

PUBLIC DISCLOSURE

October 17, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Tazewell County

844820

309 East Main Street

Tazewell, Virginia 24651

Federal Reserve Bank of Richmond

P. O. Box 85029

Richmond, Virginia 23261

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 this institution does not represent an analysis, conclusion or opinion of the Federal financial supervisory agency concerning the safety and soundness of this financial institution.

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

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

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors supporting the overall rating include:

- The bank's loan-to-deposit ratio is considered reasonable in relation to demand for credit in the assessment areas.
- A substantial majority of the institution's small business/farm and Home Mortgage Disclosure Act (HMDA) loans were originated within the bank's assessment areas.
- Lending to borrowers of different incomes and to businesses with revenues less than \$1 million is considered excellent using various proxies for demand.
- The geographic distribution of loans is considered excellent compared to area demographics.
- Performance under the community development test demonstrates satisfactory responsiveness to the community development needs of the assessment areas.
- The bank has not received any complaints regarding its CRA performance since the previous evaluation.

DESCRIPTION OF INSTITUTION

Bank of Tazewell County is headquartered in Tazewell, Virginia, and operates 12 branches throughout Tazewell, Smyth, Wythe, and Washington Counties, Virginia. As of September 30, 2005, the bank had total assets of approximately \$342.2 million, of which 49.9% were loans. The institution offers a variety of credit and deposit products including loans for consumer, residential mortgage, and business purposes. The loan portfolio as of September 30, 2005, was comprised of 34.8% one- to four-family residential real estate secured, 51.9% commercial real estate and farm, 3.9% commercial and agriculture, 7% consumer, and 2.4% other. The institution's previous CRA rating dated November 3, 2003, was Satisfactory.

The institution is a subsidiary of National Bankshares, Incorporated, headquartered in Blacksburg, Virginia, a multi-bank holding company with assets of \$828.9 million as of September 30, 2005. Subsidiaries of National Bankshares, Incorporated, include Bank of Tazewell County and The National Bank of Blacksburg. National Bankshares, Incorporated, also owns National Bankshares Financial Services which provides investment and insurance products to customers.

Bank of Tazewell County serves two contiguous assessment areas located in southwestern Virginia. The Tazewell assessment area contains the bank's headquarters and is considered a nonmetropolitan region. The bank also serves Washington County, which is included within the Kingsport-Bristol-Bristol, TN-VA Metropolitan Statistical Area (MSA). As of June 30, 2005, the bank had a 17.8% market share of deposits within the nonmetropolitan region including Tazewell, Smyth, and Wythe Counties, Virginia. With a deposit market share of 1.75% in its metropolitan assessment area, Bank of Tazewell County has a modest local presence.

SCOPE OF EXAMINATION

The institution was evaluated using the interagency examination procedures developed by the Federal Financial Institutions Examination Council (FFIEC). The review of the bank's lending activity includes residential real estate loans reported under HMDA from January 1, 2004, through December 31, 2004, within the bank's metropolitan and nonmetropolitan assessment areas. Small business and small farm loans reported for CRA purposes from January 1, 2004, through December 31, 2004, were also reviewed for both assessment areas.

When considering lending performance for specific loan types, primary consideration is given to the number (and corresponding percentage) of transactions. The institution's overall rating is based on the performance of each loan category, and primary consideration is given to the dollar volume each category contributes to the overall activity considered in the evaluation.

The review of the bank's community development activities is based on the number and amount of community development loans and qualified investments, the extent to which the bank provides community development services, and its responsiveness to identified community development lending, investment, and service needs. To the extent the bank originated any community development loans, such financing has been reported as small business or HMDA loans. For this reason, when considering bank performance under the community development test, primary weighting was given to the number and amount of qualified investments and the provision of services benefiting low- and moderate-income individuals.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LOAN-TO-DEPOSIT RATIO

A bank's loan-to-deposit ratio is one measure of its lending relative to its capacity. As of September 30, 2005, the bank's loan-to-deposit ratio equaled 56.1% and averaged 57.3% for the eight-quarter period ending September 30, 2005. During the same time period, the average quarterly loan-to-deposit ratios for all banks headquartered in nonmetropolitan areas of Virginia and of similar asset size to Bank of Tazewell County ranged from 75.8% to 81.5%. From December 31, 2003, to September 30, 2005, bank assets, loans, and deposits have increased by 12.9%, 10.6%, and 13.2%, respectively. Although the average loan-to-deposit ratio is somewhat lower than the comparative range, many of the banks included within the range have branches in more urban areas of the state and likely benefit from stronger area loan demand. Furthermore, high unemployment, stagnant economic conditions, and a lack of viable industry within the local market contribute to the low loan-to-deposit ratio. Considering these factors, the institution's loan-to-deposit ratio is considered reasonable.

LENDING IN ASSESSMENT AREA

The following table depicts the institution's reported loan data from January 1, 2004, through December 31, 2004. The lending data below includes transactions made within both of the institution's assessment areas.

Comparison of Credit Extended Inside and Outside of Assessment Areas

	Inside Assessment Areas	Outside Assessment Areas	Total
Total Number of Loans	370	74	444
Percentage of Total Loans	83.3%	16.7%	100%
Total Amount of Loans (000's)	\$15,802	\$1,864	\$17,666
Percentage of Total Amount	89.4%	10.6%	100%

As indicated in the table, a substantial majority of the number (83.3%) and dollar amount (89.4%) of loans were provided to borrowers located in the bank's assessment areas. The institution's level of lending within the assessment areas is considered highly responsive to community credit needs.

BORROWER AND GEOGRAPHIC DISTRIBUTION

The analysis of HMDA and small business/farm loans is discussed in greater detail later in the report. Overall, the geographic distribution of loans and lending to individuals of varying incomes and to businesses/farms of different sizes is excellent. In all cases, the bank's performance was compared to demographic proxies for demand, as well as 2004 aggregate loan data.

COMMUNITY DEVELOPMENT LOANS, INVESTMENTS, AND SERVICES

Bank of Tazewell County did not extend any community development loans in 2004. The bank maintains five qualified investments in the form of Virginia State Housing Development Authority bonds totaling \$3.5 million. In addition, donations totaling \$1,131 were made to organizations created to assist low- and moderate-income individuals or families. The bank provides services to benefit low- and moderate-income areas and people. Systems for delivering retail-banking services appear effective and are accessible to all portions of the assessment areas. Community development services are also offered through the provision of financial expertise to several organizations including the Tazewell Chamber of Commerce economic development initiatives, Southwest Virginia Community Development, and Habitat for Humanity.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No credit practices inconsistent with the substantive provisions of the fair housing and fair lending laws and regulations were identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

NONMETROPOLITAN AREA

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE TAZEWELL ASSESSMENT AREA

The Tazewell assessment area encompasses one tract in Bland County, Virginia; all of Tazewell, Smyth, and Wythe Counties, Virginia; six tracts in Mercer County, West Virginia; and two tracts in McDowell County, West Virginia. The aforementioned census tracts within Bland, McDowell, and Mercer Counties included within the assessment area are presented below:

<u>Bland County</u>	<u>McDowell County</u>	<u>Mercer County</u>	
9902	9542	9516	9517
	9543	9519	9520
		9521	9522

The assessment area is primarily rural and consists of 31 geographies, of which six are moderate-income, 24 are middle-income, and one is upper-income. There are no low-income tracts in the assessment area. Eleven branch offices serve the area. According to the 2000 census data, the assessment area has a population of 134,172 and a median housing value of \$57,803. The owner-occupancy rate for the market is 67.4%, which is higher than the nonmetropolitan state levels of occupancy for both Virginia and West Virginia at 65.4% and 65.6%, respectively. The owner-occupancy rates for Virginia and West Virginia are 63.3% and 65.6%, respectively. In the assessment area, 11.7% of families are considered below the poverty level, while in the nonmetropolitan areas of Virginia and West Virginia, 10.7% and 16.4% of families are impoverished, respectively. Demographics for Virginia indicate that 7% of families are living below the poverty level. The 2004 median family incomes for nonmetropolitan areas of Virginia and West Virginia are \$44,900 and \$39,400, respectively.

The following table provides demographic data for the assessment area by the income level of families, the type and distribution of housing units, and the distribution of local businesses and farms.

nonmetro - Tazewell VA/WV ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	8,402	21.4
Moderate	6	19.4	5,311	13.5	1,149	21.6	7,949	20.2
Middle	24	77.4	33,134	84.4	3,407	10.3	9,339	23.8
Upper	1	3.2	811	2.1	53	6.5	13,566	34.6
Total	31	100.0	39,256	100.0	4,609	11.7	39,256	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner Occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	9,019	5,451	12.9	60.4	2,294	25.4	1,274	14.1
Middle	52,292	35,912	84.7	68.7	10,505	20.1	5,875	11.2
Upper	1,544	1,012	2.4	65.5	361	23.4	171	11.1
Total	62,855	42,375	100.0	67.4	13,160	20.9	7,320	11.6
	Total Businesses by Tract	Businesses by Tract and Revenue Size						
		Less than or = \$1 Million		Over \$1 Million		Revenue not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	472	12.8	423	13.3	33	9.5	16	10.1
Middle	3,115	84.6	2,664	83.8	310	89.6	141	89.2
Upper	97	2.6	93	2.9	3	0.9	1	0.6
Total	3,684	100.0	3,180	100.0	346	100.0	158	100.0
Percentage of Total Businesses:			86.3		9.4		4.3	
	Total Farms by Tract	Farms by Tract and Revenue Size						
		Less than or = \$1 Million		Over \$1 Million		Revenue not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	5	2.7	5	2.8	0	0.0	0	0.0
Middle	180	97.3	176	97.2	4	100.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Total	185	100.0	181	100.0	4	100.0	0	0.0
Percentage of Total Farms:			97.8		2.2		0.0	

The agricultural, manufacturing, and coal mining industries are the primary employers in the area. The unemployment rates as of October 2005 for Tazewell, Smyth, Wythe, and Bland Counties, Virginia, are 4%, 4.9%, 3.7%, and 3.6%, respectively. These rates are higher than the jobless rate of 3.4% for Virginia. McDowell County, West Virginia has an unemployment rate of 8.1%, which is significantly higher than the state's rate of 5.2% and Mercer County's unemployment rate of 4.4%. The higher unemployment rates are due in large part to the continuing mechanization of the coal mining industry and the stagnant area economy.

A local small business owner was contacted to assist in evaluating the bank's CRA performance. The contact indicated that local financial institutions are adequately serving the credit needs of the community.

LENDING TO BORROWERS OF DIFFERENT INCOMES AND TO BUSINESSES OF DIFFERENT SIZES

Distribution of HMDA Loans by Income Level of Borrower

The bank reported a total of 279 HMDA loans in 2004 within the Tazewell assessment area. Of these transactions, ten loans did not contain income data and are not included in the analysis.

	Low- Income	Moderate- Income	Middle- Income	Upper- Income	Total
Total Number of Loans	66	73	71	59	269
Percentage of Total Loans	24.5%	27.1%	26.4%	22%	100%
Total Amount of Loans (000's)	\$729	\$1,437	\$2,390	\$3,471	\$8,027
Percentage of Total Amount	9.1%	17.9%	29.8%	43.2%	100%

The bank's level of lending to low-income borrowers (24.5%) exceeds both the aggregate (11.1%) and the proportion of low-income families (21.4%) within the market. The lending to moderate-income borrowers (27.1%) also exceeds both the aggregate (21.4%) and the proportion of moderate-income borrowers (20.2%) within the market. The overall lending to low- and moderate-income borrowers is considered excellent.

Distribution of Loans by Size of Business

The bank reported a total of 61 small business loans in 2004 within the Tazewell assessment area. Of these transactions, one loan did not contain revenue data and is not included in the analysis.

	Revenues < \$1 Million	Revenues > \$1 Million	Total
Total Number of Loans	55	5	60
Percentage of Total Loans	91.7%	8.3%	100%
Total Amount of Loans (000's)	\$1,650	\$656	\$2,306
Percentage of Total Amount	71.6%	28.4%	100%

Of the 60 small business loans included in the analysis, 91.7% were made to businesses with revenues of \$1 million or less. Dun and Bradstreet (D&B) data for 2004 indicate that 86.3% of businesses within the assessment area have revenues of \$1 million or less. Aggregate small business data indicates that 45.2% of reported small business loans in 2004 were to businesses having revenues of \$1 million or less. The remaining portion of businesses had revenues exceeding \$1 million or revenue data was not available. This level of lending is considered excellent.

Distribution of Loans by Size of Farm

The bank reported a total of 24 small farm loans in 2004 within the Tazewell assessment area. Of these transactions, one loan did not contain revenue data and is not included in the analysis.

	Revenues <= \$1 Million	Revenues > \$1 Million	Total
Total Number of Loans	23	0	23
Percentage of Total Loans	100%	0%	100%
Total Amount of Loans (000's)	\$761	\$0	\$761
Percentage of Total Amount	100%	0%	100%

Of the small farm loans included in the analysis, 100% were made to farms with revenues of \$1 million or less. According to recent D&B data, 97.8% of farms within the assessment area have revenues of \$1 million or less. Aggregate small farm data indicates that 97.2% of reported small farm loans in 2004 were to farms having revenues of \$1 million or less. The remaining portion of farms had revenues exceeding \$1 million. This level of lending is considered excellent.

Overall, the bank's level of lending to borrowers of different income levels and to businesses and farms with revenues of \$1 million or less is considered excellent when compared to area demographics, 2004 D&B information, and 2004 aggregate data.

GEOGRAPHIC DISTRIBUTION OF LOANS

As previously mentioned, there are no low-income geographies within the Tazewell assessment area.

Distribution of HMDA Loans by Income Level of Geography

	Moderate- Income	Middle- Income	Upper- Income	Total
Total Number of Loans	39	230	10	279
Percentage of Total Loans	14%	82.4%	3.6%	100%
Total Amount of Loans (000's)	\$1,202	\$8,535	\$290	\$10,027
Percentage of Total Amount	12%	85.1%	2.9%	100%

The bank's level of lending in moderate-income areas (14%) exceeds the proportion of owner-occupied housing units located in moderate-income (12.9%) census tracts in the assessment area. The level of lending is comparable to the 2004 aggregate data, which indicates that 14.4% of loans were extended within moderate-income tracts. The geographic distribution of HMDA loans reflects excellent dispersion among moderate-income tracts within the assessment area.

Distribution of Small Business Loans by Income Level of Geography

	Moderate- Income	Middle- Income	Upper- Income	Total
Total Number of Loans	19	42	0	61
Percentage of Total Loans	31.1%	68.9%	0%	100%
Total Amount of Loans (000's)	\$876	\$1,493	\$0	\$2,369
Percentage of Total Amount	37%	63%	0%	100%

The bank's small business loan distribution within moderate-income census tracts (31.1%) exceeds both the percentage of businesses (12.8%) within those tracts as well as the level of aggregate lending within moderate-income census tracts (17.2%). This level of lending to is considered excellent.

Distribution of Small Farm Loans by Income Level of Geography

	Moderate- Income	Middle- Income	Upper- Income	Total
Total Number of Loans	2	22	0	24
Percentage of Total Loans	8.3%	91.7%	0%	100%
Total Amount of Loans (000's)	\$5	\$771	\$0	\$776
Percentage of Total Amount	.6%	99.4%	0%	100%

The bank's small farm loan distribution within moderate-income census tracts (8.3%) is slightly lower than that of the aggregate data within moderate-income census tracts (12.3%). However, the bank's small farm lending exceeds the percentage of farms located within such tracts (2.7%). This level of lending to farms within moderate-income areas is considered reasonable.

The institution's overall level of lending in geographies of different income levels is considered excellent when compared to available proxies.

Community Development Loans, Investments, and Services

Bank of Tazewell County did not extend any community development loans in 2004. However, the bank has invested in five qualified Virginia Housing Development Authority bonds totaling \$3.5 million. The Virginia Housing Development Authority is a public mortgage lender that serves the housing needs of low- and moderate-income individuals throughout the Commonwealth of Virginia. Additional qualified community development investments consist of donations totaling \$1,131 to organizations assisting low- and moderate-income individuals. Assistance to these individuals includes locating affordable housing and providing financial seminars designed for first-time home buyers. Several of the organizations receiving donations include Mountain Shelter, Inc., Tazewell County's Office of Economic Development, and the Chamber of Commerce.

Systems for delivering retail-banking services appear effective and are accessible to all portions of the assessment area. The branch network includes 11 branches, of which one is located in a moderate-income area. In addition, the institution provides customers with 24-hour access to their accounts through an automated phone system, bank-by-computer services, and bank-by-mail services. Branch business hours and locations are considered convenient and meet the needs of the assessment area.

Community development services are provided through the contribution of time and financial expertise to several organizations including the Tazewell Chamber of Commerce economic development initiative, Southwest Virginia Community Development, and Habitat for Humanity. These organizations promote financial service, education, and affordable housing to low- and moderate-income individuals within the assessment area.

Overall, the bank has a satisfactory record of performance under the community development test.

METROPOLITAN AREA

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE WASHINGTON COUNTY ASSESSMENT AREA

Bank of Tazewell County also serves all of Washington County, Virginia, which is included within the Kingsport-Bristol-Bristol, TN-VA MSA. This market is served by one branch office. The assessment area consists of ten census tracts, of which nine are middle-income and one is upper-income. There are no low- or moderate-income tracts in the assessment area.

According to the 2000 census data, the assessment area has a population of 51,103 and a median housing value of \$82,304. The owner-occupancy rate for the market is 70.8%, which is higher than the MSA and commonwealth levels of 69.2% and 63.3%, respectively. In the assessment area, 8.1% of families are considered below the poverty level, while in the Commonwealth of Virginia and the MSA, 7% and 10.5% of families are living below the poverty level, respectively. The 2004 median family income for the assessment area is \$44,600.

The following table provides demographic data for the assessment area by the income level of families, the type and distribution of housing units, and the distribution of local businesses and farms.

metro - Washington County ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	2,501	16.8
Moderate	0	0.0	0	0.0	0	0.0	2,926	19.6
Middle	9	90.0	13,569	91.0	1,189	8.8	3,416	22.9
Upper	1	10.0	1,341	9.0	25	1.9	6,067	40.7
Total	10	100.0	14,910	100.0	1,214	8.1	14,910	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
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	21,066	14,788	90.9	70.2	4,432	21.0	1,846	8.8
Upper	1,919	1,480	9.1	77.1	356	18.6	83	4.3
Total	22,985	16,268	100.0	70.8	4,788	20.8	1,929	8.4
	Total Businesses by Tract	Businesses by Tract and Revenue Size						
		Less than or = \$1 Million		Over \$1 Million		Revenue not Reported		
		#	%	#	%	#	%	#
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	1,459	87.2	1,271	86.9	124	88.6	64	91.4
Upper	214	12.8	192	13.1	16	11.4	6	8.6
Total	1,673	100.0	1,463	100.0	140	100.0	70	100.0
Percentage of Total Businesses:			87.4		8.4		4.2	
	Total Farms by Tract	Farms by Tract and Revenue Size						
		Less than or = \$1 Million		Over \$1 Million		Revenue not Reported		
		#	%	#	%	#	%	#
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	121	96.8	120	96.8	1	100.0	0	0.0
Upper	4	3.2	4	3.2	0	0.0	0	0.0
Total	125	100.0	124	100.0	1	100.0	0	0.0
Percentage of Total Farms:			99.2		0.8		0.0	

As of October 2005, the unemployment rate for Washington County, Virginia, was 5%, which is higher than the jobless rate for Virginia of 3.4%. The Washington County economy is dominated by light manufacturing and tourism. The economy benefits from its position near the I-77/I-81 corridor which has helped to maintain a positive influx of residents and businesses to the area.

LENDING TO BORROWERS OF DIFFERENT INCOMES AND TO BUSINESSES OF DIFFERENT SIZES

Operating only one branch within the area, the bank's presence within this market is modest. During the review period, only 1.6% of loans included in the analysis were within the Washington County assessment area. Due to the relatively small sample size available for analysis, the usefulness of this data is limited.

Distribution of HMDA Loans by Income Level of Borrower

The bank reported a total of four HMDA loans in 2004 within the Washington County assessment area. Of these transactions, two loans did not contain income data and are not included in the analysis. None of the four loans was extended to area low-income borrowers. The proportion of area low-income families within the assessment area is 16.8%, and the aggregate percentage of loans to such borrowers is 6.9%. However, lending to moderate-income borrowers (50%) exceeds both the aggregate lending to such borrowers (19%) and the proportion of moderate-income families (19.6%) within the assessment area. The bank's level of lending to low- and moderate-income borrowers is considered adequate.

Distribution of Loans by Size of Business

The bank reported a total of two small business loans and no small farm loans in 2004 within the Washington County assessment area. Of the two small business loans included in the analysis, 100% were made to businesses with revenues of \$1 million or less. According to recent D&B data, 87.4% of businesses within the assessment area have revenues of \$1 million or less. Aggregate small business data indicates that 58.7% of reported small business loans in 2004 were to businesses having revenues of \$1 million or less. The remaining portion of businesses had revenues exceeding \$1 million or revenue data was not available. This level of lending is considered excellent.

Overall, the bank's lending to borrowers of different income levels and to businesses with revenues of \$1 million or less is considered reasonable when compared to area demographics, D&B information, and 2004 aggregate data.

GEOGRAPHIC DISTRIBUTION OF LOANS

A meaningful analysis of the institution's overall level of lending in geographies of different income levels could not be conducted due to the lack of low- and moderate-income census tracts located within the Washington County assessment area. As previously mentioned, the assessment area contains one upper-income and nine middle-income geographies. All four HMDA and two small business loans originated in this market were in middle-income geographies.

COMMUNITY DEVELOPMENT LOANS, INVESTMENTS, AND SERVICES

As previously mentioned, Bank of Tazewell County did not extend community development loans during 2004. However, the bank has invested in five qualified Virginia Housing Development Authority bonds totaling \$3.5 million. As mentioned previously, the Virginia Housing Development Authority assists low- and moderate-income individuals to obtain quality, affordable housing. Additional qualified community development investments consist of donations totaling \$1,131.

Systems for delivering retail-banking services appear effective and are accessible to all portions of the assessment area. Bank of Tazewell County operates one branch within the Washington County assessment area which is located in a middle-income area. The branch's location and business hours are considered convenient.

Bank personnel contribute financial assistance and expertise to several organizations within the assessment area including the Southwest Virginia Community Development Organization and Habitat for Humanity. These organizations promote financial service, education, and affordable housing to low- and moderate-income individuals within the assessment area.

Overall, the bank has a satisfactory record of performance under the community development test.