | 65 | 30.8% | 8,812 | 32.4% | 52 | 24.6% | 5,744 | 21.1% |
| Upper | 114 | 54.0% | 16,197 | 59.5% | 112 | 53.1% | 15,940 | 58.5% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 15 | 7.1% | 3,598 | 13.2% |
| Total | 211 | 100.0% | 27,234 | 100.0% | 211 | 100.0% | 27,234 | 100.0% |
| | Home Improvement | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 2 | 7.7% | 7 | 0.6% |
| Moderate | 2 | 7.7% | 23 | 1.9% | 2 | 7.7% | 8 | 0.7% |
| Middle | 12 | 46.2% | 664 | 55.6% | 10 | 38.5% | 341 | 28.5% |
| Upper | 12 | 46.2% | 508 | 42.5% | 12 | 46.2% | 839 | 70.2% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Total | 26 | 100.0% | 1,195 | 100.0% | 26 | 100.0% | 1,195 | 100.0% |
| | Multi-Family | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Moderate | 1 | 100.0% | 136 | 100.0% | 0 | 0.0% | 0 | 0.0% |
| Middle | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Upper | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 1 | 100.0% | 136 | 100.0% |
| Total | 1 | 100.0% | 136 | 100.0% | 1 | 100.0% | 136 | 100.0% |
| | HMDA Totals | | | | | | | |
| Low | 3 | 0.5% | 67 | 0.1% | 25 | 4.2% | 1,315 | 1.8% |
| Moderate | 74 | 12.4% | 5,803 | 7.8% | 74 | 12.4% | 5,868 | 7.9% |
| Middle | 194 | 32.5% | 24,827 | 33.4% | 143 | 24.0% | 14,482 | 19.5% |
| Upper | 326 | 54.6% | 43,564 | 58.7% | 313 | 52.4% | 45,891 | 61.8% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 42 | 7.0% | 6,705 | 9.0% |
| Total | 597 | 100.0% | 74,261 | 100.0% | 597 | 100.0% | 74,261 | 100.0% |
| | SMALL BUSINESS | | | | | | | |
| | # | % | \$(000s) | | % | | | |
| | By Tract Income | | | | | | | |
| Low | 3 | 0.6% | 1,047 | | 2.0% | | | |
| Moderate | 143 | 26.3% | 13,951 | | 26.2% | | | |
| Middle | 243 | 44.8% | 22,085 | | 41.5% | | | |
| Upper | 154 | 28.4% | 16,120 | | 30.3% | | | |
| Unknown | 0 | 0.0% | 0 | | 0.0% | | | |
| Total | 543 | 100.0% | 53,203 | | 100.0% | | | |
| | By Revenue | | | | | | | |
| \$1 Million or Less | 211 | 38.9% | 13,860 | | 26.1% | | | |
| Over \$1 Million | 96 | 17.7% | 16,406 | | 30.8% | | | |
| Not Known | 236 | 43.5% | 22,937 | | 43.1% | | | |
| Total | 543 | 100.0% | 53,203 | | 100.0% | | | |
| | By Loan Size | | | | | | | |
| \$100,000 or less | 407 | 75.0% | 15,185 | | 28.5% | | | |
| \$100,001 - \$250,000 | 85 | 15.7% | 14,137 | | 26.6% | | | |
| \$250,001 - \$1 Million | 51 | 9.4% | 23,881 | | 44.9% | | | |
| Total | 543 | 100.0% | 53,203 | | 100.0% | | | |

Originations and Purchases

APPENDIX B – DEMOGRAPHIC & HMDA/SMALL BUSINESS LENDING TABLES (Continued)

Assessment Area Demographics

Assessment Area: Talladega 2004 & 2005

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families by Tract | | Families by Family Income | |
|------------------------------|--|---|--------------------------|-------------------------|--|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 5,491 | 21.0 |
| Moderate-income | 2 | 8.7 | 1,094 | 4.2 | 278 | 25.4 | 4,287 | 16.4 |
| Middle-income | 20 | 87.0 | 24,123 | 92.4 | 3,257 | 13.5 | 5,746 | 22.0 |
| Upper-income | 1 | 4.3 | 889 | 3.4 | 59 | 6.6 | 10,582 | 40.5 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 23 | 100.0 | 26,106 | 100.0 | 3,594 | 13.8 | 26,106 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Moderate-income | 1,822 | 873 | 3.1 | 47.9 | 754 | 41.4 | 195 | 10.7 |
| Middle-income | 37,976 | 26,017 | 93.3 | 68.5 | 7,605 | 20.0 | 4,354 | 11.5 |
| Upper-income | 1,283 | 984 | 3.5 | 76.7 | 206 | 16.1 | 93 | 7.2 |
| Unknown-income | 0 | 0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 41,081 | 27,874 | 100.0 | 67.9 | 8,565 | 20.8 | 4,642 | 11.3 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Moderate-income | 71 | 3.1 | 68 | 3.4 | 2 | 1.1 | 1 | 0.8 |
| Middle-income | 2,181 | 95.5 | 1,879 | 95.2 | 173 | 97.7 | 129 | 97.7 |
| Upper-income | 31 | 1.4 | 27 | 1.4 | 2 | 1.1 | 2 | 1.5 |
| Unknown-income | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total Assessment Area | 2,283 | 100.0 | 1,974 | 100.0 | 177 | 100.0 | 132 | 100.0 |
| | Percentage of Total Businesses: | | | 86.5 | | 7.8 | | 5.8 |

Based on 2000 Census Information.

APPENDIX B – DEMOGRAPHIC & HMDA/SMALL BUSINESS LENDING TABLES (Continued)

Loan Distribution Table

Assessment Area: Talladega

| Income Categories | HMDA | | | | | | | |
|-------------------------|-------------------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|
| | By Tract Income | | | | By Borrower Income | | | |
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| | Home Purchase | | | | | | | |
| Low | 26 | 14.1% | 2,737 | 14.7% | 18 | 9.8% | 689 | 3.7% |
| Moderate | 24 | 13.0% | 1,759 | 9.4% | 27 | 14.7% | 1,781 | 9.5% |
| Middle | 96 | 52.2% | 9,227 | 49.4% | 45 | 24.5% | 4,247 | 22.7% |
| Upper | 38 | 20.7% | 4,951 | 26.5% | 88 | 47.8% | 11,607 | 62.2% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 6 | 3.3% | 350 | 1.9% |
| Total | 184 | 100.0% | 18,674 | 100.0% | 184 | 100.0% | 18,674 | 100.0% |
| | Refinance | | | | | | | |
| Low | 5 | 4.6% | 1,424 | 14.3% | 12 | 11.1% | 337 | 3.4% |
| Moderate | 18 | 16.7% | 1,124 | 11.3% | 19 | 17.6% | 1,380 | 13.9% |
| Middle | 64 | 59.3% | 4,692 | 47.2% | 24 | 22.2% | 1,420 | 14.3% |
| Upper | 21 | 19.4% | 2,701 | 27.2% | 50 | 46.3% | 5,551 | 55.8% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 3 | 2.8% | 1,253 | 12.6% |
| Total | 108 | 100.0% | 9,941 | 100.0% | 108 | 100.0% | 9,941 | 100.0% |
| | Home Improvement | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 9 | 30.0% | 127 | 25.3% |
| Moderate | 2 | 6.7% | 13 | 2.6% | 5 | 16.7% | 33 | 6.6% |
| Middle | 23 | 76.7% | 342 | 68.1% | 7 | 23.3% | 64 | 12.7% |
| Upper | 5 | 16.7% | 147 | 29.3% | 9 | 30.0% | 278 | 55.4% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Total | 30 | 100.0% | 502 | 100.0% | 30 | 100.0% | 502 | 100.0% |
| | Multi-Family | | | | | | | |
| Low | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Moderate | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Middle | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Upper | 1 | 100.0% | 3,932 | 100.0% | 0 | 0.0% | 0 | 0.0% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 1 | 100.0% | 3,932 | 100.0% |
| Total | 1 | 100.0% | 3,932 | 100.0% | 1 | 100.0% | 3,932 | 100.0% |
| | HMDA Totals | | | | | | | |
| Low | 31 | 9.6% | 4,161 | 12.6% | 39 | 12.1% | 1,153 | 3.5% |
| Moderate | 44 | 13.6% | 2,896 | 8.8% | 51 | 15.8% | 3,194 | 9.7% |
| Middle | 183 | 56.7% | 14,261 | 43.2% | 76 | 23.5% | 5,731 | 17.3% |
| Upper | 65 | 20.1% | 11,731 | 35.5% | 147 | 45.5% | 17,436 | 52.8% |
| Unknown | 0 | 0.0% | 0 | 0.0% | 10 | 3.1% | 5,535 | 16.7% |
| Total | 323 | 100.0% | 33,049 | 100.0% | 323 | 100.0% | 33,049 | 100.0% |
| | SMALL BUSINESS | | | | | | | |
| | # | % | \$(000s) | | % | | | |
| | By Tract Income | | | | | | | |
| Low | 0 | 0.0% | 0 | | 0.0% | | | |
| Moderate | 3 | 2.9% | 148 | | 2.2% | | | |
| Middle | 93 | 90.3% | 5,690 | | 84.7% | | | |
| Upper | 7 | 6.8% | 878 | | 13.1% | | | |
| Unknown | 0 | 0.0% | 0 | | 0.0% | | | |
| Total | 103 | 100.0% | 6,716 | | 100.0% | | | |
| | By Revenue | | | | | | | |
| \$1 Million or Less | 27 | 26.2% | 1,923 | | 28.6% | | | |
| Over \$1 Million | 9 | 8.7% | 1,198 | | 17.8% | | | |
| Not Known | 67 | 65.0% | 3,595 | | 53.5% | | | |
| Total | 103 | 100.0% | 6,716 | | 100.0% | | | |
| | By Loan Size | | | | | | | |
| \$100,000 or less | 86 | 83.5% | 2,670 | | 39.8% | | | |
| \$100,001 - \$250,000 | 12 | 11.7% | 2,053 | | 30.6% | | | |
| \$250,001 - \$1 Million | 5 | 4.9% | 1,993 | | 29.7% | | | |
| Total | 103 | 100.0% | 6,716 | | 100.0% | | | |

Originations and Purchases

APPENDIX C – AGGREGATE LENDING TABLES

Aggregate Comparison Loan Distribution Table

Assessment Area: Birmingham 2004

| Income Categories | HMDA | | | | | | | | | |
|-------------------------------------|-------------------------|---------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|---------------|
| | By Tract Income | | | | | By Borrower Income | | | | |
| | # | % | % \$(000s) | % | % \$(000s) | # | % | % \$(000s) | % | % \$(000s) |
| | Home Purchase | | | | | | | | | |
| Low | 7 | 1.6% | 2.1% | 1.1% | 0.7% | 17 | 3.8% | 2.3% | 7.1% | 3.7% |
| Moderate | 23 | 5.1% | 2.6% | 8.2% | 4.1% | 89 | 19.9% | 14.1% | 19.9% | 14.0% |
| Middle | 126 | 28.1% | 21.2% | 37.5% | 29.9% | 78 | 17.4% | 12.7% | 22.2% | 19.4% |
| Upper | 292 | 65.2% | 74.2% | 53.2% | 65.3% | 249 | 55.6% | 69.4% | 35.0% | 48.3% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 15 | 3.3% | 1.5% | 15.8% | 14.5% |
| Total | 448 | 100.0% | 100.0% | 100.0% | 100.0% | 448 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Refinance | | | | | | | | | |
| Low | 7 | 2.7% | 1.3% | 1.8% | 0.9% | 11 | 4.2% | 2.8% | 7.0% | 3.7% |
| Moderate | 33 | 12.5% | 3.5% | 15.6% | 8.0% | 29 | 11.0% | 9.0% | 15.8% | 11.0% |
| Middle | 75 | 28.5% | 20.4% | 36.0% | 30.5% | 40 | 15.2% | 10.6% | 20.4% | 18.0% |
| Upper | 148 | 56.3% | 74.8% | 46.5% | 60.5% | 144 | 54.8% | 57.5% | 34.3% | 47.1% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 39 | 14.8% | 20.1% | 22.5% | 20.2% |
| Total | 263 | 100.0% | 100.0% | 100.0% | 100.0% | 263 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Home Improvement | | | | | | | | | |
| Low | 1 | 6.3% | 1.5% | 3.1% | 2.0% | 3 | 18.8% | 6.2% | 15.6% | 8.0% |
| Moderate | 2 | 12.5% | 11.9% | 17.2% | 13.2% | 2 | 12.5% | 5.2% | 23.4% | 17.6% |
| Middle | 5 | 31.3% | 21.1% | 46.4% | 37.6% | 2 | 12.5% | 6.2% | 24.0% | 21.9% |
| Upper | 8 | 50.0% | 65.5% | 33.3% | 47.2% | 8 | 50.0% | 78.4% | 32.5% | 45.6% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 6.3% | 4.1% | 4.5% | 6.9% |
| Total | 16 | 100.0% | 100.0% | 100.0% | 100.0% | 16 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Multi-Family | | | | | | | | | |
| Low | 1 | 11.1% | 8.9% | 24.0% | 5.1% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 3 | 33.3% | 9.8% | 24.0% | 3.4% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Middle | 4 | 44.4% | 52.8% | 32.3% | 21.6% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Upper | 1 | 11.1% | 28.6% | 19.8% | 69.9% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 9 | 100.0% | 100.0% | 100.0% | 100.0% |
| Total | 9 | 100.0% | 100.0% | 100.0% | 100.0% | 9 | 100.0% | 100.0% | 100.0% | 100.0% |
| | HMDA Totals | | | | | | | | | |
| Low | 16 | 2.2% | 2.2% | 1.5% | 0.9% | 31 | 4.2% | 2.3% | 7.3% | 3.6% |
| Moderate | 61 | 8.3% | 3.3% | 11.9% | 5.9% | 120 | 16.3% | 11.7% | 18.1% | 12.3% |
| Middle | 210 | 28.5% | 22.6% | 37.1% | 30.0% | 120 | 16.3% | 11.3% | 21.4% | 18.2% |
| Upper | 449 | 61.0% | 71.9% | 49.5% | 63.2% | 401 | 54.5% | 61.9% | 34.6% | 46.2% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 64 | 8.7% | 12.8% | 18.6% | 19.6% |
| Total | 736 | 100.0% | 100.0% | 100.0% | 100.0% | 736 | 100.0% | 100.0% | 100.0% | 100.0% |
| | SMALL BUSINESS | | | | | SMALL FARM | | | | |
| | By Tract Income | | | | | | | | | |
| Low | 66 | 17.1% | 23.2% | 9.7% | 14.0% | 0 | 0.0% | 0.0% | 4.2% | 1.2% |
| Moderate | 42 | 10.9% | 9.2% | 10.2% | 11.4% | 0 | 0.0% | 0.0% | 4.2% | 1.1% |
| Middle | 116 | 30.1% | 20.7% | 30.8% | 24.4% | 0 | 0.0% | 0.0% | 54.2% | 52.8% |
| Upper | 162 | 42.0% | 46.9% | 46.4% | 50.0% | 0 | 0.0% | 0.0% | 37.3% | 44.9% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Tract Unknown | 0 | 0.0% | 0.0% | 2.9% | 0.3% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Total | 386 | 100.0% | 100.0% | 100.0% | 100.0% | 0 | 0.0% | 0.0% | 100.0% | 100.0% |
| | By Revenue | | | | | | | | | |
| \$1 Million or Less | 127 | 32.9% | 36.3% | 46.1% | 53.0% | 0 | 0.0% | 0.0% | 86.4% | 82.6% |
| | By Loan Size | | | | | | | | | |
| \$100,000 or less | 244 | 63.2% | 13.4% | 87.4% | 26.2% | 0 | 0.0% | 0.0% | 86.4% | 39.9% |
| \$100,001-\$250,000 | 60 | 15.5% | 16.5% | 6.4% | 19.1% | 0 | 0.0% | 0.0% | 9.3% | 29.1% |
| \$250,001-\$1 Million-\$500k (Farm) | 82 | 21.2% | 70.1% | 6.1% | 54.8% | 0 | 0.0% | 0.0% | 4.2% | 31.0% |
| Total | 386 | 100.0% | 100.0% | 100.0% | 100.0% | 0 | 0.0% | 0.0% | 100.0% | 100.0% |

Originations and Purchases

APPENDIX C – AGGREGATE LENDING TABLES (Continued)

Aggregate Comparison Loan Distribution Table

Assessment Area: Huntsville 2004

| Income Categories | HMDA | | | | | | | | | |
|-------------------------------------|-------------------------|---------------|----------------------|---------------|----------------------|--------------------|---------------|----------------------|---------------|----------------------|
| | By Tract Income | | | | | By Borrower Income | | | | |
| | # | Bank % | Aggregate % \$(000s) | Bank % | Aggregate % \$(000s) | # | Bank % | Aggregate % \$(000s) | Bank % | Aggregate % \$(000s) |
| | Home Purchase | | | | | | | | | |
| Low | 1 | 0.2% | 0.1% | 0.7% | 0.5% | 30 | 6.3% | 3.0% | 13.3% | 7.8% |
| Moderate | 57 | 11.9% | 7.1% | 17.5% | 11.8% | 86 | 18.0% | 11.7% | 21.0% | 16.3% |
| Middle | 230 | 48.2% | 41.0% | 45.8% | 41.5% | 116 | 24.3% | 21.1% | 22.7% | 22.6% |
| Upper | 189 | 39.6% | 51.8% | 36.1% | 46.2% | 225 | 47.2% | 61.6% | 29.4% | 41.5% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 20 | 4.2% | 2.6% | 13.7% | 11.8% |
| Total | 477 | 100.0% | 100.0% | 100.0% | 100.0% | 477 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Refinance | | | | | | | | | |
| Low | 7 | 2.8% | 1.3% | 0.9% | 0.4% | 16 | 6.3% | 3.2% | 8.0% | 4.5% |
| Moderate | 29 | 11.5% | 5.8% | 17.6% | 11.9% | 35 | 13.8% | 8.3% | 16.0% | 11.5% |
| Middle | 136 | 53.8% | 51.4% | 47.3% | 42.8% | 51 | 20.2% | 15.5% | 19.2% | 17.4% |
| Upper | 81 | 32.0% | 41.4% | 34.2% | 44.9% | 130 | 51.4% | 65.7% | 32.1% | 45.3% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 21 | 8.3% | 7.2% | 24.8% | 21.3% |
| Total | 253 | 100.0% | 100.0% | 100.0% | 100.0% | 253 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Home Improvement | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 1.5% | 0.7% | 0 | 0.0% | 0.0% | 16.0% | 8.0% |
| Moderate | 1 | 25.0% | 36.8% | 23.9% | 16.9% | 0 | 0.0% | 0.0% | 20.5% | 14.1% |
| Middle | 3 | 75.0% | 63.2% | 44.8% | 40.3% | 2 | 50.0% | 28.7% | 23.7% | 19.9% |
| Upper | 0 | 0.0% | 0.0% | 29.9% | 42.1% | 1 | 25.0% | 34.5% | 34.3% | 51.2% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 25.0% | 36.8% | 5.4% | 6.8% |
| Total | 4 | 100.0% | 100.0% | 100.0% | 100.0% | 4 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Multi-Family | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 22.0% | 12.3% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 0 | 0.0% | 0.0% | 56.0% | 19.5% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Middle | 0 | 0.0% | 0.0% | 18.0% | 66.5% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Upper | 0 | 0.0% | 0.0% | 4.0% | 1.6% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 100.0% | 100.0% |
| Total | 0 | 0.0% | 0.0% | 100.0% | 100.0% | 0 | 0.0% | 0.0% | 100.0% | 100.0% |
| | HMDA Totals | | | | | | | | | |
| Low | 8 | 1.1% | 0.5% | 0.8% | 0.6% | 46 | 6.3% | 3.1% | 11.1% | 6.3% |
| Moderate | 87 | 11.9% | 6.7% | 17.7% | 12.0% | 121 | 16.5% | 10.5% | 18.8% | 14.0% |
| Middle | 369 | 50.3% | 44.7% | 46.3% | 42.4% | 169 | 23.0% | 19.1% | 21.3% | 20.1% |
| Upper | 270 | 36.8% | 48.1% | 35.1% | 45.0% | 356 | 48.5% | 63.0% | 30.5% | 42.5% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 42 | 5.7% | 4.3% | 18.3% | 17.1% |
| Total | 734 | 100.0% | 100.0% | 100.0% | 100.0% | 734 | 100.0% | 100.0% | 100.0% | 100.0% |
| | SMALL BUSINESS | | | | | SMALL FARM | | | | |
| | By Tract Income | | | | | | | | | |
| Low | 28 | 7.5% | 10.4% | 10.1% | 14.1% | 0 | 0.0% | 0.0% | 1.6% | 1.6% |
| Moderate | 52 | 13.9% | 9.0% | 19.1% | 18.6% | 2 | 10.5% | 1.9% | 16.1% | 13.8% |
| Middle | 200 | 53.5% | 53.6% | 39.0% | 32.0% | 13 | 68.4% | 88.3% | 69.7% | 69.0% |
| Upper | 94 | 25.1% | 26.9% | 30.0% | 35.1% | 4 | 21.1% | 9.9% | 11.9% | 15.5% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Tract Unknown | 0 | 0.0% | 0.0% | 1.8% | 0.2% | 0 | 0.0% | 0.0% | 0.8% | 0.0% |
| Total | 374 | 100.0% | 100.0% | 100.0% | 100.0% | 19 | 100.0% | 100.0% | 100.0% | 100.0% |
| | By Revenue | | | | | | | | | |
| \$1 Million or Less | 155 | 41.4% | 45.9% | 53.0% | 66.1% | 1 | 5.3% | 7.1% | 93.4% | 85.9% |
| | By Loan Size | | | | | | | | | |
| \$100,000 or less | 285 | 76.2% | 25.3% | 88.6% | 27.4% | 14 | 73.7% | 42.5% | 82.1% | 31.1% |
| \$100,001-\$250,000 | 48 | 12.8% | 21.5% | 6.0% | 19.7% | 5 | 26.3% | 57.5% | 10.6% | 27.8% |
| \$250,001-\$1 Million-\$500k (Farm) | 41 | 11.0% | 53.2% | 5.4% | 53.0% | 0 | 0.0% | 0.0% | 7.4% | 41.1% |
| Total | 374 | 100.0% | 100.0% | 100.0% | 100.0% | 19 | 100.0% | 100.0% | 100.0% | 100.0% |

Originations and Purchases

APPENDIX C – AGGREGATE LENDING TABLES (Continued)

Aggregate Comparison Loan Distribution Table

Assessment Area: Auburn 2004

| Income Categories | HMDA | | | | | | | | | |
|-------------------------------------|-----------------|---------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|---------------|
| | By Tract Income | | | | | By Borrower Income | | | | |
| | Bank | | Aggregate | | | Bank | | Aggregate | | |
| | # | % | % \$(000s) | % | % \$(000s) | # | % | % \$(000s) | % | % \$(000s) |
| Home Purchase | | | | | | | | | | |
| Low | 26 | 15.5% | 16.6% | 3.4% | 2.8% | 16 | 9.5% | 3.9% | 6.2% | 3.5% |
| Moderate | 24 | 14.3% | 10.6% | 11.2% | 11.2% | 26 | 15.5% | 10.5% | 19.8% | 14.7% |
| Middle | 82 | 48.8% | 44.2% | 62.3% | 59.1% | 39 | 23.2% | 22.0% | 21.9% | 20.5% |
| Upper | 36 | 21.4% | 28.6% | 23.1% | 26.9% | 81 | 48.2% | 61.5% | 38.1% | 50.5% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 6 | 3.6% | 2.1% | 13.9% | 10.8% |
| Total | 168 | 100.0% | 100.0% | 100.0% | 100.0% | 168 | 100.0% | 100.0% | 100.0% | 100.0% |
| Refinance | | | | | | | | | | |
| Low | 5 | 6.8% | 18.5% | 1.9% | 1.8% | 9 | 12.3% | 3.7% | 5.9% | 3.4% |
| Moderate | 16 | 21.9% | 13.3% | 7.9% | 7.5% | 10 | 13.7% | 11.3% | 16.2% | 12.1% |
| Middle | 34 | 46.6% | 38.7% | 62.9% | 59.3% | 17 | 23.3% | 14.4% | 20.5% | 18.8% |
| Upper | 18 | 24.7% | 29.5% | 27.3% | 31.4% | 34 | 46.6% | 54.3% | 37.2% | 46.6% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 3 | 4.1% | 16.2% | 20.2% | 19.2% |
| Total | 73 | 100.0% | 100.0% | 100.0% | 100.0% | 73 | 100.0% | 100.0% | 100.0% | 100.0% |
| Home Improvement | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 3.4% | 3.3% | 2 | 25.0% | 20.1% | 17.7% | 7.1% |
| Moderate | 2 | 25.0% | 7.7% | 11.6% | 12.8% | 1 | 12.5% | 1.8% | 20.5% | 15.2% |
| Middle | 6 | 75.0% | 92.3% | 69.6% | 65.1% | 2 | 25.0% | 22.5% | 25.3% | 25.2% |
| Upper | 0 | 0.0% | 0.0% | 15.4% | 18.8% | 3 | 37.5% | 55.6% | 30.7% | 44.2% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 5.8% | 8.3% |
| Total | 8 | 100.0% | 100.0% | 100.0% | 100.0% | 8 | 100.0% | 100.0% | 100.0% | 100.0% |
| Multi-Family | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 6.3% | 0.7% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 0 | 0.0% | 0.0% | 12.5% | 80.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Middle | 0 | 0.0% | 0.0% | 62.5% | 16.6% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Upper | 1 | 100.0% | 100.0% | 18.8% | 2.7% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| Total | 1 | 100.0% | 100.0% | 100.0% | 100.0% | 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| HMDA Totals | | | | | | | | | | |
| Low | 31 | 12.4% | 14.7% | 2.8% | 2.4% | 27 | 10.8% | 3.4% | 6.5% | 3.3% |
| Moderate | 42 | 16.8% | 9.9% | 10.0% | 12.5% | 37 | 14.8% | 9.2% | 18.4% | 13.2% |
| Middle | 122 | 48.8% | 36.9% | 62.8% | 57.6% | 58 | 23.2% | 16.9% | 21.5% | 19.1% |
| Upper | 55 | 22.0% | 38.6% | 24.3% | 27.5% | 118 | 47.2% | 51.0% | 37.4% | 47.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 10 | 4.0% | 19.5% | 16.1% | 17.3% |
| Total | 250 | 100.0% | 100.0% | 100.0% | 100.0% | 250 | 100.0% | 100.0% | 100.0% | 100.0% |
| SMALL BUSINESS | | | | | | | | | | |
| By Tract Income | | | | | | | | | | |
| Low | 15 | 13.6% | 11.9% | 7.9% | 7.2% | 0 | 0.0% | 0.0% | 3.6% | 0.1% |
| Moderate | 7 | 6.4% | 7.1% | 10.0% | 12.7% | 0 | 0.0% | 0.0% | 17.9% | 9.6% |
| Middle | 70 | 63.6% | 65.6% | 60.2% | 62.8% | 3 | 100.0% | 100.0% | 64.3% | 88.3% |
| Upper | 18 | 16.4% | 15.4% | 19.2% | 17.0% | 0 | 0.0% | 0.0% | 14.3% | 2.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Tract Unknown | 0 | 0.0% | 0.0% | 2.7% | 0.3% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Total | 110 | 100.0% | 100.0% | 100.0% | 100.0% | 3 | 100.0% | 100.0% | 100.0% | 100.0% |
| By Revenue | | | | | | | | | | |
| \$1 Million or Less | 41 | 37.3% | 43.1% | 48.4% | 60.1% | 1 | 33.3% | 9.0% | 96.4% | 98.5% |
| By Loan Size | | | | | | | | | | |
| \$100,000 or less | 79 | 71.8% | 18.6% | 86.7% | 25.2% | 2 | 66.7% | 9.9% | 85.7% | 23.5% |
| \$100,001-\$250,000 | 19 | 17.3% | 28.1% | 7.2% | 21.2% | 0 | 0.0% | 0.0% | 7.1% | 27.5% |
| \$250,001-\$1 Million-\$500k (Farm) | 12 | 10.9% | 53.3% | 6.2% | 53.6% | 1 | 33.3% | 90.1% | 7.1% | 49.0% |
| Total | 110 | 100.0% | 100.0% | 100.0% | 100.0% | 3 | 100.0% | 100.0% | 100.0% | 100.0% |

Originations and Purchases

APPENDIX C – AGGREGATE LENDING TABLES (Continued)

Aggregate Comparison Loan Distribution Table

Assessment Area: Decatur 2004

| Income Categories | HMDA | | | | | | | | | |
|-------------------------------------|-------------------------|---------------|----------------------|---------------|----------------------|--------------------|---------------|----------------------|---------------|----------------------|
| | By Tract Income | | | | | By Borrower Income | | | | |
| | # | Bank % | Aggregate % \$(000s) | Bank % | Aggregate % \$(000s) | # | Bank % | Aggregate % \$(000s) | Bank % | Aggregate % \$(000s) |
| | Home Purchase | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.4% | 0.2% | 10 | 6.2% | 3.0% | 12.4% | 7.9% |
| Moderate | 16 | 9.9% | 6.1% | 12.4% | 10.1% | 19 | 11.8% | 8.5% | 22.2% | 17.9% |
| Middle | 59 | 36.6% | 37.5% | 42.7% | 38.4% | 31 | 19.3% | 14.2% | 20.4% | 21.0% |
| Upper | 86 | 53.4% | 56.4% | 44.5% | 51.4% | 93 | 57.8% | 70.0% | 28.7% | 39.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 8 | 5.0% | 4.3% | 16.2% | 14.2% |
| Total | 161 | 100.0% | 100.0% | 100.0% | 100.0% | 161 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Refinance | | | | | | | | | |
| Low | 1 | 0.9% | 0.1% | 1.0% | 0.4% | 5 | 4.5% | 1.7% | 8.4% | 5.3% |
| Moderate | 14 | 12.7% | 7.0% | 12.4% | 9.7% | 12 | 10.9% | 4.0% | 17.5% | 13.4% |
| Middle | 41 | 37.3% | 36.3% | 45.8% | 45.0% | 28 | 25.5% | 21.3% | 22.7% | 21.3% |
| Upper | 54 | 49.1% | 56.6% | 40.9% | 44.8% | 58 | 52.7% | 54.0% | 30.4% | 39.8% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 7 | 6.4% | 19.2% | 21.0% | 20.2% |
| Total | 110 | 100.0% | 100.0% | 100.0% | 100.0% | 110 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Home Improvement | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 3.8% | 2.5% | 0 | 0.0% | 0.0% | 19.5% | 10.6% |
| Moderate | 2 | 25.0% | 7.5% | 14.6% | 14.9% | 0 | 0.0% | 0.0% | 25.9% | 25.7% |
| Middle | 3 | 37.5% | 56.7% | 54.6% | 53.4% | 4 | 50.0% | 22.6% | 23.2% | 25.0% |
| Upper | 3 | 37.5% | 35.7% | 27.0% | 29.2% | 4 | 50.0% | 77.4% | 29.7% | 36.1% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 1.6% | 2.7% |
| Total | 8 | 100.0% | 100.0% | 100.0% | 100.0% | 8 | 100.0% | 100.0% | 100.0% | 100.0% |
| | Multi-Family | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 1 | 100.0% | 100.0% | 23.1% | 13.4% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Middle | 0 | 0.0% | 0.0% | 69.2% | 82.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Upper | 0 | 0.0% | 0.0% | 7.7% | 4.6% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| Total | 1 | 100.0% | 100.0% | 100.0% | 100.0% | 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| | HMDA Totals | | | | | | | | | |
| Low | 1 | 0.4% | 0.1% | 0.8% | 0.3% | 15 | 5.4% | 2.4% | 10.7% | 6.6% |
| Moderate | 33 | 11.8% | 6.8% | 12.5% | 10.0% | 31 | 11.1% | 6.6% | 20.0% | 15.7% |
| Middle | 103 | 36.8% | 37.1% | 44.6% | 42.0% | 63 | 22.5% | 17.0% | 21.6% | 21.1% |
| Upper | 143 | 51.1% | 56.1% | 42.2% | 47.7% | 155 | 55.4% | 63.4% | 29.5% | 39.2% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 16 | 5.7% | 10.5% | 18.2% | 17.4% |
| Total | 280 | 100.0% | 100.0% | 100.0% | 100.0% | 280 | 100.0% | 100.0% | 100.0% | 100.0% |
| | SMALL BUSINESS | | | | | SMALL FARM | | | | |
| | By Tract Income | | | | | | | | | |
| Low | 2 | 0.7% | 1.7% | 1.1% | 1.8% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 70 | 24.6% | 24.8% | 22.7% | 26.7% | 3 | 20.0% | 10.5% | 3.3% | 2.4% |
| Middle | 128 | 45.1% | 39.4% | 42.3% | 39.1% | 6 | 40.0% | 49.9% | 85.6% | 82.4% |
| Upper | 84 | 29.6% | 34.2% | 30.3% | 32.1% | 6 | 40.0% | 39.6% | 11.1% | 15.3% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Tract Unknown | 0 | 0.0% | 0.0% | 3.6% | 0.3% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Total | 284 | 100.0% | 100.0% | 100.0% | 100.0% | 15 | 100.0% | 100.0% | 100.0% | 100.0% |
| | By Revenue | | | | | | | | | |
| \$1 Million or Less | 108 | 38.0% | 27.1% | 55.2% | 68.8% | 4 | 26.7% | 18.2% | 100.0% | 100.0% |
| | By Loan Size | | | | | | | | | |
| \$100,000 or less | 205 | 72.2% | 26.9% | 90.4% | 34.7% | 13 | 86.7% | 38.3% | 91.1% | 46.1% |
| \$100,001-\$250,000 | 50 | 17.6% | 27.9% | 6.0% | 22.8% | 2 | 13.3% | 61.7% | 6.7% | 33.0% |
| \$250,001-\$1 Million-\$500k (Farm) | 29 | 10.2% | 45.2% | 3.6% | 42.5% | 0 | 0.0% | 0.0% | 2.2% | 20.9% |
| Total | 284 | 100.0% | 100.0% | 100.0% | 100.0% | 15 | 100.0% | 100.0% | 100.0% | 100.0% |

Originations and Purchases

APPENDIX C – AGGREGATE LENDING TABLES (Continued)

Aggregate Comparison Loan Distribution Table
 Assessment Area: Talladega 2004

| Income Categories | HMDA | | | | | | | | | |
|-------------------------------------|-----------------|---------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|---------------|
| | By Tract Income | | | | | By Borrower Income | | | | |
| | # | Bank % | % \$(000s) | Aggregate % | % \$(000s) | # | Bank % | % \$(000s) | Aggregate % | % \$(000s) |
| Home Purchase | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 3.1% | 1.4% |
| Moderate | 0 | 0.0% | 0.0% | 2.1% | 1.3% | 0 | 0.0% | 0.0% | 12.1% | 8.6% |
| Middle | 2 | 100.0% | 100.0% | 93.5% | 94.3% | 0 | 0.0% | 0.0% | 19.8% | 17.9% |
| Upper | 0 | 0.0% | 0.0% | 4.3% | 4.4% | 2 | 100.0% | 100.0% | 32.3% | 50.8% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 32.7% | 21.4% |
| Total | 2 | 100.0% | 100.0% | 100.0% | 100.0% | 2 | 100.0% | 100.0% | 100.0% | 100.0% |
| Refinance | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 5.2% | 2.1% |
| Moderate | 1 | 12.5% | 7.8% | 3.2% | 1.9% | 4 | 50.0% | 37.4% | 13.5% | 8.8% |
| Middle | 6 | 75.0% | 77.7% | 90.2% | 92.3% | 1 | 12.5% | 9.6% | 21.4% | 17.9% |
| Upper | 1 | 12.5% | 14.4% | 6.6% | 5.8% | 3 | 37.5% | 52.9% | 44.2% | 57.2% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 15.7% | 14.0% |
| Total | 8 | 100.0% | 100.0% | 100.0% | 100.0% | 8 | 100.0% | 100.0% | 100.0% | 100.0% |
| Home Improvement | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 11.6% | 7.0% |
| Moderate | 0 | 0.0% | 0.0% | 1.4% | 1.5% | 0 | 0.0% | 0.0% | 24.5% | 16.5% |
| Middle | 0 | 0.0% | 0.0% | 90.5% | 86.3% | 0 | 0.0% | 0.0% | 22.4% | 23.0% |
| Upper | 0 | 0.0% | 0.0% | 8.2% | 12.1% | 0 | 0.0% | 0.0% | 37.4% | 48.2% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 4.1% | 5.4% |
| Total | 0 | 0.0% | 0.0% | 100.0% | 100.0% | 0 | 0.0% | 0.0% | 100.0% | 100.0% |
| Multi-Family | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Middle | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Upper | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Total | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| HMDA Totals | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 4.6% | 1.8% |
| Moderate | 1 | 10.0% | 3.9% | 2.6% | 1.6% | 4 | 40.0% | 18.6% | 13.5% | 8.9% |
| Middle | 8 | 80.0% | 88.9% | 91.9% | 93.2% | 1 | 10.0% | 4.8% | 20.7% | 18.0% |
| Upper | 1 | 10.0% | 7.2% | 5.6% | 5.3% | 5 | 50.0% | 76.6% | 37.9% | 54.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 23.3% | 17.3% |
| Total | 10 | 100.0% | 100.0% | 100.0% | 100.0% | 10 | 100.0% | 100.0% | 100.0% | 100.0% |
| SMALL BUSINESS | | | | | | | | | | |
| By Tract Income | | | | | | | | | | |
| Low | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Moderate | 1 | 1.5% | 1.5% | 2.2% | 1.9% | 0 | 0.0% | 0.0% | 0.8% | 0.0% |
| Middle | 60 | 90.9% | 80.5% | 93.5% | 95.0% | 14 | 100.0% | 100.0% | 98.5% | 99.9% |
| Upper | 5 | 7.6% | 18.0% | 2.5% | 2.6% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | 0.0% | 0.0% | 0.0% | 0 | 0.0% | 0.0% | 0.0% | 0.0% |
| Tract Unknown | 0 | 0.0% | 0.0% | 1.9% | 0.5% | 0 | 0.0% | 0.0% | 0.8% | 0.1% |
| Total | 66 | 100.0% | 100.0% | 100.0% | 100.0% | 14 | 100.0% | 100.0% | 100.0% | 100.0% |
| By Revenue | | | | | | | | | | |
| \$1 Million or Less | 18 | 27.3% | 23.7% | 37.5% | 43.4% | 2 | 14.3% | 10.0% | 83.1% | 66.4% |
| By Loan Size | | | | | | | | | | |
| \$100,000 or less | 54 | 81.8% | 36.0% | 91.2% | 33.2% | 13 | 92.9% | 64.1% | 90.8% | 37.8% |
| \$100,001-\$250,000 | 8 | 12.1% | 28.8% | 4.9% | 21.2% | 1 | 7.1% | 35.9% | 3.8% | 14.6% |
| \$250,001-\$1 Million-\$500k (Farm) | 4 | 6.1% | 35.3% | 3.8% | 45.6% | 0 | 0.0% | 0.0% | 5.4% | 47.6% |
| Total | 66 | 100.0% | 100.0% | 100.0% | 100.0% | 14 | 100.0% | 100.0% | 100.0% | 100.0% |

Originations and Purchases

APPENDIX D – DEFINITIONS AND GENERAL INFORMATION

Definitions

| | |
|---------|--|
| ATM - | Automated Teller Machine |
| CDC - | Community Development Corporation |
| CDFI - | Community Development Financial Institution |
| CRA - | Community Reinvestment Act (Regulation BB) |
| FFIEC - | Federal Financial Institutions Examination Council |
| HMDA - | Home Mortgage Disclosure Act (Regulation C) |
| LMI - | Low- and Moderate-Income |
| LTD - | Loan-to-Deposit Ratio |
| MD - | Metropolitan Division |
| MSA - | Metropolitan Statistical Area |
| REIS - | Regional Economic Information System |

Performance Definitions Regarding Lending

| | |
|-------------|---|
| Excellent - | This rating is assigned to an institution with lending performance that substantially exceeds the characteristics of demographic data and aggregate performance. |
| Good - | This rating is assigned to an institution with lending performance that exceeds the characteristics of demographic data and aggregate performance. |
| Adequate - | This rating is assigned to an institution with lending performance that is comparable to the characteristics of demographic data and aggregate performance. |
| Poor - | This rating is assigned to an institution with lending performance that is significantly below the characteristics of demographic data and aggregate performance. |

Rounding Convention

Because the percentages presented in tables were rounded to the nearest whole number in most cases, some columns may not total exactly 100 percent.

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| APPENDIX D – DEFINITIONS AND GENERAL INFORMATION (Continued) |
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General Information

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

This document is an evaluation of the CRA performance of **First American Bank** prepared by the **Federal Reserve Bank of Atlanta**, the institution's supervisory agency, as of **May 1, 2006**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

APPENDIX E - GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the 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 multi-family 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).

APPENDIX E – GLOSSARY (Continued)

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 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 applications, 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 multi-family (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings 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. A 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.

APPENDIX E – GLOSSARY (Continued)

Multi-family: Refers to a residential structure that contains five or more units.

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

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

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

Rated area: A rated area is a state or 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 a median family income that is more than 120 percent, in the case of a geography.

APPENDIX E – GLOSSARY (Continued)

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings 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 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”): Any primary metropolitan statistical area (“PMSA”), metropolitan statistical area (“MSA”), or consolidated metropolitan statistical area (“CMSA”), as defined by the Office of Management and Budget, with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

Multi-family: Refers to a residential structure that contains five or more units.

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

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

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

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| APPENDIX E – GLOSSARY (Continued) |
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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.

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Small loan(s) to farm(s): A loan included in "loans to small farms" as defined in the instructions for preparation of the Call Report. These loans have original amounts of \$500 thousand 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 a median family income that is more than 120 percent, in the case of a geography.