

# **PUBLIC DISCLOSURE**

**January 13, 2003**

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**First Community Bank  
DeBary, Florida**

**RSSD ID Number: 1156388**

**FEDERAL RESERVE BANK OF ATLANTA  
1000 Peachtree Street, N.E.  
Atlanta, Georgia 30309-4470**

Note: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to the institution does not represent an analysis, conclusion of opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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<b>DEFINITIONS</b>
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**Income Definitions**

Throughout this evaluation, the following definitions are used for the various income levels. These levels are defined in the CRA.

*Low-Income* - An individual income, or median family income for geographies, that is less than 50 percent of the area median income.

*Moderate-Income* - An individual income, or median family income for geographies, that is at least 50 percent but less than 80 percent of the area median income.

*Middle-Income* - An individual income, or median family income for geographies, that is at least 80 percent but less than 120 percent of the area median income.

*Upper-Income* - An individual income, or median family income for geographies, that is 120 percent or more of the area median income.

**Other Definitions**

ATM - Automated Teller Machine  
HMDA - Home Mortgage Disclosure Act  
HUD - Department of Housing and Urban Development  
LTD - Loan-to-Deposit Ratio  
MSA - Metropolitan Statistical Area  
REIS - Regional Economic Information System  
SBA - Small Business Administration

<b>ROUNDING CONVENTION</b>
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Because the percentages presented in tables were rounded to the nearest tenth in most cases, some columns may not total exactly 100 percent.

<b>GENERAL INFORMATION</b>
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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 Community Bank prepared by the Federal Reserve Bank of Atlanta, the institution's supervisory agency, as of January 13, 2003. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

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

First Community Bank's average LTD ratio for the past sixteen quarters ended September 30, 2002, is **REASONABLE** given the institution's size, financial condition, and competition within the assessment area. A **SUBSTANTIAL MAJORITY** of the bank's loans were extended to individuals and businesses inside its assessment area. Lending to borrowers of different incomes and businesses of different revenue sizes is **EXCELLENT**. The geographic distribution of the bank's loans is **EXCELLENT**. The bank has received no CRA-related complaints since the previous examination. In addition, the bank is in compliance with the substantive provisions of the antidiscrimination laws and regulations.

**DESCRIPTION OF INSTITUTION**

First Community Bank is a small community bank that operates eight full service facilities throughout the western portion of Volusia County in the state of Florida. At the present time, the bank does not have ATMs. Of the eight branches, two are located in moderate-income tracts and six are located in middle-income tracts. The bank is a wholly owned subsidiary of First Community Bank Holding Company located in DeBary, Florida. From December 31, 1998 to September 30, 2002, total assets increased from \$110.8 million to \$177.9 million (60.6 percent). As of September 30, 2002, net loans totaled \$117.1 million and deposits totaled \$163.5 million.

First Community Bank is a full service community bank that offers a wide variety of credit products to meet community credit needs. These credit products include consumer, residential mortgage, construction, home equity, credit cards, business, and commercial real estate loans. The bank's business strategy encourages commercial loans to small- and medium-sized commercial businesses. However, the bank does offer other loan products including mortgage loans and loans to individuals for personal use.

The composition of the loan portfolio according to the September 30, 2002 Consolidated Reports of Condition and Income (Call Report) is as follows:

<b>COMPOSITION OF LOAN PORTFOLIO</b>						
<b>Loan Type</b>	<b>9/30/2002</b>		<b>12/31/2001</b>		<b>12/31/1998</b>	
	<b>\$ (000s)</b>	<b>Percent</b>	<b>\$ (000s)</b>	<b>Percent</b>	<b>\$ (000s)</b>	<b>Percent</b>
Construction and Development	\$4,082	3.5%	\$3,965	3.5%	\$2,637	3.4%
Secured by One- to Four- Family Dwellings	\$38,452	33.4%	\$37,370	33.3%	\$28,519	37.3%
Other Real Estate:						
Farmland	\$0	0.0%	\$0	0.0%	\$0	0.0%
Multifamily	\$862	0.7%	\$0	0.0%	\$0	0.0%
Nonfarm nonresidential	\$43,048	37.4%	\$40,905	36.4%	\$23,651	30.9%
Commercial and Industrial	\$15,965	13.9%	\$17,043	15.2%	\$10,406	13.6%
Loans to Individuals	\$10,930	9.5%	\$10,867	9.7%	\$8,455	11.1%
Agricultural Loans	\$1,755	1.5%	\$2,157	1.9%	\$2,792	3.7%
<b>Total</b>	<b>\$115,094</b>	<b>100.00%</b>	<b>\$112,307</b>	<b>100.00%</b>	<b>\$76,460</b>	<b>100.00%</b>

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

As indicated by the table above, the bank's loan portfolio as of September 30, 2002, consisted primarily of nonfarm, nonresidential lending (37.4 percent), one-to-four family dwelling loans (33.4 percent), and commercial and industrial loans (13.9 percent). This is consistent with the bank's strategy. No known legal impediments exist that would restrain the bank from meeting the credit needs of its assessment area.

<b>DESCRIPTION OF INSTITUTION (Continued)</b>
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HMDA and small business loans were reviewed for the CRA evaluation because these loans make up a substantial percentage of the outstanding loan portfolio and are high volume products in terms of numbers of loans originated during the review period. The bank received an outstanding rating during its previous CRA examination conducted by the Federal Reserve Bank of Atlanta on November 3, 1997.

**DESCRIPTION OF ASSESSMENT AREA: Volusia County, Florida**

The bank's assessment area consists of the western portion of Volusia County, located in the Daytona Beach MSA in the state of Florida. The assessment area consists of 21 census tracts and includes the communities of DeLand, Deltona, Orange City, DeBary, Lake Helen, and Pierson. Of the 21 census tracts, 3 are moderate-income, 17 are middle-income, and 1 is upper-income. The assessment area contains no low-income census tracts. The bank has not arbitrarily excluded any low- or moderate-income census tracts from its assessment area, and therefore meets the requirements of the CRA regulation.

**Demographic Data by Tract**

The following table provides demographic information that was used in analyzing the bank's CRA performance. Certain components of the data in the table are discussed in the report as they apply to particular parts of the analysis.

FIRST COMMUNITY BANK ASSESSMENT AREA								
DEMOGRAPHICS								
2002 HUD Median Family Income (MSA): \$46,700 Income Categories	Tract Distribution		Families					
	#	%	Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0%	0	0.0%	0	0.0%	5,719	15.5%
Moderate	3	14.3%	2,648	7.2%	502	19.0%	7,553	20.4%
Middle	17	81.0%	34,079	92.1%	1,914	5.6%	9,363	25.3%
Upper	1	4.8%	266	0.7%	10	3.8%	14,358	38.8%
NA	0	0.0%	0	0.0%	0	0.0%	-	-
<b>Total</b>	<b>21</b>	<b>100.0%</b>	<b>36,993</b>	<b>100.0%</b>	<b>2,426</b>	<b>6.6%</b>	<b>36,993</b>	<b>100.0%</b>
Housing Units by Tract								
	Total Units	Owner Occupied		Rental Occupied		Vacant		
	#	#	%	#	%	#	%	
Low	0	0	0.0%	0	0.0%	0	0.0%	0
Moderate	5,222	2,310	5.8%	44.2%	2,197	42.1%	715	13.7%
Middle	50,602	37,192	93.3%	73.5%	7,927	15.7%	5,483	10.8%
Upper	454	341	0.9%	75.1%	57	12.6%	56	12.3%
NA	0	0	0.0%	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>56,278</b>	<b>39,843</b>	<b>100.0%</b>	<b>70.8%</b>	<b>10,181</b>	<b>18.1%</b>	<b>6,254</b>	<b>11.1%</b>
Total Businesses by Tract and Revenue Size								
	Total Businesses by Tract		Businesses by Tract and Revenue Size					
	#	%	Under \$1 Million		Over \$1 Million		Revenue not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1,180	12.2%	877	12.5%	50	17.2%	253	10.7%
Middle	8,296	86.0%	6,015	85.9%	233	80.1%	2,048	86.8%
Upper	174	1.8%	108	1.5%	8	2.7%	58	2.5%
NA	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>9,650</b>	<b>100.0%</b>	<b>7,000</b>	<b>100.0%</b>	<b>291</b>	<b>100.0%</b>	<b>2,359</b>	<b>100.0%</b>
<b>Percentage of Total Businesses:</b>				<b>72.5%</b>	<b>3.0%</b>		<b>24.4%</b>	

Sources: 1990 Census Data, 2002 Dun & Bradstreet business demographic data.  
 NA Tracts are tracts without household or family income.



<b>DESCRIPTION OF ASSESSMENT AREA (Continued)</b>
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**Population**

According to the 1990 U.S. Census, the population of Volusia County, Florida was 370,737. As of July 1, 2001, the total estimated population was 454,581, an increase of 22.6 percent, which is less than the 26.7 percent increase for the state of Florida.

**Income Characteristics**

At the time of the 1990 Census, there were 36,993 families in the assessment area. Of those families, 15.5 percent were low-income and 20.4 percent were moderate-income. Also, 6.6 percent of the families in the assessment area had incomes below the poverty level. The 1990 median family income for the Daytona Beach MSA, which includes Volusia County, was \$29,722. According to HUD, the estimated 2002 median family income for the Daytona Beach MSA was \$46,700.

**Housing Data**

Economic data at the time of the 1990 Census data showed that the majority (70.8 percent) of the housing units in the bank's assessment area were owner-occupied, 18.1 percent were occupied rental units, and 11.1 percent were vacant units. The median housing value for all types of units in the assessment area was \$64,604. The median housing value is much lower than that of the state of Florida, which was \$76,487. According to the Volusia County Department of Economic Development, 2001 average home sales price for Volusia County was \$120,229. Housing in the assessment area was primarily comprised of one-unit detached dwellings (75.9 percent), and the median age of the housing stock was 12 years.

**Employment Statistics**

A review of data from the REIS as of 1995 indicates that the services and retail industries are the largest employers in Volusia County. According to REIS data, from 1990 to 1995 the service industry experienced a 15.5 percent increase in employment and the retail industry experienced a 3.5 percent increase in employment. According to the U.S. Bureau of Labor Statistics, the unemployment rate for Volusia County, as of September 2002, was 5.3 percent. By comparison, the unemployment rate for the state of Florida, as of September 2002 was 5.5 percent.

<b>DESCRIPTION OF ASSESSMENT AREA (Continued)</b>
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**Business Size Characteristics**

The demographic table on page 4 provides key demographic business data by income level tract in First Community Bank's assessment area. The Dun and Bradstreet information for 2002 indicates that 72.5 percent of the businesses in the bank's assessment area had total revenues of less than \$1 million and were therefore considered to be small businesses.

**Competition**

First Community Bank is located in a highly competitive banking market. The level of competition is considered typical given the bank's size, local area population, and the current economic growth being experienced in the area. There is one other financial institution of similar asset size, operating two offices in Volusia County. Wachovia Bank, SunTrust Bank, Bank of America, SouthTrust Bank, Regions Bank, and Colonial Bank also maintain branches in the area. According to the June 30, 2002 FDIC Market Share Report, First Community Bank had a market share of 2.5 percent of deposits. Local competition does not appear to have affected the bank's ability to serve the credit needs of its assessment area.

**Community Contacts**

As part of the CRA examination, information was obtained from two community contacts regarding local economic conditions and community credit needs. Overall, the contacts had less than favorable comments regarding the degree of involvement of the financial institutions in the community. They expressed the need for more widespread availability of affordable housing and more SBA lending. However, the contacts gave generally positive opinions of First Community Bank's involvement in the community.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

**Loan-to-Deposit Ratio Analysis**

The bank's LTD ratio is **REASONABLE** given the bank's size, financial condition, and local demand for credit. The bank's average LTD ratio for the sixteen-quarter period ending September 30, 2002, was 76.5 percent. The bank's ratio has ranged from 71.6 percent to 82.6 percent during that period. The bank's average net LTD ratio was compared with the ratio of the one financial institution of similar asset size with branch offices in the bank's assessment area. First Community Bank's average net LTD ratio was higher than the ratio of its only competitor.

**Assessment Area Concentration**

A **SUBSTANTIAL MAJORITY** of First Community Bank's loans and other lending-related activities are **IN** the bank's assessment area. A sample of 87 small business loans and a universe of 728 HMDA loans originated since the previous performance evaluation (November 1997) were analyzed to determine the extent of the bank's lending inside the assessment area. As illustrated in the following table, a substantial majority (by both number and dollar volume) of the bank's HMDA loans and small business loans were originated within the assessment area.

<b>LENDING INSIDE AND OUTSIDE ASSESSMENT AREA</b>				
<b>Loan Type</b>	<b>IN</b>			
	Number	Percent	\$ (000s)	Percent
Small Business	80	92.0%	\$2,417	87.0%
HMDA	659	90.5%	\$43,967	89.5%
<i>Total In</i>	<i>739</i>	<i>90.7%</i>	<i>\$46,384</i>	<i>89.4%</i>
	<b>OUT</b>			
	Number	Percent	\$ (000s)	Percent
Small Business	7	8.0%	\$362	13.0%
HMDA	69	9.5%	\$5,148	10.5%
<i>Total Out</i>	<i>76</i>	<i>9.3%</i>	<i>\$5,510</i>	<i>10.6%</i>

**Lending to Borrowers of Different Incomes and Businesses of Different Sizes**

To assess First Community Bank's performance relative to this criterion, 659 HMDA loans secured by properties located within the bank's assessment area and 80 small business loans originated within the bank's assessment area were analyzed. Borrower income classifications were assigned in accordance with the income definitions outlined on page iii. For this analysis, the distribution of HMDA loans by borrower income levels and small business lending by revenue size was compared with the available demographic information.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA (Continued)**

*Lending to Borrowers of Different Incomes*

Of the 659 HMDA loans that were originated in the assessment area during the review period, 592 had income information. According to the following table, 12.3 percent of the 659 HMDA loans were originated to low-income borrowers, whereas low-income families represent 15.5 percent of total families. However, non-poverty, low-income families represent only 8.9 percent of total families. The bank's lending to low-income borrowers was higher than this percentage. According to the demographics table on page 4, 6.6 percent of the families in the assessment area have incomes below the poverty level. While families below the poverty level are not ineligible for credit, it is recognized that they have a lower capacity for debt repayment and therefore, may not qualify for HMDA loans.

<b>FIRST COMMUNITY BANK ASSESSMENT AREA</b>		
<b>HMDA LOANS by Borrower Income</b>		
<b>Borrower Income Level</b>	<b>#</b>	<b>%</b>
Low-Income	73	12.3%
Moderate-Income	128	21.6%
Middle-Income	164	27.7%
Upper-Income	227	38.4%
<i>Total</i>	592	100.0%

The above table indicates that 21.6 percent of the HMDA loans were made to moderate-income families, which compares favorably to the percentage of moderate-income families at 20.4 percent.

In 1999, First Community Bank's level of HMDA lending to low-income borrowers was higher than that of other lenders. As illustrated in the following table, the bank made 8.3 percent of its HMDA loans to low-income borrowers, compared to 6.6 percent of aggregate lending. The bank's lending to moderate-income borrowers at 18.6 percent, was slightly below that of the aggregate lending, which was 19.3 percent.

<b>FIRST COMMUNITY BANK ASSESSMENT AREA</b>								
<b>1999 AGGREGATE LENDING COMPARISON</b>								
<b>HMDA ORIGINATIONS &amp; PURCHASES</b>								
<b>Income Category</b>	<b>By Tract Income</b>				<b>By Borrower Income</b>			
	<b>Bank</b>		<b>Aggregate</b>		<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Low	0	0.0%	0	0.0%	13	8.3%	408	6.6%
Moderate	18	11.5%	217	3.5%	29	18.6%	1,195	19.3%
Middle	136	87.2%	5,906	95.3%	41	26.3%	1,377	22.2%
Upper	2	1.3%	72	1.2%	49	31.4%	1,719	27.7%
NA	0	0.0%	0	0.0%	24	15.4%	1,496	24.1%
<i>Total</i>	156	100.0%	6,195	100.0%	156	100.0%	6,195	100.0%

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA (Continued)**

The following table shows the bank's 2000 HMDA lending compared to the aggregate.

<b>FIRST COMMUNITY BANK ASSESSMENT AREA</b>								
<b>2000 AGGREGATE LENDING COMPARISON</b>								
<b>HMDA ORIGINATIONS &amp; PURCHASES</b>								
<b>Income Category</b>	<b>By Tract Income</b>				<b>By Borrower Income</b>			
	<b>Bank</b>		<b>Aggregate</b>		<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Low	0	0.0%	0	0.0%	17	13.6%	490	8.8%
Moderate	13	10.4%	203	3.7%	26	20.8%	1,186	21.4%
Middle	112	89.6%	5,271	95.1%	36	28.8%	1,283	23.1%
Upper	0	0.0%	71	1.3%	38	30.4%	1,635	29.5%
NA	0	0.0%	0	0.0%	8	6.4%	951	17.2%
<b>Total</b>	<b>125</b>	<b>100.0%</b>	<b>5,545</b>	<b>100.0%</b>	<b>125</b>	<b>100.0%</b>	<b>5,545</b>	<b>100.0%</b>

In 2000, First Community Bank's lending to low- and moderate-income borrowers significantly exceeded that of other lenders. As illustrated by the table, 13.6 percent of the bank's loans were made to low-income borrowers, as compared to 8.8 percent of the aggregate. 20.8 percent were made to moderate-income borrowers compared to 21.4 percent for the aggregate lenders.

The geographic distribution of the bank's lending in 2001 was also compared to aggregate lending and is shown in the following table:

<b>FIRST COMMUNITY BANK ASSESSMENT AREA</b>								
<b>2001 AGGREGATE LENDING COMPARISON</b>								
<b>HMDA ORIGINATIONS &amp; PURCHASES</b>								
<b>Income Category</b>	<b>By Tract Income</b>				<b>By Borrower Income</b>			
	<b>Bank</b>		<b>Aggregate</b>		<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Low	0	0.0%	0	0.0%	19	12.6%	512	6.4%
Moderate	16	10.6%	314	3.9%	28	18.5%	1,396	17.5%
Middle	134	88.7%	7,565	95.1%	42	27.8%	1,810	22.7%
Upper	1	0.7%	79	1.0%	54	35.8%	2,666	33.5%
NA	0	0.0%	0	0.0%	8	5.3%	1,574	19.8%
<b>Total</b>	<b>151</b>	<b>100.0%</b>	<b>7,958</b>	<b>100.0%</b>	<b>151</b>	<b>100.0%</b>	<b>7,958</b>	<b>100.0%</b>

In 2001, First Community Bank's lending to low- and moderate-income borrowers compared favorably to that of other lenders. As illustrated by the table below, 12.6 percent and 18.5 percent of the bank's loans were made to low- and moderate-income borrowers, respectively. In comparison, 6.4 percent of aggregate lending was made to low-income borrowers and 17.5 percent of aggregate lending was made to moderate-income borrowers.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA (Continued)**

*Lending to Businesses of Different Sizes*

Of the sample of 80 business loans originated in the assessment area during the review period, 57 loans (71.3 percent) were extended to businesses with gross annual revenues of less than \$1 million. This is comparable to the percentage of the businesses in the assessment area that are considered to be small businesses at 72.5 percent. In addition, of the 80 small business loans originated in the bank's assessment area, 75 (93.8 percent) were in amounts of \$100,000 or less.

<b>FIRST COMMUNITY BANK ASSESSMENT AREA SMALL BUSINESS LOANS</b>		
<b>Business Revenue:</b>	<b>#</b>	<b>%</b>
\$1 Million or Less	57	71.3%
Over \$1 Million	13	16.3%
Not Available	10	12.5%
<b>Loan Size:</b>		
\$100,000 or Less	75	93.8%
\$100,001 - \$250,000	5	6.3%
\$250,001 - \$1 Million	0	0.0%
<i>Total</i>	<i>80</i>	<i>100.0%</i>

First Community Bank's distribution of lending reflects **EXCELLENT** penetration among individuals of different income (including low- and moderate-income) levels and businesses of different sizes.

**Geographic Distribution of Loans**

*HMDA*

The geographic distribution of HMDA loans was compared with the distribution of owner-occupied housing units by census tracts, as shown earlier in the demographic table on page 4. According to the following table, there are no low-income census tracts in the bank's assessment area and therefore no owner-occupied housing units in low-income tracts.

The following table shows the dispersion of HMDA loans throughout the assessment area:

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA (Continued)**

<b>GEOGRAPHIC DISTRIBUTION OF HMDA LOANS</b>		
<b>Tract Income Level</b>	<b>HMDA</b>	
	<b>#</b>	<b>%</b>
Low-Income	0	0.0%
Moderate-Income	69	10.5%
Middle-Income	586	88.9%
Upper-Income	4	0.6%
<i>Total Assessment Area</i>	<i>659</i>	<i>100.0%</i>

Of the 659 HMDA loans originated in the assessment area during the review period, 10.5 percent are located in moderate-income census tracts, 88.9 percent are in middle-income census tracts, and 0.6 percent are in the upper-income census tracts. Lending in the moderate-income tracts compares favorably to the percentage of moderate-income families at 7.2 percent. As shown earlier in the demographic table on page 3, of the owner-occupied units in the assessment area, 5.8 percent are in moderate-income tracts, 93.3 percent are in middle-income tracts, and 0.9 percent are in the upper-income tract.

The geographic distribution of the bank's lending was also compared to aggregate lending for 1999, and is illustrated in the following table:

<b>FIRST COMMUNITY BANK ASSESSMENT AREA</b>								
<b>1999 AGGREGATE LENDING COMPARISON</b>								
<b>HMDA ORIGINATIONS &amp; PURCHASES</b>								
<b>Income Category</b>	<b>By Tract Income</b>				<b>By Borrower Income</b>			
	<b>Bank</b>		<b>Aggregate</b>		<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Low	0	0.0%	0	0.0%	13	8.3%	408	6.6%
Moderate	18	11.5%	217	3.5%	29	18.6%	1,195	19.3%
Middle	136	87.2%	5,906	95.3%	41	26.3%	1,377	22.2%
Upper	2	1.3%	72	1.2%	49	31.4%	1,719	27.7%
NA	0	0.0%	0	0.0%	24	15.4%	1,496	24.1%
<b>Total</b>	<b>156</b>	<b>100.0%</b>	<b>6,195</b>	<b>100.0%</b>	<b>156</b>	<b>100.0%</b>	<b>6,195</b>	<b>100.0%</b>

As illustrated by the preceding table, First Community Bank's 1999 lending in moderate-income census tracts was significantly above that of other lenders.

Also in 2000, First Community Bank's lending in moderate-income census tracts exceeded that of other lenders. As illustrated by the following 2000 aggregate table, 10.4 percent of the bank's loans were made in moderate-income tracts, which is significantly higher than the 3.7 percent made by the aggregate.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA (Continued)**

FIRST COMMUNITY BANK ASSESSMENT AREA								
2000 AGGREGATE LENDING COMPARISON								
HMDA ORIGINATIONS & PURCHASES								
Income Category	By Tract Income				By Borrower Income			
	Bank		Aggregate		Bank		Aggregate	
	#	%	#	%	#	%	#	%
Low	0	0.0%	0	0.0%	17	13.6%	490	8.8%
Moderate	13	10.4%	203	3.7%	26	20.8%	1,186	21.4%
Middle	112	89.6%	5,271	95.1%	36	28.8%	1,283	23.1%
Upper	0	0.0%	71	1.3%	38	30.4%	1,635	29.5%
NA	0	0.0%	0	0.0%	8	6.4%	951	17.2%
<b>Total</b>	<b>125</b>	<b>100.0%</b>	<b>5,545</b>	<b>100.0%</b>	<b>125</b>	<b>100.0%</b>	<b>5,545</b>	<b>100.0%</b>

The geographic distribution of the bank's lending in 2001 was also compared to aggregate lending and is shown in the following table:

FIRST COMMUNITY BANK ASSESSMENT AREA								
2001 AGGREGATE LENDING COMPARISON								
HMDA ORIGINATIONS & PURCHASES								
Income Category	By Tract Income				By Borrower Income			
	Bank		Aggregate		Bank		Aggregate	
	#	%	#	%	#	%	#	%
Low	0	0.0%	0	0.0%	19	12.6%	512	6.4%
Moderate	16	10.6%	314	3.9%	28	18.5%	1,396	17.5%
Middle	134	88.7%	7,565	95.1%	42	27.8%	1,810	22.7%
Upper	1	0.7%	79	1.0%	54	35.8%	2,666	33.5%
NA	0	0.0%	0	0.0%	8	5.3%	1,574	19.8%
<b>Total</b>	<b>151</b>	<b>100.0%</b>	<b>7,958</b>	<b>100.0%</b>	<b>151</b>	<b>100.0%</b>	<b>7,958</b>	<b>100.0%</b>

As illustrated by the aggregate table, First Community Bank's 2001 lending in moderate-income census tracts compared favorably to that of other lenders. The bank's lending in moderate-income tracts at 10.6 percent, significantly exceeds that of the aggregate lending, which was 3.9 percent.

*Small Business Loans*

According to 2002 Dun and Bradstreet data, of businesses with revenues of less than \$1 million, 12.5 percent are located in moderate-income census tracts, 85.9 percent are located in middle-income census tracts, and 1.5 percent are located in the upper-income census tract.



**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA (Continued)**

As illustrated in the following table, 17.5 percent of small business loans were originated in moderate-income census tracts, which is above the percentage of small businesses found in those tracts (at 12.5 percent). The bank's percentage of small business lending in both middle- and upper-income census tracts is below the percentage of small businesses located in middle- and upper-income census tracts.

<b>GEOGRAPHIC DISTRIBUTION OF SMALL BUSINESS LOANS</b>		
<b>Tract Income Level</b>	<b>Small Business</b>	
	<b>#</b>	<b>%</b>
Low-Income	0	0.0%
Moderate-Income	14	17.5%
Middle-Income	64	80.0%
Upper-Income	2	2.5%
<i>Total Assessment Area</i>	<i>80</i>	<i>100.0%</i>

The bank's distribution of HMDA and small business loans reflects **EXCELLENT** dispersion throughout the assessment area.

**Complaints**

No CRA-related complaints have been received since the previous performance evaluation.

**Compliance With Antidiscrimination Laws**

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