



PUBLIC DISCLOSURE

December 08, 2014

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Conway National Bank
Charter Number 10536

1400 Third Avenue
Conway, SC 29526

Office of the Comptroller of the Currency

212 South Tryon St.
Suite 700
Charlotte, NC 28281

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, and should not 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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Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Outstanding**.

The following table indicates the performance level of **The Conway National Bank** with respect to the Lending, Investment, and Service Tests:

Performance Levels	The Conway National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to assessment area credit needs.
- A substantial majority of loans are made in the bank’s assessment area(s).
- The geographic distribution of loans reflects excellent penetration throughout the assessment area(s).
- The distribution of borrowers reflects, given the product lines offered by the bank, excellent penetration among retail customers of different income levels and business customers of different size.
- The bank exhibits an excellent record of serving the credit needs of the most economically disadvantaged area(s) of its assessment area(s), low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The bank has made an adequate level of community development loans.
- The bank has an excellent level of qualified community development investment and grants.
- The bank exhibits excellent responsiveness to credit and community economic development needs.
- Delivery systems are readily accessible to all portions of the bank’s assessment area(s).
- Services (including, where appropriate, business hours) do not vary in a way that inconveniences certain portions of the assessment area(s), particularly low- and moderate-income geographies and/or individuals.
- The bank is a leader in providing community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 MA/assessment area.

Census Tract (CT): 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 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: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities that meet the "eligible uses" criteria described in Section 2301(c) of the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, 122 Stat. 2654, as amended, and are conducted in designated target areas identified in plans approved by the United States Department of Housing and Urban Development in accordance with the Neighborhood Stabilization Program (NSP), are provided no later than two years after the last date funds appropriated for the NSP are required to be spent by grantees, and benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or areas outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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 non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder’ and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 (e.g., 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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

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

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

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

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 multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state 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.

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.

Tier One Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

The Conway National Bank (CNB) is an intrastate bank chartered in 1914 and headquartered in Conway, South Carolina (SC). CNB has no subsidiaries and is wholly owned by CNB Corporation, Inc., a one-bank holding company also headquartered in Conway. The bank operates twelve branches in Horry County, SC, and two branches in eastern Georgetown County, SC.

CNB offers a full range of products and services. As of September 30, 2014, CNB had total assets of \$1.0 billion, Tier 1 Capital of \$96.3 million, and total deposits of \$817.7 million. Total net outstanding loans were \$425.8 million and represented 44.0 percent of total assets. The distribution of the bank's loan portfolio is as follows: 39.7 percent commercial and commercial real estate, 35.8 percent residential real estate, 9.7 percent construction and development, 10.3 percent consumer, 3.6 percent farm, and 0.9 percent other. As indicated by the loan mix, CNB is primarily a commercial and commercial real estate lender.

There were no legal, financial, or other factors that would impede the bank's ability to help meet the credit needs in its AAs. CNB's CRA performance was rated "Outstanding" in the last public evaluation dated August 1, 2011.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation (PE) assesses the bank's performance under the Lending, Investment, and Service Tests. With the exception of community development (CD) loans, the evaluation period for the Lending Test is January 1, 2011 through December 31, 2013. For CD loans, the Investment Test, and the Service Test, the evaluation period is August 2, 2011 through December 8, 2014.

In evaluating the bank's lending performance, we reviewed home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) for calendar years 2011, 2012 and 2013. We also used data from small business and small farm loans (CRA) originated during 2011, 2012 and 2013. We based our analysis of small business lending for calendar years 2012 and 2013 on data collected according to large bank reporting requirements for all loans originated during that period. The analysis of small business lending for calendar year 2011 is based on a numerical statistical sample of 60 loans originated during that year. Additionally, CNB originated only eight multifamily residential mortgage loans during the evaluation period. The number is not sufficient to conduct a meaningful analysis. Therefore, multifamily loans were not considered in evaluating the bank's performance under the Lending Test.

Data Integrity

Prior to this evaluation, we selected and tested samples of HMDA and small business and small farm loan data to determine the accuracy and reliability of the data for use in this CRA evaluation. All HMDA loan data, and CRA loan data for calendar years 2012 and 2013, was determined to be accurate and reliable for use in evaluating the bank's performance under the Lending Test. The analysis of small business lending performance for calendar year 2011 was based on a sample of 60 loans reviewed and corrected to ensure accurate data was used in the performance evaluation.

Selection of Areas for Full-Scope Review

We selected the Horry County AA for a full-scope review. Horry County is part of the Myrtle Beach-Conway-North Myrtle Beach SC-NC MSA 34820. Of total bank deposits, 93.4 percent are in the Horry County AA, and 7.6 percent are in the Georgetown County AA. Of total loans originated during the evaluation period, 95.0 percent were in Horry County and 5.0 percent were in Georgetown County.

Ratings

The bank's overall rating is based primarily on performance in the full-scope area during 2012 and 2013 with consideration given to performance during 2011, and in the area that received a limited-scope review.

Performance related to small business lending is weighted more heavily than performance related to home mortgage lending. Small farm lending received the least weight among the three primary categories. Among home mortgage loans, performance is weighted based on the volume of originations during the evaluation period, with home refinancing lending receiving the most weight and home improvement lending receiving the least weight.

Other

We conducted one community contact with a Horry County government agency involved in community development initiatives and reviewed three additional contacts made during the evaluation period with city and government agencies involved in community and economic development in Horry County. Refer to the Market Profile for the full-scope area in appendix B for details.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Horry County AA is excellent.

In the lending analysis, we compared loan data for calendar years 2012 and 2013 to demographic data drawn from the U.S. Census 2006-2010 American Community Survey (ACS), updated to reflect the Federal Financial Institutions Examination Council (FFIEC) 2013 area median family income, and the 2013 Dunn and Bradstreet small business demographic data. We used 2013 HMDA peer mortgage data and 2013 CRA peer small business and small farm data to determine the bank's market share of lending in each AA.

For calendar year 2011, we compared loan data to demographic data drawn from the 2000 U.S. Census, updated to reflect the 2011 U.S. Department of Housing and Urban Development (HUD) area median family income, and the 2000 Dunn and Bradstreet small business demographic data. We used 2011 HMDA peer mortgage data to determine the bank's market share of home mortgage lending in each AA. CNB did not report small business or small farm data in 2011. As a result, we made no market share comparisons for small business or small farm loans originated during 2011.

Bank and branch deposit data is drawn from the Federal Deposit Insurance Corporation (FDIC) as of June 30, 2014.

Lending Activity

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's lending activity.

CNB's lending activity reflects excellent responsiveness to credit needs in the Horry County AA. Relative to deposit market share and rank, the bank's HMDA and CRA lending levels were excellent.

As of June 30, 2014, CNB had a 14.7 percent deposit market share and was ranked number two of twenty-two depository institutions doing business in Horry County. During the evaluation period, the bank originated 876 home mortgage loans totaling \$84.2 million; 946 small loans to businesses totaling \$67.5 million; and 95 small loans to farms totaling \$4.7 million. Of the total home mortgage loans, excluding multifamily, home purchase loans represent 31.6 percent, home improvement loans 15.1 percent, and home refinance loans 53.3 percent.

2012-2013

Based on 2013 peer mortgage data, the bank ranked sixth out of 407 HMDA reporters in the overall volume of HMDA lending with a market share of 3.1 percent. In terms of individual HMDA products, CNB is the tenth largest originator of home purchase loans with a 2.2 percent market share, the ninth largest originator of home refinance loans with a 2.9 percent market share, and the largest originator of home improvement loans with a 24.7 percent market share.

Based on 2013 peer CRA data, CNB ranked second among 49 CRA reporters with a 14.3 percent market share in loans to businesses. CNB ranked first among 13 CRA reporters with a 39.1 percent market share in loans to farms.

2011

Based on 2011 peer mortgage data, the bank ranked fifth out of 376 HMDA reporters in the overall volume of HMDA lending with a market share of 3.6 percent market. In terms of individual HMDA products, CNB is the eleventh largest originator of home purchase loans with a 2.1 percent market share, the fifth largest originator of home refinance loans with a 4.4 percent market share, and the second largest originator of home improvement loans with a 20.7 percent market share.

Distribution of Loans by Income Level of the Geography

The overall distribution of loans by income level of the geography reflects excellent penetration throughout the AA. The geographic distribution of home mortgage loans is excellent. The geographic distribution of small loans to businesses is good. The geographic distribution of small loans to farms is poor. There were no unexplained conspicuous gaps in the bank's lending patterns throughout its AA. A substantial majority of loans were made in the bank's AA.

In evaluating the geographic distribution of home mortgage loans, we considered the limited number of owner-occupied housing units (2.8%) located in low-income geographies during 2012 and 2013, the limited population (2.4%) residing in low-income geographies in 2012 and 2013, and the strong level of competition from competing financial institutions. There were no low-income geographies in the Horry County AA in 2011. In evaluating the geographic distribution of small loans to businesses and farms, we considered the limited number of businesses (5.9%) and farms (0.7%) operating within low-income geographies in 2012-and 2013.

The sample of loans used to determine performance for calendar year 2011 included only three small loans to farms in the Horry County AA. The limited number is not sufficient to conduct a meaningful analysis of lending performance for that period.

Home Mortgage Loans

Refer to Table 2, 3, 4, and 5 appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Home Purchase Loans

2012-2013

Based on the 2010 U.S. Census data, the geographic distribution of home purchase loans in the Horry County AA is excellent. The bank's percentage of home purchase loans in low-income geographies exceeds the percentage of owner-occupied units in low-income geographies. The bank's percentage of home purchase loans in moderate-income geographies is near to the percentage of owner-occupied units in moderate-income geographies. The bank made no home purchase loans in low-income geographies during calendar year 2013, the year for which market share comparisons are made. The bank's market

share of home purchase loans in moderate-income geographies exceeds their overall market share of home purchase loans in the AA.

2011

Based on the 2000 U.S. Census data, the geographic distribution of home purchase loans in the Horry County AA is excellent based upon the performance factors mentioned earlier. The bank's percentage of home purchase loans in moderate-income geographies is near to the percentage of owner-occupied units in moderate-income geographies. The bank's market share of home purchase loans in moderate-income geographies exceeds their overall market share of home purchase loans in the AA.

Home Improvement Loans

2012-2013

Based on the 2010 U.S. Census data, the geographic distribution of home improvement loans in the Horry County AA is excellent. The bank's percentage of home improvement loans in low-income geographies exceeds the percentage of owner-occupied units in low-income geographies. The bank's percentage of home improvement loans in moderate-income geographies exceeds the percentage of owner-occupied units in moderate-income geographies. The bank's market share of home improvement loans in low-income geographies exceeds their overall market share of home improvement loans in the AA. The bank's market share of home improvement loans in moderate-income geographies is near to their overall market share of home improvement loans in the AA.

2011

Based on the 2000 U.S. Census data, the geographic distribution of home improvement loans in the Horry County AA is poor. The bank's percentage of home improvement loans in moderate-income geographies is lower than the percentage of owner-occupied units in moderate-income geographies. The bank's market share of home improvement loans in moderate-income geographies is lower than their overall market share of home improvement loans in the AA.

Home Refinance Loans

2012-2013

Based on the 2010 U.S. Census data, the geographic distribution of home refinance loans in the Horry County AA is excellent. The bank's percentage of home refinance loans in low-income geographies exceeds the percentage of owner-occupied units in low-income geographies. The bank's percentage of home refinance loans in moderate-income geographies is near to the percentage of owner-occupied units in the moderate-income geographies. The bank's market share of home refinance loans in low-income geographies exceeds their overall market share of home refinance loans in the AA. The bank's market share of home refinance loans in moderate-income geographies exceeds their overall market share of home refinance loans in the AA.

2011

Based on the 2000 U.S. Census data, the geographic distribution of home refinance loans in the Horry County AA is excellent. The bank's percentage of home refinance loans in moderate-income geographies exceeds the percentage of owner-occupied units in the moderate-income geographies. The bank's market share of home refinance loans in moderate-income geographies exceeds their overall market share of home refinance loans in the AA.

Small Loans to Businesses

Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

2012-2013

Based on the 2013 Dunn and Bradstreet small business demographic data, the geographic distribution of small loans to businesses is good. The percentage of small loans to businesses in low-income geographies is somewhat lower than the percentage of businesses located in low-income geographies, however less than six percent of businesses are located in low-income geographies. The percentage of small loans to businesses in moderate-income geographies is near to the percentage of businesses located in moderate-income geographies. The bank's market share of loans to businesses in low-income geographies is lower than their overall market share. The bank's market share of loans to businesses in moderate-income geographies exceeds their overall market share.

2011

Based on the 2011 Dunn and Bradstreet small business demographic data, the geographic distribution of small loans to businesses is adequate. The percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of businesses located in moderate-income geographies.

Small Loans to Farms

Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

2012-2013

Based on the 2013 Dunn and Bradstreet small farm demographic data, the geographic distribution of small loans to farms is poor. The bank made no small loans to farms in low-income geographies, however less than one percent of farms are located in low-income geographies. The percentage of small loans to farms in moderate-income geographies is lower than the percentage of farms located in moderate-income geographies. The bank's market share of loans to farms in moderate-income geographies is lower than their overall market share.

Lending Gap Analysis

We evaluated the lending distribution in the Horry County AA to determine if any unexplained conspicuous gaps existed. We used reports and maps to compare the geographies where loans were made to the geographies in the AA. We considered loan distributions, branch locations, competition, market conditions, and demographic information. No unexplained conspicuous gaps were identified. This had a neutral impact on our conclusion regarding the bank's geographic distribution of loans.

Inside/Outside Ratio

A substantial majority of loans made during the evaluation period were in the AA. Overall, 96.0 percent of home mortgage loans, 97.7 percent of small loans to business, and 98.0 percent of farm loans

originated are inside the bank's AA. This analysis was performed on the entire bank rather than by AA. This performance had a positive effect on the overall geographic distribution analysis.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower in the Horry County AA reflects excellent penetration among retail customers of different income levels and business customers of different size. The distribution of home mortgage loans by borrower income level is excellent. The distribution of loans to small businesses (businesses with less than \$1 million in gross annual revenue) is excellent. A majority of small loans to businesses were for amounts less than \$100 thousand. The distribution of loans to small farms (farms with less than \$1 million in gross annual revenue) is good. A majority of small loans to businesses and farms were for amounts less than \$100 thousand.

In evaluating the borrower distribution of home mortgage loans, we considered the number of individuals that live below the poverty level and the barrier this may impose to home ownership. Based on ACS census data, 11.9 percent and 13.3 percent of families in the AA were living below poverty in 2011 and 2013 respectively, compared to 18.1 and 20.8 percent of low-income families in the AA in 2011 and 2013 respectively. These factors may have impacted the bank's ability to originate home mortgage loans in the AA during the evaluation period.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans

2012-2013

Based on 2010 U.S. Census and 2013 updated FFIEC median family income data, the distribution of home purchase loans by income level of the borrower in the AA is excellent. Considering factors discussed above, the bank's percentage of home purchase loans to low-income borrowers is somewhat lower than the percentage of low-income families in the AA. The bank's percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share of loans to low-income borrowers exceeds their overall market share of loans. The bank's market share of loans to moderate-income borrowers exceeds their overall market share of loans.

2011

Based on 2000 U.S. Census data and 2011 updated FFIEC median family income data, the distribution of home purchase loans by income level of the borrower in the AA is excellent. Considering factors discussed above, the bank's percentage of home purchase loans to low-income borrowers is somewhat lower than the percentage of low-income families in the AA. The bank's percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share of loans to low-income borrowers exceeds their overall market share of loans. The bank's market share of loans to moderate-income borrowers exceeds their overall market share of loans.

Home Improvement Loans

2012-2013

Based on 2010 U.S. Census and 2013 updated FFIEC median family income data, the distribution of home improvement loans by income level of the borrower in the AA is excellent. The bank's percentage of home improvement loans to low-income borrowers is near to the percentage of low-income families in the AA. The bank's percentage of home improvement loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share of loans to low-income borrowers exceeds their overall market share of loans. The bank's market share of loans to moderate-income borrowers exceeds their overall market share of loans.

2011

Based on 2000 U.S. Census and 2011 updated FFIEC median family income data, the distribution of home improvement loans by income level of the borrower in the AA is excellent. The bank's percentage of home improvement loans to low-income borrowers exceeds the percentage of low-income families in the AA. The bank's percentage of home improvement loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. The bank's market share of loans to low-income borrowers exceeds their overall market share of loans. The bank's market share of loans to moderate-income borrowers exceeds their overall market share of loans.

Home Refinance Loans

2012-2013

Based on 2010 U.S. Census and 2013 updated FFIEC median family income data, the distribution of home refinance loans by income level of the borrower in the AA is excellent. Considering factors discussed above, the bank's percentage of home refinance loans to low-income borrowers is somewhat lower than the percentage of low-income borrowers in the AA. The bank's percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income borrowers in the AA. The bank's market share of loans to low-income borrowers exceeds the bank's overall market share of loans. The bank's market share of loans to moderate-income borrowers exceeds their overall market share of loans.

2011

Based on 2000 U.S. Census and 2011 updated FFIEC median family income data, the distribution of home refinance loans by income level of the borrower in the AA is excellent. Considering factors discussed above, the bank's percentage of home refinance loans to low-income borrowers is somewhat lower than the percentage of low-income borrowers in the AA. The bank's percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income borrowers in the AA. The bank's market share of loans to low-income borrowers exceeds the bank's overall market share of loans. The bank's market share of loans to moderate-income borrowers exceeds their overall market share of loans.

Small Loans to Businesses

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

2012-2013

Based on 2013 Dunn and Bradstreet business demographic data, the distribution of small loans to businesses in the AA is excellent. The bank's percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) exceeds the percentage of small businesses in the AA. A majority of the bank's small loans to businesses were for amounts less than \$100 thousand. The bank's market share of loans to small businesses exceeds their overall market share of loans to businesses.

2011

Based on 2011 Dunn and Bradstreet business demographic data, the distribution of small loans to businesses in the AA is adequate. The bank's percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) is somewhat lower than the percentage of small businesses in the AA. A majority of the bank's small loans to businesses were for amounts less than \$100 thousand.

Small Loans to Farms

Refer to Table 12 in the appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

2012-2013

Based on 2013 Dunn and Bradstreet business demographic data, the distribution of small loans to farms in the AA is excellent. The bank's percentage of loans to small farms (farms with gross annual revenues of \$1 million or less) is near to the percentage of small farms in the AA. A majority of the bank's small loans to farms were for amounts less than \$100 thousand. The bank's market share of loans to small farms exceeds their overall market share of loans to farms.

Community Development Lending

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

The bank made an adequate level of community development loans in the AA. CNB originated five loans totaling \$623 thousand during the evaluation period. Two loans provided 42 units of affordable housing for low- and moderate-income families in Horry County. Three loans were to nonprofit organizations that provide job training and support for low- and moderate-income youth. This had a neutral impact on the overall Lending Test rating.

Product Innovation and Flexibility

The bank uses flexible lending practices in order to serve assessment area credit needs. CNB has no minimum loan amount for consumer, mortgage, or small business loans and utilizes flexible underwriting criteria that include reviewing an applicant's history of paying utilities and/or rent. CNB also offers loans for customers of Horry Electric Cooperative to install energy efficient equipment. Of loans extended during the evaluation period, fifty percent were made to low- and moderate-income borrowers. This had a positive impact on the bank's lending performance in the full-scope area.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Lending Test in the Georgetown County AA is weaker than the bank's performance in the full-scope area. There are no low- or moderate-income geographies in the Georgetown County AA. Therefore, no analysis was conducted of the geographic distribution of loans. The borrower distribution of loans is good. CNB made no community development loans in the Georgetown AA. This had a neutral impact on the bank's overall Lending Test rating.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Horry County AA is excellent. Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

The bank has an excellent level of qualified community development investments, which demonstrated excellent responsiveness to credit and community development needs in the Horry County AA. During the current evaluation period, CNB made a total of \$2.2 million in qualified investments and grants. Current investments combined with a prior period investment of \$1 million represent 3.3% of the bank's Tier 1 Capital and a significant increase compared to the prior evaluation.

Current period investments include \$43.6 thousand in small dollar grants to forty-two local community development organizations and projects, and in-kind donations of computer equipment, school supplies, and financial education training materials totaling \$14.7 thousand to three community development organizations and twenty-one local schools that primarily serve low- and moderate-income students. CNB also invested \$2.0 million in a Tax Increment Financing bond with the City of Conway. Proceeds of the bond are used to rehabilitate deteriorated and substandard housing and commercial structures concentrated in the Highway 378 Corridor, which is located entirely within moderate-income geographies. CNB also made a current period investment of \$100 thousand in a CRA qualified investment fund. Proceeds are targeted to affordable housing in the bank's AA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Investment Test in the Georgetown AA is weaker than the bank's performance in the full-scope area. CNB made one grant of \$1.0 thousand to one community development organization during the evaluation period. This effectively had a neutral impact on the bank's overall rating under the Investment Test. Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Horry County AA is excellent.

Retail Banking Services

Refer to Table 15 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Service delivery systems are readily accessible to all portions of the bank's AAs. CNB has twelve branches in the AA of which one is located in a low-income geography and three are in moderate-income geographies. This exceeds the percent of population in low- and moderate-income geographies. CNB neither opened nor closed branches during the evaluation period.

Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Hours of operation are standard in all branch offices. Services targeted primarily to low- and moderate-income consumers and geographies include free check cashing of government issued checks and for employees of companies that are depository customers at CNB. CNB also accepts and processes utility payments for Horry Electric Cooperative at no cost to consumers. CNB management indicated the average number of payments processed per month rose from 4,592 to 5,988 between January 2011 and November 2014. Offering the service requires higher branch staffing levels than would otherwise be needed, however, CNB continues to offer the service because it primarily serves consumers in low- and moderate-income geographies.

Community Development Services

The bank is a leader in providing community development services. During the evaluation period, fifty-three officers and staff provided services to forty community development organizations and schools serving primarily low- and moderate-income students in the Horry County AA. Bank staff provided financial literacy training to low-income students and adults, and served in various capacities that involved the provision of financial services for organizations that provide services to low- and moderate-income individuals and families. These include emergency and long-term housing for low-income families, medical services, meals, and youth programs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Service Test in the Georgetown County AA is weaker than the bank's overall performance in the full scope AA. One employee provided assistance to two qualified organizations in the AA. This had a neutral impact on the bank's overall performance under the Service Test. Refer to Table 13 in appendix C for the facts and data that support these conclusions.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): 1/1/2011 to 12/31/2013 Investment and Service Tests and CD Loans: 8/2/2011 to 12/8/2014	
Financial Institution	Products Reviewed	
The Conway National Bank Conway, SC	Home Mortgage, Small Business, and Community Development Loans Retail and Community Development Services Qualified Investments	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Assessment Area
Horry County Georgetown County	Full-scope Limited-scope	Horry County in its entirety Portion of Georgetown County

Appendix B: Market Profiles for Full-Scope Areas

Horry County AA

Demographic Information for Full Scope Area: Horry County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	72	2.78	15.28	56.94	22.22	2.78
Population by Geography	269,291	2.37	16.50	58.10	23.01	0.02
Owner-Occupied Housing by Geography	79,600	0.73	14.90	58.85	25.52	0.00
Business by Geography	23,024	5.89	14.59	53.64	25.22	0.65
Farms by Geography	736	0.68	17.80	65.35	16.03	0.14
Family Distribution by Income Level	73,100	20.77	17.12	21.83	40.27	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	27,703	3.74	25.14	55.93	15.19	0.00
Median Family Income	51,608	Median Housing Value				195,015
HUD Adjusted Median Family Income for 2013	51,400	Unemployment Rate				
Households Below Poverty Level	15%	-2010 U.S. Bureau of Labor (BLS)				12.1%
		-BLS September 2014 est.				6.6%

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 U.S. Census and 2013 FFIEC updated MFI

The Horry County AA is comprised entirely of Horry County, which is part of the Myrtle Beach-Conway-North Myrtle Beach SC-NC MSA 34820. Horry County is located in the northeastern coastal area of South Carolina and is the largest county in the state in terms of land area.

CNB operates twelve offices and fourteen automated teller machines (ATMs) in the AA. One ATM is stand-alone and accepts deposits. Of total branch offices, one is located in a low-income geography and two are located in moderate-income geographies.

As of June 30, 2014, CNB had a 14.7 percent deposit market share and was ranked number two of twenty-two depository institutions doing business in Horry County. Its three major competitors in terms of deposit market share are Branch Banking and Trust Company (BB&T), Wells Fargo Bank, N.A., and Horry County State Bank. BB&T has fifteen offices and was ranked number one with a 15.0 percent deposit market share. Wells Fargo operates nine offices and was ranked number three with a 10.5 percent market share. Horry County State Bank operates twelve offices and was ranked number four with an 8.3 percent market share.

According to the U.S. Bureau of Labor and Statistics (BLS), the 2014 annual unemployment rate was 6.4 percent, a decrease from 8.5 percent in 2013 and 11.6 percent in 2011. According to the ACS, the 2009-2013 percentage of families below poverty was 13.3 percent, compared to a state family poverty rate of 13.7 percent. Accommodation and Food Services is the main industry in the region. Major employers in the area include the Cities of Myrtle and North Myrtle Beach, Coastal Carolina University, Hilton Worldwide, Inc., and various medical and retail businesses.

During our examination, we contacted a county government agency involved in community development initiatives in Horry County. The contact noted that local economic conditions are improving as unemployment rates decrease and new industries are locating in Horry County. Despite these positives, much of the low- and moderate-income housing, particularly in the unincorporated areas of Horry County, is in poor condition. With high costs of rehabilitation along with added price of septic tank installation, there is insufficient government funding. Other needs for low- and moderate-income individuals include financial literacy training and funds for down payments.

Additionally, we reviewed two community contacts made during the evaluation period. Contacts at the City of Myrtle Beach and a Horry County community development agency that focuses on affordable housing noted primary issues are a high rate of homelessness and a shortage of affordable rental housing in the Myrtle Beach area. Homelessness was exacerbated by the high rate of foreclosures early in the evaluation period coupled with high rates of unemployment and jobs available primarily in low-wage industries. Both suggested banks could participate by financing affordable rental properties in the area.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For

borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

Lending Volume		Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Horry County	95.25	788	67,984	943	67,345	95	4,700	5	623	1,82631	140,652	0.00
Limited Review:												
Georgetown County	4.75	88	16,245	3	146	0	0	0	0	91	16,391	7.40

* Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from August 02, 2011 to December 08, 2014.
 *** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Lending Volume

Lending Volume		Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011				
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Horry County	93.74	383	37,171	48	3,035	3	38	0	0	434	40,514	93.60
Limited Review:												
Georgetown County	6.26	29	6,357	0	0	0	0	0	0	29	6,357	7.40

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from January 01, 2011 to December 31, 2011.
 *** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Unit***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	259	92.83	0.73	1.16	14.90	13.13	58.85	61.39	25.52	24.32	2.13	0.00	3.06	2.32	1.56
Limited Review:															
Georgetown County	20	7.17	0.00	0.00	0.00	0.00	16.94	15.00	83.06	85.00	1.74	0.00	0.00	3.28	1.57

* Based on 2013 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	109	94.78	0.00	0.00	9.72	9.17	72.14	83.49	18.13	7.34	2.07	0.00	3.52	2.23	0.87
Limited Review:															
Georgetown County	6	5.22	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	1.25	0.00	0.00	0.00	1.25

* Based on 2011 Peer Mortgage Data (USPR)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: SOUTH CAROLINA								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	130	92.20	0.73	0.77	14.90	16.92	58.85	55.38	25.52	26.92	25.00	33.33	22.22	23.63	30.12
Limited Review:															
Georgetown County	11	7.80	0.00	0.00	0.00	0.00	16.94	36.36	83.06	63.64	9.68	0.00	0.00	33.33	7.14

* Based on 2013 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: SOUTH CAROLINA								Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011					
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	45	93.75	0.00	0.00	9.72	4.44	72.14	77.78	18.13	17.78	21.33	0.00	10.00	22.15	24.24
Limited Review:															
Georgetown County	3	6.25	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	15.00	0.00	0.00	0.00	15.00

* Based on 2011 Peer Mortgage Data (USPR)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	394	87.36	0.73	1.52	14.90	13.96	58.85	61.93	25.52	22.59	2.89	3.92	4.11	3.13	2.14
Limited Review:															
Georgetown County	57	12.64	0.00	0.00	0.00	0.00	16.94	29.82	83.06	70.18	3.53	0.00	0.00	14.86	2.52

* Based on 2013 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography**				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	226	91.87	0.00	0.00	9.72	10.18	72.14	74.34	18.13	15.49	4.32	0.00	10.13	4.15	3.66
Limited Review:															
Georgetown County	20	8.13	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	2.12	0.00	0.00	0.00	2.12

* Based on 2011 Peer Mortgage Data (USPR)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*						
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:																	
Horry County	5	100.00	3.20	20.00	6.33	20.00	56.78	40.00	33.69	20.00	13.79	25.00	25.00	13.33	0.00		
Limited Review:																	
Georgetown County	0	0.00	0.00	0.00	0.00	0.00	2.60	0.00	97.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2013 Peer Mortgage Data -- US and PR
 ** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
 *** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
 **** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*						
	#	% of Total**	% of MF Unit***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:																	
Horry County	3	100.00	0.00	0.00	6.30	66.67	46.59	0.00	47.11	33.33	14.29	0.00	28.57	0.00	20.00		
Limited Review:																	
Georgetown County	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2013 Peer Mortgage Data -- US and PR
 * Based on 2011 Peer Mortgage Data (USPR)
 ** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
 *** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.
 **** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: SOUTH CAROLINA					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Horry County	940	99.68	5.89	4.79	14.59	14.15	53.64	58.94	25.22	22.13	14.26	7.19	17.82	16.42	11.43	
Limited Review:																
Georgetown County	3	0.32	0.00	0.00	0.00	0.00	11.57	66.67	88.43	33.33	0.45	0.00	0.79	1.27	0.17	

* Based on 2013 Peer Small Business Data -- US and PR
 ** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
 *** Source Data - Dun and Bradstreet (2013).

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: SOUTH CAROLINA					Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Horry County	48	100.00	0.00	0.00	13.80	9.80	64.84	70.59	21.36	19.61	NA	NA	NA	NA	NA	
Limited Review:																
Georgetown County	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA	NA	NA	NA	NA	

* Based on 2011 Peer Small Business Data -- US and PR
 ** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
 *** Source Data - Dun and Bradstreet (20).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: SOUTH CAROLINA					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Horry County	95	100.00	0.68	0.00	17.80	7.37	65.35	92.63	16.03	0.00	39.13	0.00	20.00	45.98	12.50									
Limited Review:																								
Georgetown County	0	0.00	0.00	0.00	0.00	0.00	16.67	0.00	83.33	0.00	100.00	0.00	100.00	100.00	0.00									

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*						
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:																	
Horry County	259	92.83	20.77	9.50	17.12	21.90	21.83	23.55	40.27	45.04	2.15	3.65	2.32	2.64	1.82		
Limited Review:																	
Georgetown County	20	7.17	9.62	21.05	12.75	0.00	16.14	31.58	61.49	47.37	1.68	60.00	0.00	4.05	0.82		

* Based on 2013 Peer Mortgage Data -- US and PR
 ** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
 *** Percentage of Families is based on the 2010 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
 **** As a percentage of loans with borrower income information available. No information was available for 6.5% of loans originated and purchased by bank.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: SOUTH CAROLINA						Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011								
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*						
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:																	
Horry County	109	94.78	18.14	9.00	19.53	20.00	22.91	12.00	39.42	59.00	2.13	3.57	2.54	1.25	2.18		
Limited Review:																	
Georgetown County	6	5.22	9.92	20.00	12.64	20.00	16.92	0.00	60.51	60.00	1.17	10.00	3.33	0.00	0.87		

* Based on 2011 Peer Mortgage Data (USPR)
 ** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
 *** Percentage of Families is based on the 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
 **** As a percentage of loans with borrower income information available. No information was available for 8.7% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: SOUTH CAROLINA								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	130	92.20	20.77	18.40	17.12	25.60	21.83	23.20	40.27	32.80	25.38	36.59	28.92	22.08	21.43
Limited Review:															
Georgetown County	11	7.80	9.62	9.09	12.75	18.18	16.14	54.55	61.49	18.18	10.71	0.00	33.33	16.67	5.26

* Based on 2013 Peer Mortgage Data -- US and PR
 ** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
 *** Percentage of Families is based on the 2010 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
 **** As a percentage of loans with borrower income information available. No information was available for 3.5% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: SOUTH CAROLINA								Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	45	93.75	18.14	19.51	19.53	34.15	22.91	24.39	39.42	21.95	20.60	28.57	31.11	23.26	10.84
Limited Review:															
Georgetown County	3	6.25	9.92	66.67	12.64	0.00	16.92	0.00	60.51	33.33	17.65	66.67	0.00	0.00	11.11

* Based on 2011 Peer Mortgage Data (USPR)
 ** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
 *** Percentage of Families is based on the 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
 **** As a percentage of loans with borrower income information available. No information was available for 8.3% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: SOUTH CAROLINA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	394	87.36	20.77	11.33	17.12	20.68	21.83	22.38	40.27	45.61	3.05	4.64	4.27	3.30	2.49
Limited Review:															
Georgetown County	57	12.64	9.62	3.85	12.75	5.77	16.14	15.38	61.49	75.00	3.46	8.00	2.08	3.64	3.35

* Based on 2013 Peer Mortgage Data -- US and PR
 ** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
 *** Percentage of Families is based on the 2010 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
 **** As a percentage of loans with borrower income information available. No information was available for 10.2% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: SOUTH CAROLINA				Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011								
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Horry County	226	91.87	18.14	11.92	19.53	21.76	22.91	20.73	39.42	45.60	4.47	7.54	6.26	4.28	3.65
Limited Review:															
Georgetown County	20	8.13	9.92	0.00	12.64	15.79	16.92	10.53	60.51	73.68	2.40	0.00	4.62	1.74	2.31

* Based on 2011 Peer Mortgage Data (USPR)
 ** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
 *** Percentage of Families is based on the 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
 **** As a percentage of loans with borrower income information available. No information was available for 13.8% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: SOUTH CAROLINA			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Horry County	943	99.68	72.02	83.78	82.18	10.60	7.21	14.26	24.58
Limited Review:									
Georgetown County	3	0.32	75.33	100.00	100.00	0.00	0.00	0.45	0.88

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: SOUTH CAROLINA			Evaluation Period: JANUARY 1, 2011 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Horry County	48	100.00%	96.10	80.95	88.63	11.37	0.00	NA	NA
Limited Review:									
Georgetown County	0	0.00	0.00	0.00	0.00	0.00	0.00	NA	NA

* Based on 2011 Peer Small Business Data -- US and PR

** Totals based upon sampling of small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Totals based upon sampling of small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: SOUTH CAROLINA			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share *	
	#	% of Total **	% of Farms ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Horry County	95	100.00	98.51	95.79	82.11	17.89	0.00	39.13	53.66
Limited Review:									
Georgetown County	0	0.00	96.67	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2013 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2013).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

Qualified Investments		Geography: SOUTH CAROLINA				Evaluation Period: AUGUST 2, 2011 TO DECEMBER 8, 2014			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Horry County	1	1,000	165	2,180	166	3,180	100.00	0	0
Limited Review:									
Georgetown County	0	0	1	1	0	0	0.00***	0	0

* Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

*** Total dollar amount of investments in the Georgetown County AA equates to less than 1 percent of total investments.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

Distribution Of Branch Delivery System And Branch Openings/Closings																	Geography: SOUTH CAROLINA				Evaluation Period: AUGUST 2, 2011 TO DECEMBER 8, 2014			
MA/Assessment Area:	Deposits		Branches					Branch Openings/Closings				Population												
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography										
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp							
Full Review:																								
Horry County	92.60	012	86.67	8.33	25.00	58.34	8.33	0	0	0	0	0	0	2.37	16.50	58.10	23.01							
Limited Review:																								
Georgetown County	7.40	02	13.33	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	15.40	84.60							

Distribution of Branch and ATM Delivery System

Distribution of Branch and ATM Delivery System																	Geography: SOUTH CAROLINA				Evaluation Period: AUGUST 2, 2011 TO DECEMBER 8, 2014			
MA/Assessment Area:	Deposits		Branches					ATMs				Population												
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography										
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp							
Full Review:																								
Horry County	92.60	12	86.67	8.33	25.00	50.00	16.67	14	0.00	7.69	23.08	53.85	15.38	2.37	16.50	58.10	23.01							
Limited Review:																								
Georgetown County	7.40	2	13.33	0	0	0	100.00	2	0.00	0	0	0	100.00	0.00	0.00	15.40	84.60							

