



PUBLIC DISCLOSURE

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Tennessee Bank National Association
Charter Number 336

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Memphis, TN 38103

Office of the Comptroller of the Currency

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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including LMI 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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General Information and Overall CRA Rating

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 (LMI) neighborhoods, consistent with the 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 Tennessee Bank National Association (FTB or bank)** issued by the OCC, the institution’s supervisory agency, for the evaluation period starting January 1, 2010 and ending April 7, 2014. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

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

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

Performance Levels	First Tennessee Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
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:

- The bank originated a significant majority of loans inside its assessment areas (AA).
- The bank’s lending activity is adequate.

- The bank's geographic distribution of loans is adequate. The geographic distribution of small loans to businesses is excellent, but was offset by poor geographic distribution of home mortgage loans.
- Overall, the distribution of loans by income level of the borrower is poor. The bank's distribution of home mortgage loans by income level of the borrower is adequate. The bank's distribution of loans to businesses with different revenue sizes is very poor.
- Community development (CD) lending has a significantly positive impact on the Lending Test in all rating areas. CD loans supported affordable housing initiatives, activities that promoted economic development in the AAs, activities that revitalized or stabilized low- and moderate-income (LMI) census tracts, and operational activities of organizations that provide services to LMI individuals and families. This performance elevated otherwise adequate lending performance to good.
- The bank has an overall good level of qualified investments that are highly responsive to community needs.
- Branches are accessible to geographies and individuals of different income levels.
- FTB provides an excellent level of CD services that are highly responsive to identified CD needs in the bank's AAs.
- The OCC considered fair lending or other illegal credit practices in rating the bank's performance. The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.

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) – 2000 Census: 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.

Census Tract (CT) – 2010 Census: Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

Community Development (CD): 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; 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 under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the 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 conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), 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) – 2000 Census: 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.

Median Family Income (MFI) – 2010 Census: The median income derived from the United States Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. Also, it is the median income determined by the Federal Financial Institution's Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, 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

First Tennessee Bank, N.A. (FTB) is an interstate financial institution headquartered in Memphis, Tennessee. FTB is a wholly owned subsidiary of First Horizon National Corporation (FHNC), a \$23.6 billion, one-bank holding company also headquartered in Memphis, Tennessee. FTB conducts business in the states of Georgia, Mississippi, North Carolina, and Tennessee. FTB's most significant presence is in Tennessee. As of December 31, 2013, FTB had total assets of \$23.6 billion, and Tier One Capital of \$3.0 billion.

FTB primarily engages in generating deposits and originating loans. According to the FDIC Deposit Market Share Report, dated June 30, 2013, FTB had deposits of \$16.6 billion. In terms of deposit market share, FTB ranks first in the state of Tennessee and first in the Memphis, TN-MS-AR Metropolitan Statistical Area (MSA). As of December 31, 2013, the bank had net loans of \$15.5 billion, representing 65.82 percent of total assets. Approximately 39.23 percent of the bank's loan portfolio was comprised of real estate loans, of which commercial real estate and 1 – 4 family residential real estate loans (11.84 percent and 27.39 percent, respectively) represented the predominant portion of the portfolio. Other loans and leases comprised 10.49 percent of the portfolio and loans to individuals for household, family and personal expenditures totaled 1.30 percent of the loan portfolio.

FTB is a full-service bank with 179 financial centers and 394 deposit-taking automated teller machines (ATMs) across its footprint. FTB offers a full range of loan and deposit products to businesses and individuals, and alternative retail services such as check cashing for customers and non-customers, direct deposit, access to online bill payment and funds transfer, mobile banking including deposits and bill payment, telephone banking services, and reloadable prepaid cards.

Although the bank's strategy is not limited to any one business endeavor, its primary focus is retail and commercial banking. Product offerings include conventional, non-escrowed mortgage products, home equity loans and lines of credit, credit cards, personal loans, and automobile loans to consumers. Loans to small businesses include term loans, lines of credit, Small Business Administration (SBA) loans, loans for equipment leases and credit cards.

During much of the evaluation period, the majority of the bank's residential mortgage originations occurred through a referral arrangement with *PHH Mortgage*. On October 1, 2012, FTB terminated its contract with PHH Mortgage and now partners with *Quicken Loans* (Quicken) to originate and fund government-insured, 1 – 4 family residential mortgages or loans with escrow features. Quicken originates and reports the loans in their name, using their capital. FTB does not report any loans originated by Quicken on the bank's HMDA LAR.

At the bank's request we considered qualified investments provided by FTB's CD affiliate, First Tennessee Housing Corporation (FTHC), First Tennessee New Markets

Tax Corporation (FTNMC), a bank subsidiary, and an affiliated 501(c)(3) nonprofit entity, First Horizon Foundation (FHF). FHF received its initial funding from the bank and FHNC but today it operates using income from investments and capital gains. Donations and contributions made by the foundation support financial literacy and economic development programs, education and support for initiatives targeting youth in the community, and health and human services programs and organizations. FTNC, a wholly owned subsidiary of FTB develops and finances affordable single-family and multifamily housing in Tennessee and bordering states. The strategic objective of FTNMC is to utilize its allocated new market tax credits to facilitate construction, financing, and economic development in urban and rural low-income communities by investing in entities that have real estate projects or operate businesses in geographic areas that have traditionally had inadequate access to capital.

In December 2012, FTB received certification from the U.S. Treasury's Community Development Financial Institutions Fund (CDFI Fund) authorizing the establishment of a wholly owned bank subsidiary, First Horizon Community Development Enterprises, LLC (FHCDE). The service area of FHCDE is Tennessee, Mississippi, Georgia, North Carolina, and South Carolina. FHCDE did not report any performance during this evaluation period but intends to use its allocations in new markets tax credits (NMTCs) to invest directly in qualified active low-income community businesses, creating an investment vehicle that strengthens the ability to provide flexible financing to commercial customers in need of favorable interest rates and terms, and provide NMTC enhanced credit products supporting community and economic development programs throughout the bank's AAs.

FTB also provides trust and fiduciary services complemented by the investment advisory capabilities offered by its affiliate, First Tennessee Advisory Services. In addition, FTN Financial Capital Markets, a division of FTB, offers financial services to depository and non-depository institutions including fixed-income capital markets, mortgage and consumer loan trading, and risk analysis. Two other FTB subsidiaries, First Tennessee Insurance Services, Inc. and First Horizon Insurance Services, Inc. provide insurance products. These activities have no impact on FTB's capacity for community reinvestment.

Acquisition activity positively affected the scope of the bank's operations during the evaluation period, expanding FTB's footprint in Tennessee. In June 2013, FTB acquired Mountain National Bank (MNB) of Sevierville, Tennessee, from the Federal Deposit Insurance Corporation, as receiver pursuant to a purchase and assumption agreement. In this transaction, FTB acquired \$452 million in assets, including approximately \$249 million in loans, and assumed approximately \$362 million of MNB deposits. The purchase of the 12 branches formerly operated by MNB, nine in Sevier County and three located in Blount County, helped the company expand its banking operations in East Tennessee, an existing market area within the state that the bank has targeted for expansion and growth. The addition of Sevier County enhanced the bank's delineated AA in the non-MSA portion of the state; however, we did not perform an analysis of

performance in Sevier County due to the limited time the AA was part of the bank's footprint.

There are no known legal, financial, or other factors impeding the bank's ability in helping to meet the credit needs of its AAs. The OCC last evaluated the bank's CRA performance as of January 11, 2010; the bank received a rating of Satisfactory.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We analyzed home purchase, home improvement, and home refinance mortgage loans the bank reported under the Home Mortgage Disclosure Act (HMDA) and small loans made to businesses the bank reported under the Community Reinvestment Act (CRA), for the period January 1, 2010, through December 31, 2013. Primary loan products for this review are products in which the bank originated at least 25 loans within the AA during the evaluation period. Multifamily loans and small loans to farms are not primary loan products for the bank and FTB did not have enough volume in any AA to perform a quantitative analysis; therefore, we did not evaluate these products separately. However, we did consider multifamily loans meeting the CD definition as part of the evaluation of CD lending.

The evaluation period for CD loans, the Service Test, and the Investment Test is January 11, 2010, through April 7, 2014.

Two sets of performance tables, specifically tables one through twelve and fifteen in Appendix D, summarize data covered by the 2000 and 2010 U.S. Census separately. The applicable narrative sections of the evaluation include a discussion of data from both census years.

Data Integrity

As part of our ongoing supervision of the bank, we tested the accuracy of the bank's HMDA and CRA lending data. We also reviewed the appropriateness of CD activities provided for consideration in our evaluation. This included testing of CD loans, investments, and services for accuracy and to determine if they qualify as CD as defined in the CRA regulation.

Selection of Areas for Full-Scope Review

We selected at least one AA in each state where the bank has a financial center for a full-scope review. In addition, we reviewed the bank's performance within two Multistate Metropolitan Areas (MMSAs) where the bank operated branches in at least two states within the MMSA using full-scope evaluation procedures. Full-scope reviews consider performance context, quantitative and qualitative factors. In general, the AAs selected for the full-scope review were chosen because they represented a significant portion of the bank's deposit base and lending business in that state or multistate area. The other AAs in each state were analyzed using limited-scope evaluation procedures. Limited-scope procedures consider quantitative factors only. Refer to the "Scope" section under each State and Multistate Metropolitan Area Rating section for details regarding how we selected the areas for review.

Ratings

The bank's overall rating is a blend of the MMSA rating(s) and state ratings. The state of Tennessee, the Memphis (TN-MS-AR) MMSA, and the Chattanooga (TN-GA) MMSA carries the greatest weight in our conclusions due to those areas representing the bank's most significant markets in terms of deposit concentrations, branch distribution, and CRA reportable loans. At June 30, 2013, AAs within the state of Tennessee represented 45.80 percent of total deposits, 60.67 percent of the branch network, and 61.09 percent of the CRA reportable loans during the evaluation period. The Memphis MMSA represented 42.15 percent of total deposits, 26.40 percent of the branch network, and 23.32 percent of the CRA reportable loans during the evaluation period. The Chattanooga MMSA represented 11.98 percent of total deposits, 11.80 percent of the branch network, and 14.89 percent of the CRA reportable loans during the evaluation period. Areas receiving full-scope reviews receive the primary weight when establishing the ratings in the MMSA rating(s) and state rating areas. Refer to the "Scope" section under each State and Multistate Metropolitan Area Rating section for details regarding the weights used to arrive at the respective ratings.

Other Factors Considered in our Analysis under Each Performance Test

Lending Test

In this evaluation, we placed equal weight on the bank's performance comparing and contrasting performance in 2010 through 2011, to performance in 2012 through 2013. To reach a final conclusion in certain areas, we placed slightly more weight on performance in the more current timeframe, 2012 through 2013. This was due to this timeframe being more reflective of the bank's current condition and performance.

When evaluating the bank's performance under the Lending test, the bank's distribution of home mortgage loans and the distribution of small business loans received equal weighting. Within the mortgage loan category, home refinance loans received the greatest weight in our overall conclusions regarding the bank's performance originating home mortgage loans. Home purchase loans received somewhat lesser weight, and home improvement loans minimal weight.

In our analysis of the distribution of loans to geographies with different income levels, we weighted the bank's performance in moderate-income census tracts heavier if there were a limited number of owner-occupied housing units or businesses in the low-income census tracts.

In our analysis of borrower distribution, we considered the impact that poverty levels have on the demand for mortgages from low- and moderate-income individuals. We considered the high cost and overall affordability of housing in some markets, and the difficulty that low- or moderate-income applicants have in qualifying for home loans in those markets.

CD Loans – Broader Regional Area

In addition to CD loans originated inside the bank's AAs, we also considered loans originated in the broader regional area outside FTB's delineated AAs. For example, we positively considered five loans totaling \$32 million originated in the states of Arkansas, Georgia, Louisiana, North Carolina, and Oklahoma. Examples of CD loans originated in the broader regional area include:

- Two loans totaling \$13.8 million to a skilled nursing and rehabilitation center in Oklahoma to fund the construction of a new facility and expansion of existing facilities. The center provides long-term nursing care or short-term rehabilitation services to LMI individuals, the majority of whom receive Medicaid.
- A \$10 million loan to a large provider of bulk liquid storage and handling services operating in the Gulf Opportunity Zone (GO Zone) established after Hurricane Katrina. The entity used the loan proceeds to purchase Go Zone bonds, helping to support economic development and revitalization and stabilization of a distressed area in Louisiana, creating 92 new jobs.

Innovative and Flexible Loan Programs

Bank-wide, during the evaluation period, and in response to a natural disaster occurring in 2011, the bank initiated a Disaster Recovery Assistance Program (DRAP) to assist customers living in designated flood disaster areas in Tennessee, Georgia, and North Carolina. In 2013, FTB offered the program to affected customers living in Colorado and Oklahoma. Assistance options included credit card and line of credit increases, business loan deferrals, and surcharge-free ATM access. We placed no significant weight on this loan program, as no data regarding the number and dollar volume of loans originated was available to determine the impact on LMI individuals

Although a third party services the majority of FTB's first lien mortgage loans, FTB is a participant in the Keep My Tennessee Home Program, a program funded through the U.S. Department of the Treasury's Hardest Hit Fund. The fund provides payment assistance to unemployed or substantially underemployed homeowners who have fallen behind on their mortgage and are facing the possibility of foreclosure. The Keep My Tennessee Home Program provides zero percent, deferred, forgivable loans to homeowners to pay their mortgage and mortgage-related expenses. We placed no significant weight on this loan program, as no data regarding the number and dollar volume of loans originated was available to determine the impact on LMI individuals.

Finally, in response to community credit needs of small businesses, and as a way to provide access to capital for small businesses, in 2012 FTB established its On Deck Referral Program. On Deck Capital (On Deck) is an alternative lender that makes credit available to new companies or credit challenged businesses demonstrating sufficient cash flow. FTB refers small dollar business working capital type loans, up to \$150,000, to On Deck for further consideration. In 2013, the On Deck program originated 23 loans totaling \$440,000. The average loan size was \$19,000.

Investment Test

The volume of investments made during the current evaluation period received primary consideration. We also evaluated the responsiveness of the bank's investments to identified CD needs.

Investments – Broader Regional Area

We also considered investments made in the broader regional area outside the bank's delineated AAs. This includes 30 investments totaling \$59.1 million benefitting the states of Arkansas, Georgia, Louisiana, Mississippi, North Carolina, and South Carolina. The majority of these regional investments are low-income housing tax credits (LIHTCs) from a prior period totaling \$13.2 million, creating 622 housing units. Current period investments include the purchase of six LIHTCs totaling \$24.2 million, the purchase of four Gulf Opportunity Zone bonds totaling \$21.6 million, and donations and contributions supporting organizations that provide community services targeted to LMI individuals and families.

Service Test

In the Service Test evaluation, FTB's performance in delivering retail products and services to its AAs received primary consideration. We placed the greatest weight on the delivery of financial services and products to geographies and individuals of different income levels through the bank's distribution of branches. We focused on branches in LMI geographies.

We analyzed the distribution of deposit-taking ATMs by income level of census tract.

We evaluated the impact of branch openings and closings on accessibility to LMI individuals. We also considered the range of products and services and the convenience of business hours in LMI areas compared to those in middle- and upper-income areas to determine if there were significant differences.

We evaluated the bank's record of providing CD services in AAs that received full-scope reviews. Our primary consideration in these reviews was the responsiveness to the needs of the community. Services that reflected ongoing relationships with organizations involved in CD received the most consideration in our analysis.

Alternative Delivery Systems

Bank-wide, in all markets, management complements its traditional service delivery methods with certain alternative retail delivery systems, such as full-service ATMs, direct deposit, telephone banking, and access to electronic banking services, such as bill payment, mobile banking, e-statements and reloadable prepaid cards. We placed no significant weight on these services, as no data was available to determine their impact on LMI individuals.

During the evaluation period, in conjunction with the Bank-On Memphis initiative, FTB introduced the First Access Checking Account, a low-cost checking product targeted to the unbanked and under-banked population. Currently, the product is available bank-

wide. The account provides LMI individuals access to traditional checking accounts at lower cost. This is an alternative to fringe financial services such as check cashing companies and providers of payday loans. The access checking account requires no minimum balance, the monthly service fee is \$3.00, and the required opening balance is \$25.00. Since its inception in April 2011, bank-wide FTB opened 3,084 First Access Checking accounts.

Inside/Outside Ratio

This ratio is a bank-wide calculation, and not calculated by individual rating area or AA. Analysis is limited to bank originations and purchases, and does not include any affiliate data. For the combined four-year evaluation period, FTB originated a significant majority of all loan products inside the bank's AAs (81.41 percent). The following summarizes the percentage in number of loans made inside the AAs by loan type: home purchase (81.16 percent), home improvement (80.08 percent), home refinance (72.25 percent), small loans to businesses (90.50 percent), and small loans to farms (79.71 percent).

Community Contacts

Bank-wide, we utilized information from 15 community contacts initiated during the evaluation period to establish performance context and to identify CD needs and opportunities within FTB's AAs. We conducted interviews with low-income housing specialists, community and economic development organizations, community action groups, and social service agencies. We included relevant comments as appropriate in our performance context considerations. For the full-scope rating areas, we summarized information from community contacts in the Market Profiles found in Appendix C.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or Federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau.

The OCC identified the following public information regarding non-compliance with the statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution:

- Evidence of unfair acts or practices in violation of section 5 of the Federal Trade Commission Act. The OCC identified unfair billing practices related to an identity theft protection product the bank offered through a third-party provider from 2000 to 2006. The bank failed to exercise adequate third party oversight and compliance risk management, and charged customers for services that they did not receive until 2013 when it ceased billing activity. To remediate, the bank strengthened risk management, discontinued the product altogether, including for existing customers, and developed a plan to reimburse fees paid by all customers, including those who received full services. The bank agreed to pay restitution totaling \$3.1 million to 15,915 customers and a civil money penalty of \$1 million. For further information on the OCC settlement, see OCC enforcement actions #2017-015 and #2017-018, both dated February 8, 2017.
- Evidence of noncompliance with the Fair Housing Act involving allegations that the bank denied loan applications from African-American and Hispanic borrowers at disproportionate rates and failed to place bank branches in certain minority-concentrated areas, stemming from activities at an acquired institution. The bank entered into a conciliation agreement with a complainant on a voluntary basis and agreed to pay a total of \$1.9 million to establish a mortgage loan subsidy fund and contribute to activities of community-based organizations. For further information on the settlement, see HUD press release number 16-009, dated February 1, 2016.
- The OCC also found evidence of violations of the Servicemembers Civil Relief Act involving the bank's failure to provide full interest rate reductions on loans to 206 eligible servicemembers. The bank agreed to pay restitution totaling \$41,000 to the affected borrowers covering the period of January 1, 2008 through March 7, 2014. The bank implemented appropriate corrective actions to strengthen policies, procedures, and controls prospectively.

The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which institution had policies and procedures in place to prevent the practices; and the extent to which the institution

has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.

The OCC will consider any evidence of discriminatory or other illegal credit practices relative to this institution that other regulators may provide to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information provided concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Multistate Metropolitan Area Rating

Memphis (TN-MS-AR) Multistate Metropolitan Area (MMSA)

CRA rating for the Memphis (TN-MS-AR) MMSA¹: Satisfactory

The lending test is rated: High Satisfactory

The investment test is rated: High Satisfactory

The service test is rated: High Satisfactory

The major factors that support this rating include:

- Adequate home mortgage, and small business lending activity;
- Overall geographic distribution was adequate, as demonstrated by an excellent distribution of small loans to businesses offset by a very poor distribution of home mortgage loans in geographies of different income levels;
- Overall borrower income distribution was poor, as evidenced by an adequate distribution of home mortgage loans to borrowers of different income levels and a very poor distribution of loans to businesses of different income levels;
- A significantly positive level of CD loans that was responsive to community needs. This performance elevated otherwise overall adequate lending performance to good in the MMSA;
- A good level of qualified investments demonstrating good responsiveness to identified CD needs in the AA;
- A branch distribution that was reasonably accessible to individuals living in geographies of different income levels in the AA; and,
- Overall, excellent CD service performance.

Description of Institution's Operations in Memphis (TN-MS-AR) Multistate Metropolitan Area

The Memphis MMSA is an area consisting of seven counties, three in southwest Tennessee, and four in northwest Mississippi. The delineated Memphis MMSA AA consists of two counties in the state of Mississippi (Desoto and Tate) and one county in the state of Tennessee (Shelby). All counties closely surround the city of Memphis, Tennessee. FTB has 47 full-service financial centers within the multistate area,

¹ This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

representing 26.40 percent of the bank's total branch network. Of the 47 branches located within the metropolitan area, seven are located in Mississippi and 40 are located in Tennessee. FTB has 112 deposit-taking ATMs in the MMSA.

As of June 30, 2013, bank deposits in the Memphis MMSA totaled \$7.2 billion, ranking FTB first among 48 financial institutions in the area, with a 34.03 percent deposit market share. Large competitors in the AA include Regions Bank, SunTrust Bank, Bancorp South Bank, Bank of America, N.A., and Independent Bank. These five competitors had a combined deposit market share of 36.70 percent.

Refer to the market profile for the Memphis MMSA in appendix C for detailed demographics and other performance context information for this full-scope review AA.

Scope of Evaluation in Memphis Multistate Metropolitan Area

For the Memphis MMSA, we performed a full-scope review because it is the only AA in the MMSA. We analyzed home mortgage and small business loans originated in this area during the evaluation period. Based on the percentage of deposits, the Memphis MMSA accounted for 42.15 percent of the bank's total deposits. In addition, 26.40 percent of the bank's branches and 23.32 percent of reportable loans originated in the AA.

Information obtained from four community contacts contributed to the evaluation of bank performance. Affordable housing for LMI individuals, financing supporting neighborhood revitalization programs, support for public services, especially health services, and services for children and families, financial literacy training for the unbanked and under-banked populations, lines of credit for small business owners, and foreclosure prevention programs were cited as needs by the organizations contacted.

LENDING TEST

The bank's performance under the Lending Test in the Memphis MMSA is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Memphis MMSA AA is good.

Lending Activity

Refer to Tables 1 Lending Volume in the Memphis MMSA section of appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity in the Memphis MMSA is adequate. FTB faces strong competition from several nationwide lenders originating loans in the AA. In all lending categories, FTB was a competing lender in the AA. Based upon FDIC Deposit Market Share data as of June 30, 2012, FTB achieved a 33.56 percent market share of deposits, ranking first among 47 financial institutions in the AA. Based upon 2012 Peer Data for home purchase loans, the bank ranked 27th among 264 reporting lenders in the

AA with a 0.66 percent market share. The top five lenders in the AA dominated the market with a combined market share of 47.39 percent, limiting opportunities for the remaining lenders. For home improvement loans, FTB ranked eighth among 81 reporting lenders in the AA with a 3.73 percent market share. For home refinance loans, FTB ranked 12th among 354 financial institutions in the AA, with a 1.94 percent market share. This market exhibits strong competition, where the top five financial institutions in the AA have a combined market share of 40.23 percent.

FTB achieved a 4.89 percent market share of small loans to businesses, ranking seventh among 73 reporting lenders. Four national credit card lenders dominated the small business market, as they held 55.23 percent of the small business lending market share. Overall, this market rank/share is good when compared to the deposit market rank/share and competition within the AA.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Memphis MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of home mortgage loans.

The overall geographic distribution of home mortgage loans is very poor.

The overall geographic distribution of home purchase loans is poor. The bank's geographic distribution of home purchase loans during 2010 through 2011 was very poor. The percentage of loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans made in moderate-income census tracts was also significantly below the percentage of owner-occupied housing units in these geographies. The bank's market share in low-income census tracts exceeded its overall market share for home purchase loans. The bank's market share in moderate-income geographies was near its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

The overall geographic distribution of home improvement loans is good, with slightly greater weight given to 2012 through 2013 performance. The bank's geographic distribution of home improvement loans during 2010 through 2011 was adequate. The bank's geographic distribution of home improvement loans made in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans made in moderate-income geographies was near to the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was below its overall market share for home improvement loans. The bank's market share in moderate-income geographies

exceeded its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was stronger than the performance noted in 2010 through 2011, and was good. The percentage of loans made in low-income census tracts was below the percentage of owner-occupied housing units in these geographies. The percentage of loans made in moderate-income geographies was near to the percentage of owner-occupied housing units in these areas. In 2012, the bank's market share in low-income census tracts exceeded its overall market share for home improvement loans. The bank's market share in moderate-income geographies was near to its overall market share for home improvement loans.

The overall geographic distribution of home refinance loans is very poor, with slightly greater weight given to 2012 through 2013 performance. The bank's geographic distribution of home refinance loans during 2010 through 2011 was poor. The bank's geographic distribution of home refinance loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in those geographies. The bank's geographic distribution of home refinance loans made in moderate-income census tracts was also significantly below the percentage of owner-occupied housing units in those geographies. The bank's market share in low-income census tracts was significantly below its overall market share for home refinance loans. The bank's market share in moderate-income geographies exceeded its overall market for home refinance loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through 2011, and was very poor. The bank's geographic distribution of home refinance loans in low-income census tracts was significantly below the percentage of owner-occupied housing units in those geographies. The bank's geographic distribution of home refinance loans in moderate-income census tracts was also significantly below the percentage of owner-occupied housing units in those geographies. The bank's market share in low-income census tracts was significantly below its overall market share for home refinance loans. The bank's market share in moderate-income geographies was near to its overall market for home refinance loans.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is excellent.

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

The overall geographic distribution of small loans to businesses is excellent. The bank's geographic distribution of small loans to businesses during 2010 through 2011 was excellent. The percentage of loans made in low-income census tracts exceeded the percentage of businesses in these geographies. The percentage of loans made in moderate-income geographies also exceeded the percentage of businesses in these areas. The bank's market share in low-income census tracts exceeded its overall market share for small loans to businesses. The bank's market share in moderate-

income geographies also exceeded its overall market share for small loans to businesses. The bank's performance in 2012 through 2013 was consistent with the performance noted in 2010 through 2011.

Lending Gap Analysis

We reviewed summary reports and maps, to analyze FTB's home mortgage and small business lending activity over the evaluation period and identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is poor. We also placed equal weight on the bank's performance throughout the evaluation period, 2010 through 2013. We considered high poverty levels in the MMSA, depressed housing values, and other economic factors in our analyses.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9, and 10 in the Memphis MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of home mortgage loans.

The overall borrower distribution of home purchase loans is adequate. The bank's borrower distribution of home purchase loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans made to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share to low-income borrowers exceeded its overall market share for home purchase loans. The bank's market share to moderate-income borrowers was well below its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through 2011, and was very poor. The percentage of loans originated to low-income borrowers was well below the percentage of low-income families. The percentage of loans made to moderate-income borrowers was significantly below the percentage of moderate-income families. This performance had a negative impact on the overall home purchase conclusion.

The overall borrower distribution of home improvement loans is excellent, with slightly greater weight given to 2012 through 2013 performance. The bank's borrower distribution of home improvement loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers was somewhat below of low-income families. The percentage of loans made to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share of home improvement

loans. The bank's market share of loans to moderate-income borrowers was below its overall market share of home improvement loans. The bank's performance in 2012 through 2013 was stronger than performance noted in 2010 through 2011, and was excellent. The percentage of loans originated to low-income borrowers was somewhat below of low-income families. The percentage of loans made to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share of home improvement loans. The bank's market share of loans to moderate-income borrowers also exceeded its overall market share of home improvement loans.

The overall borrower distribution of home refinance loans is adequate. The bank's borrower distribution of home refinance loans during 2010 through 2011 was adequate. The percentage of loans originated to low-income borrowers was well below the percentage of low-income families. The percentage of loans made to moderate-income borrowers was below the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was near to its overall market share for home refinance loans. The bank's market share of loans to moderate-income borrowers exceeded its overall market share for home refinance loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is very poor.

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

The overall borrower distribution of small loans to businesses is very poor. The bank's borrower distribution of small loans to businesses during 2010 through 2011 was very poor. The percentage of small loans to businesses with gross annual revenues of \$1 million or less was significantly below the percentage of small businesses. The bank's market share of small loans to small businesses was well below its overall market share of small loans to businesses. The bank's performance in 2012 through 2013 was consistent with the performance noted in 2010 through 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the Memphis MMSA section of appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

FTB's level of CD lending along with responsiveness had a significantly positive impact on the overall Lending Test rating in the Memphis MMSA. During the evaluation period, FTB originated 117 CD loans totaling \$143 million in the AA. This represented 11.33 percent of allocated Tier One Capital. The bank's CD loans demonstrated excellent

responsiveness to identified CD needs in the AA, including affordable housing, community services targeted to LMI individuals, economic development and revitalization and stabilization of LMI areas of the AA.

For example, FTB provided a \$7.3 million loan to a NMTC project to construct a vivarium located in an economically distressed area near downtown Memphis. The project supported economic development by creating local job opportunities within the community. The building will be a model of “green construction,” which will include a green roof for lunchtime activities and special events, light pollution reduction, heat island mitigation, and other sustainable features.

FTB also originated a \$500,000 working capital loan to a public charter school in the Memphis MMSA. The school’s mission is to address the most pressing needs of inner city youth by providing strong connections to education, employment, leadership development and financial responsibility. The ultimate goal of the school is to increase the number of urban youth who attend college and address the number of urban youth classified as out of school youth who do not have a GED, high school diploma or necessary job skills to obtain employment.

Additionally, FTB demonstrated its commitment to promote affordable housing initiatives in the AA when the bank provided a credit enhancement of \$3.8 million in tax-exempt bonds for the development of a 128-unit affordable multifamily housing complex. FTB has a long-standing partnership with the developer, participating in several affordable housing developments, by providing both traditional construction and mini-permanent loans as well as equity investments.

Product Innovation and Flexibility

Overall, innovative and flexible loan programs had a neutral impact on the bank’s lending performance in the Memphis AA. Bank-wide, FTB offered a standard product mix of loans including SBA loans, and on a referral basis, government-insured home mortgage loans, such as FHA and VA loans. Although the Disaster Recovery Assistance Program, the Keep My Tennessee Home Program, and the On Deck Referral small business loan program were available to borrowers in the MMSA, we placed no significant weight on these programs, as no data was available to determine their impact on LMI individuals and small businesses.

Refer to the description of innovative and flexible loan programs summarized in the Other Factors – Lending Test section for a description of programs offered bank-wide.

INVESTMENT TEST

The bank’s performance under the Investment Test in the Memphis MMSA is rated “High Satisfactory.” Based on the full-scope review, the bank’s performance in the Memphis MMSA AA is good.

Refer to Table 14 in the Memphis MMSA section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The bank's investment performance in the Memphis MMSA AA is good. During the evaluation period, FTB made 269 investments in the Memphis MMSA totaling \$29.2 million. Total investments in the AA represent 2.31 percent of allocated Tier One Capital. There is a moderate level of opportunity in the AA for the bank to provide investments or grants to CD organizations. The bank's responsiveness to identified CD needs, including affordable housing, economic development and CD services targeting LMI individuals, through more complex investments is good. Approximately 85.46 percent of the bank's investments were equity type investments, including LIHTCs, NMTCs, and bond purchases. Eleven or \$15.8 million originated in a prior period are investments in LIHTC projects that provided for the development or rehabilitation of 1,501 units of housing in the AA. Although not innovative or complex, these investments provide ongoing responsiveness to affordable housing needs in the community.

During the evaluation period, FTB created First Tennessee New Markets Corporation to help facilitate the construction, financing and economic development in urban and rural low-income communities. Since its inception in 2012, FTB originated two NMTC transactions totaling \$7.5 million in investments. These investments promoted economic development within the AA. One project, a \$6.4 million NMTC investment, which was made along with a CD loan originated during this evaluation period, assisted in the construction of a specialized laboratory (vivarium). The 26,000 square-foot facility is located in an economically distressed area near downtown Memphis. The construction of the building created 50 full-time jobs in the AA with an average income of \$53,000 per year. In addition, the building is a model of "green construction", with a green roof for lunchtime activities and special events, light pollution reduction, heat island mitigation, and other sustainable features. The second project, a \$1.1 million NMTC investment, helped to construct a parking garage in the University of Tennessee research park. The research park, located in an economically distressed area and HUD designated renewal community provides a green energy solution that addresses the environmental and work force issues associated with expanding solar capacity and green jobs. The construction of the parking garage helped to revitalize the area by creating jobs for LMI individuals and attracting new businesses to the AA. In addition, the sponsoring organization of the project plans to train and place fifteen unemployed and underemployed workers on the solar panel project.

Approximately 14.54 percent of the bank's investments were charitable donations and grants. These donations and grants supported not-for-profit organizations serving LMI geographies. A few examples that are representative of how FTB's donations and grants support CD include a \$10,000 donation to a nonprofit organization that provides affordable housing to low-income families by purchasing and rehabilitating 1-4 family houses for resale. Another example is a \$35,000 donation to a nonprofit organization that offers financial literacy programs to low-income youth throughout the AA. A third example is a \$10,000 donation to an organization whose mission is to empower low-income residents of Memphis and Shelby County to build and sustain assets through

financial literacy programs. The organization also provides homeownership counseling to educate individuals on the purchase of a home.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the Memphis MMSA is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Memphis MMSA AA is good.

Retail Banking Services

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

In the Memphis MMSA AA, FTB's overall branch distribution is adequate. The bank's branch distribution during 2010 through 2011 was adequate. Branches were reasonably accessible to geographies and individuals of different income levels in the AA. There were three branches located in low-income census tracts. The percentage of branches in low-income census tracts was below the percentage of the population in low-income geographies. There were seven branches located in moderate-income census tracts. The percentage of branches in moderate-income census tracts was also below the percentage of the population in moderate-income geographies. FTB's branch distribution during 2012 through 2014 was consistent with the distribution noted in 2010 through 2011.

Branch openings and closings have generally not adversely affected the overall accessibility of the bank's delivery systems, particularly to LMI geographies or individuals. During the evaluation period, FTB closed five branches, one in a low-income census tract, two in a middle-income tract, and two in an upper-income census tract. These closures were due to a consolidation in business activity at the branches. There were no branch openings. Branch services and hours do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals. Services offered and hours of operation are comparable among banking center locations regardless of the income level of the geography.

Alternative Delivery Systems

Refer to the discussion in the Other Factors – Service Test section for details regarding alternative delivery systems offered bank-wide.

Community Development Services

Overall, the level of CD services provided is excellent, demonstrating excellent responsiveness to identified CD needs in the AA. In several instances, FTB employees in the Memphis MMSA AA demonstrated leadership in providing CD services. In total, 183 FTB employees provided CD services to more than 150 organizations, reporting 1,900 hours of service during the evaluation period. CD services included hours serving on the Board of Directors or committees of organizations that provide home ownership counseling, financial literacy training, activities that promote economic development and social services that target LMI individuals.

For example, FTB functioned in a leadership role to manage the Bank-On Memphis Program, an initiative designed to encourage the unbanked population to establish accounts with financial institutions. FTB participates in the initiative as a local bank partner and serves on the advisory committee. In addition, in partnership with a center that serves the health and social service needs of at-risk low-income children and families in Memphis, FTB provided financial literacy training to participants in the center's summer youth program. FTB also supports the various fundraising efforts for this program. As another example, a bank officer serves as a board member for an organization that seeks to ensure equal housing opportunities for all people through leadership, education, outreach, and public policy initiatives. FTB also collaborates with an organization in a matched savings program to encourage wage earners living in Memphis to establish good financial habits and to save for the purchase of a home, a vehicle, or a computer.

Multistate Metropolitan Area Rating

Chattanooga (TN-GA) Multistate Metropolitan Area (MMSA)

CRA rating for the Chattanooga (TN-GA) MMSA²: Satisfactory

The lending test is rated: High Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: Outstanding

The major factors that support this rating include:

- Adequate home mortgage, small business, and small farm loan lending activity;
- Overall geographic distribution was good, as demonstrated by an excellent distribution of small loans to businesses and adequate distribution of home mortgage loans in geographies of different income levels;
- Overall borrower income distribution was poor, as evidenced by an adequate distribution of home mortgage loans to borrowers of different income levels and a very poor distribution of loans to businesses of different income levels;
- A significantly positive level of CD loans that was responsive to community needs. This performance elevated otherwise adequate lending performance to good in the MMSA;
- An adequate level of CD investments, reflecting adequate responsiveness to identified CD needs in the AA;
- A branch distribution that was accessible to individuals living in geographies of different income levels in the AA;
- Overall, excellent CD service performance.

Description of Institution's Operations in Chattanooga (TN-GA) Multistate Metropolitan Area

The Chattanooga MMSA is an area consisting of six counties, three in southeast Tennessee, and three in northwest Georgia. The delineated Chattanooga MMSA AA consists of Hamilton County in Tennessee and Catoosa County in Georgia. Both

² This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

counties closely surround the city of Chattanooga, Tennessee. FTB had 21 full-service branches within the multistate area, representing 11.80 percent of the bank's total branch network. Of the 21 branches located within the metropolitan area, two are located in Georgia and 19 are located in Tennessee. FTB has 32 deposit-taking ATMs in the MMSA.

As of June 30, 2013, bank deposits in the Chattanooga MMSA totaled \$2.1 billion, ranking FTB first among 19 financial institutions in the area, with a 28.04 percent deposit market share. Large competitors in the AA include SunTrust Bank, Regions Bank, Capital Mark Bank & Trust, Northwest Georgia Bank, and Cornerstone Community Bank. These five competitors had a combined deposit market share of 52.61 percent.

Refer to the market profile for the Chattanooga MMSA in appendix C for detailed demographics and other performance context information for this full-scope review AA.

Scope of Evaluation in Chattanooga Multistate Metropolitan Area

For the Chattanooga MMSA, we performed a full-scope review because it is the only AA in the MMSA. We considered home mortgage and small business loans originated in this area during the evaluation period. Based on the percentage of deposits, the Chattanooga MMSA accounted for 11.98 percent of the bank's total deposits. In addition, 11.80 percent of the bank's branches were located and 14.89 percent of reportable loans were originated in the AA.

Information obtained from one community contact contributed to the evaluation of bank performance. Affordable multi-family rental housing, support for community services targeted to LMI individuals, bridge and take-out loan financing, acquisition financing, and alternative checking and loan products designed to provide access to the unbanked and underserved population were cited as needs within the AA.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the Chattanooga MMSA is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Chattanooga MMSA AA is good.

Lending Activity

Refer to Tables 1 Lending Volume in the Chattanooga MMSA section of appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity in the Chattanooga MMSA is adequate. FTB faces strong competition from several nationwide lenders originating loans in the AA. In all

lending categories, FTB was a competing lender in the AA. Based upon FDIC Deposit Market Share data as of June 30, 2012, FTB achieved a 26.16 percent market share of deposits, ranking first among 20 financial institutions in the AA. Based upon 2012 Peer Data for home purchase loans, FTB ranked 15th among 224 financial institutions in the AA with a 1.52 percent market share. This market is competitive, considering the top five lenders in the AA dominated the market with a combined market share of 46.44 percent, limiting opportunities for other lenders. For home improvement loans, FTB ranked fifth among 64 financial institutions in the AA with a 4.11 percent market share. For home refinance loans, FTB ranked sixth among 296 financial institutions in the AA with a 3.46 percent market share. FTB achieved a 7.36 percent market share of small loans to businesses, ranking fourth among 59 reporting lenders in the AA. Two national credit card lenders dominated the small business market, as they held 35.48 percent of the small business lending market share. Overall, these market ranks/shares are adequate when compared to the deposit market rank/share and competition within the AA.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is good. We generally placed equal weight on the bank's performance in 2010 through 2011 and performance in 2012 through 2013.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Chattanooga MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of home mortgage loans.

The overall geographic distribution of home mortgage loans is adequate.

The overall geographic distribution of home purchase loans is adequate, with slightly greater weight given to 2012 through 2013 performance. The bank's geographic distribution of home purchase loans during 2010 through 2011 was poor. The percentage of loans made in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was significantly below overall market share for home purchase loans. The bank's market share in moderate-income census tracts was near to its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was stronger than performance noted in 2010 through 2011, and was adequate. The percentage of loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was near to the percentage of owner-occupied housing units in these areas. In 2012, the bank's market share in low-income census tracts exceeded its overall market share for home purchase loans. The bank's market share in

moderate-income census tracts also exceeded its overall market share for home purchase loans.

The overall geographic distribution of home improvement loans is adequate. The bank's geographic distribution of home improvement loans during 2010 through 2011 was poor. The percentage of loans made in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was well below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was significantly below its overall market share for home improvement loans. The bank's market share in moderate-income census tracts exceeded its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

The overall geographic distribution of home refinance loans is adequate. The bank's geographic distribution of home refinance loans during 2010 through 2011 was poor. The percentage of loans made in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was also significantly below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts exceeded its overall market share for home refinance loans. The bank's market share in moderate-income census tracts also exceeded its overall market share for home refinance loans. The bank's performance in 2012 through 2013 was consistent with the performance noted in 2010 through 2011.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is excellent.

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

The geographic distribution of small loans to businesses is excellent. The bank's geographic distribution of small loans to businesses during 2010 through 2011 was excellent. The percentage of loans originated in low-income census tracts exceeded the percentage of businesses in these geographies. The percentage of loans originated in moderate-income census tracts also exceeded the percentage of businesses in these geographies. The bank's market share in low-income census tracts exceeded its overall market share for small loans to businesses. The bank's market share in moderate-income census tracts also exceeded its overall market share for small loans to businesses. The bank's performance in 2012 through 2013 was consistent with the performance noted in 2010 through 2011.

Lending Gap Analysis

We reviewed summary reports and maps, to analyze FTB's home mortgage and small business lending activity over the evaluation period and identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is poor. We generally placed equal weight on the bank's performance throughout the evaluation period, 2010 through 2013. High poverty levels in the MMSA, depressed housing values, and other economic factors, were considered in our analysis.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9, and 10 in the Chattanooga MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of home mortgage loans.

The overall borrower distribution of home purchase loans is poor, with slightly greater weight given to 2012 through 2013 performance. The bank's borrower distribution of home purchase loans during 2010 through 2011 was adequate. The percentage of loans originated to low-income borrowers was well below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was below its overall market share for home purchase loans. The bank's market share of loans to moderate-income borrowers was well below its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was weaker than the performance noted in 2010 through 2011, and was poor. The percentage of loans originated to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers was below the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was significantly below its overall market share for home purchase loans. The bank's market share of loans to moderate-income borrowers was well below its overall market share for home purchase loans.

The overall borrower distribution of home improvement loans is excellent, with slightly greater weight given to 2012 through 2013 performance. The bank's borrower distribution of home improvement loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers approximated the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was significantly below its overall market share for home improvement loans. The bank's market share of loans to moderate-income borrowers

exceeded its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was stronger than performance noted in 2010 through 2011, and was excellent. The percentage of loans originated to low-income borrowers was somewhat below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share for home improvement loans. The bank's market share of loans to moderate-income borrowers also exceeded its overall market share for home improvement loans.

The overall borrower distribution of home refinance loans is adequate. The bank's borrower distribution of home refinance loans during 2010 through 2011 was adequate. The percentage of loans originated to low-income borrowers was well below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share for home refinance loans. The bank's market share of loans to moderate-income families was below its overall market share for home refinance loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is very poor.

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

The overall borrower distribution of small loans to businesses is very poor. The bank's borrower distribution of small loans to businesses during 2010 through 2011 was very poor. The percentage of small loans to businesses with gross annual revenues of \$1 million or less was significantly below the percentage of small businesses. The bank's market share of small loans to small businesses was well below its overall market share of small loans to businesses. The bank's performance in 2012 through 2013 was consistent with the performance noted in 2010 through 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the Chattanooga MMSA section of appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

FTB's level of CD lending and responsiveness had a significantly positive impact on the overall Lending Test rating in the Chattanooga MMSA. During the evaluation period, FTB originated 50 CD loans totaling \$44.9 million in the AA. This volume represented

12.52 percent of allocated Tier One Capital. The bank's CD loans demonstrated excellent responsiveness to identified CD needs in the AA, including affordable housing, community services targeted to LMI individuals, economic development, and revitalization and stabilization of LMI areas of the AA.

One example of FTB's commitment to CD in the Chattanooga MMSA includes the origination of 14 loans totaling \$15.3 million to a nonprofit organization that provides affordable housing, job training, and financial education primarily to LMI adults and children with mental disabilities living in medically underserved communities. The organization used the loan proceeds to construct two four-bedroom homes used for permanent housing for individuals in need of residential habitation and supported living, working capital for the nonprofit, and to purchase vehicles used to transport the organization's clients.

In another example, FTB originated two loans totaling \$1 million to a public transportation organization located in a low-income geography that specializes in providing fixed route transportation. The organization used the loan proceeds to fund a capital improvement project that will provide long-term benefits such as reduction in harmful gases and affordable transportation to the public, including families in low-income geographies. The project also received grant funding from the U.S. Department of Transportation and funding through the American Recovery and Reinvestment Act program.

Product Innovation and Flexibility

Overall, innovative and flexible loan programs had a neutral impact on the bank's lending performance in the Chattanooga AA. Bank-wide, FTB offered a standard product mix of loans including SBA loans, and on a referral basis, government-insured home mortgage loans, such as FHA and VA loans. Although the Disaster Recovery Assistance Program, the Keep My Tennessee Home Program, and the On Deck Referral small business loan program were available to borrowers in the MMSA, we placed no significant weight on these programs, as no data was available to determine their impact on LMI individuals and small businesses.

Refer to the description of innovative and flexible loan programs summarized in the Other Factors – Lending Test section for a description of products offered bank-wide.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the Chattanooga MMSA is rated "Low Satisfactory." Based on the full-scope review, the bank's performance in the Chattanooga MMSA is adequate.

Refer to Table 14 in the Chattanooga MMSA section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The bank's investment performance in the Chattanooga MMSA is adequate. During the evaluation period, FTB made 85 investments in the Chattanooga MMSA totaling \$3.4 million. The investments are responsive to the identified CD need for affordable housing. Total investments in the AA represent 0.96 percent of allocated Tier One Capital. Current period investments are limited to donations and contributions. Approximately 81 percent of total dollars invested in the AA are in a LIHTC project. Although not necessarily innovative or complex, the investment does continue to support an identified need in the AA, specifically affordable housing. This investment funded construction of four residential apartment buildings and one community building containing 60 two-bedroom units and 48 three-bedroom units. Approximately 75.00 percent of the units were set-aside for individuals whose income is 60.00 percent or less than area median gross income.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the Chattanooga MMSA is "Outstanding." Based on full-scope review, the bank's performance in the Chattanooga MMSA is excellent.

Retail Banking Services

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

In the Chattanooga MMSA, FTB's overall branch distribution is good, with slightly greater weight given to 2012 through 2014 performance. The bank's branch distribution during 2010 through 2011 was excellent. Branches were readily accessible to geographies and individuals of different income levels in the AA. There were two branches located in low-income census tracts. The percentage of branches in low-income census tracts exceeded the percentage of the population in low-income geographies. There were three branches located in moderate-income census tracts. The percentage of branches in moderate-income census tracts exceeded the percentage of the population in moderate-income geographies. The bank's branch distribution during 2012 through 2014 was weaker than the distribution noted in 2010 through 2011, and was good. There were three branches located in low-income census tracts. Changes in branch distribution performance from the 2010 through 2011 time period was due to changes in census tract income designation based on the 2010 Census. The percentage of branches in low-income census tracts exceeded the percentage of the population in low-income geographies. There were two branches located in moderate-income census tracts. The percentage of branches in moderate-

income census tracts was below the percentage of the population in moderate-income geographies.

Branch openings and closings has generally not adversely affected the overall accessibility of the bank's delivery systems, particularly to LMI geographies and individuals. During the evaluation period, FTB closed two branches, one in a moderate-income census tract and one in a middle-income geography. These closures were due to a consolidation in business activity at the branches. There were no branch openings. Branch services and hours do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals. Services offered and hours of operation are comparable among banking center locations regardless of the income level of the geography.

Alternative Delivery Systems

Refer to the discussion in the Other Factors – Service Test section for details regarding alternative delivery systems offered bank-wide.

Community Development Services

Overall, the level of CD services provided is excellent, representing excellent responsiveness to identified CD needs in the AA. In several instances, FTB employees within the Chattanooga MMSA AA demonstrated responsiveness by providing CD services to organizations that provide services to LMI individuals.

In total, 97 FTB employees provided CD services to 88 organizations, reporting 498 hours of services during the evaluation period. CD services include hours serving on the Board of Directors or committees of organizations that had CD as their primary purpose. Overall, 81.82 percent of the organizations provide services targeted to LMI individuals or areas, 13.64 were organizations that had affordable housing as their primary purpose, and 4.55 percent were organizations dedicated to promoting economic development or revitalization and stabilization in the AA.

For example, a bank officer is a board member of a HUD approved housing assistance agency targeting LMI individuals. Assistance programs offered by the agency include financial management, budget counseling, pre-purchase homebuyer education and predatory lending education workshops. Another banking officer serves on the board of directors of a nonprofit organization that provides outpatient mental health treatment to LMI children and adults. The organization is funded by the Tennessee Department of Mental Health, the City of Chattanooga/Hamilton County, TennCare, Medicare, federal grants and the United Way. Finally, a banking officer serves on the board of directors of a nonprofit organization that provides daycare and after school programs for LMI youth by offering fee-based scaled membership fees and fee assistance programs for severely income challenged families.

State Rating

State of Tennessee

CRA Rating for Tennessee³:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- Adequate home mortgage, small business, and small farm loan lending activity;
- Overall geographic distribution was good as demonstrated by an excellent distribution of small loans to businesses offset by a poor distribution of home mortgage loans in geographies of different income levels;
- Overall borrower income distribution was adequate as evidenced by an adequate distribution of home mortgage loans to borrowers of different income levels and a poor distribution of loans to businesses of different income levels;
- Overall, a significantly positive level of CD loans in the Nashville AA and the Knoxville AA reflected excellent responsiveness to identified CD needs. This performance elevated otherwise adequate lending performance to good in the state;
- Overall good qualified investment performance, as evidenced by a good level of qualified investments in the Knoxville AA, and adequate the Nashville AA. Responsiveness to identified CD needs is considered excellent;
- A branch distribution that was accessible to individuals living in geographies of different income levels; and,
- Overall, good CD service performance.

³ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Description of Institution's Operations in Tennessee

FTB had eight AAs within the state of Tennessee, described as follows:

- Knoxville MSA – Blount County, Knox County;
- Nashville-Davidson-Murfreesboro-Franklin MSA (Nashville MSA) – Davidson County, Rutherford County, Sumner County, Williamson County, and Wilson County;
- Cleveland MSA – Bradley County;
- Jackson MSA – Madison County;
- Johnson City MSA – Unicoi County, Washington County;
- Kingsport-Bristol TN-VA MSA – Sullivan County (TN portion only);
- Morristown MSA – Hamblen County, Jefferson County; and
- TN Non-MSA – comprised of Greene and Putnam counties, and combined as one AA for analysis purposes.

FTB has 108 full-service branches within the state of Tennessee, representing 60.67 percent of the bank's total branch network. During the evaluation period, there were two branch openings and 14 branch closings statewide. FTB has 246 deposit-taking ATMs in the state, representing 62.44 percent of the bank's total ATM network.

The banking industry is highly competitive in the state of Tennessee. As of June 30, 2013, FTB's statewide deposits totaled \$7.8 billion. With a deposit market share of 12.89 percent, the bank ranked second among 116 financial institutions in the Tennessee AAs, and first among financial institutions headquartered in the state of Tennessee. The Knoxville MSA and Nashville MSA are the bank's most significant AAs in the state, accounting for 70.53 percent of the bank's deposits statewide and 32.29 percent bank-wide.

Knoxville MSA

FTB has 28 full-service branches (25.93 percent of branches statewide) and 74 deposit-taking ATMs in the Knoxville MSA. As of June 30, 2013, there were 37 financial service providers with branches in the AA. FTB ranked first in total AA deposits with a 24.26 percent market share. The five largest competitors in the AA include SunTrust Bank, Home Federal Bank of Tennessee, Regions Bank, Branch Banking and Trust Company, and Pinnacle Bank. In total, these five competitors achieved a 57.48 percent deposit market share.

Nashville MSA

FTB has 43 full-service branches (39.81 percent of branches statewide) and 85 deposit-taking ATMs in the Nashville MSA. As of June 30, 2013, there were 60 financial service providers with branches in the AA. FTB ranked fifth in total AA deposits with a 7.53

percent market share. The five largest competitors in the AA include Bank of America, N.A., Regions Bank, SunTrust Bank, Pinnacle Bank, and Fifth Third Bank. In total, these five competitors achieved a 61.14 deposit market share.

Refer to the market profiles for the state of Tennessee in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Tennessee

For the state of Tennessee, we completed full-scope reviews in the Knoxville MSA and the Nashville MSA. The Cleveland MSA, Jackson MSA, Johnson City MSA, Kingsport-Bristol MSA, Morristown MSA, and TN Non MSA AAs received limited-scope reviews. The Knoxville and Nashville AAs received a full-scope review due to the high percentage of deposits (70.53 percent) and branches (65.74 percent) in these areas. The Knoxville and Nashville AAs received the greatest weight on final ratings because 60.70 percent of reportable loans were in these areas. Refer to the table in Appendix A for more information on the Tennessee AAs.

Information obtained from five community contacts contributed to the evaluation of bank performance. The organizations contacted cited affordable housing, including down payment assistance for LMI borrowers, permanent supportive and transitional housing for LMI, consumer loans, financial literacy and life training for LMI individuals and families, and micro financing for small business development in LMI areas as needs in the AA.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the state of Tennessee is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Knoxville MSA AA is good. The bank's performance in the Nashville MSA AA is adequate. Significantly positive levels of CD lending in the Nashville MSA AA influenced this conclusion.

Lending Activity

The bank's overall lending activity in the state of Tennessee is adequate, considering the strong competition for all types of loans in the bank's AAs.

Refer to Tables 1 Lending Volume in the state of Tennessee section of appendix D for the facts and data used to evaluate the bank's lending activity.

Knoxville MSA

FTB's lending activity in the Knoxville MSA AA is adequate. Based upon FDIC Deposit Market data, as of June 30, 2012, FTB achieved a 21.82 percent market share of deposits, ranking first among 39 financial institutions in the AA. Based upon 2012 Peer Data for home purchase loans, FTB's market share for home purchase loans was less than 1.0 percent, and the bank ranked 18th among 238 reporting lenders. This market is highly competitive considering the top five lenders in the AA dominated the market with a combined market share of 53.69 percent. For home improvement loans, FTB ranked 11th among 75 reporting lenders in the AA with a 2.21 percent market share. For home refinance loans, FTB ranked 10th among 312 reporting lenders in the AA with a 2.40 percent market share. FTB achieved a 3.64 percent market share of small loans to businesses, ranking ninth among 66 reporting lenders. Five national credit card lenders dominated the small business market, as they held 52.39 percent of the small business lending market share. These market ranks/shares are adequate when compared to the deposit market/share and competition within the AA.

Nashville MSA

FTB's lending activity in the Nashville MSA AA is adequate. Based upon FDIC Deposit Market data, as of June 30, 2012, FTB achieved a 7.14 percent market share of deposits, ranking fifth among 60 financial institutions in the AA. Based upon 2012 Peer Data for home purchase loans, FTB's market share for home purchase loans was less than 1.0 percent, and the bank ranked 32nd among 411 reporting lenders. The five largest competitors in the AA include Wells Fargo Bank, N.A., JPMorgan Chase Bank, N.A., US Bank, N.A., F&M Bank, and Franklin American Mortgage Company. In total, these five competitors achieved a 39.17 percent market share for home purchase loans. For home improvement loans, FTB ranked sixth among 141 reporting lenders in the AA with a 3.51 percent market share. The five largest competitors in the AA include Wells Fargo Bank, N.A., Regions Bank, SunTrust Banks, Inc., Pinnacle Bank, and US Bank N.A. ND. In total, these five competitors achieved a 47.03 percent market share for home improvement loans. For home refinance loans, FTB ranked 16th among 480 reporting lenders in the AA with a 1.63 percent market share. The five largest competitors in the AA include Wells Fargo Bank, N.A., JPMorgan Chase Bank, N.A., US Bank, N.A., Bank of America N.A., and Regions Bank. In total, these five competitors achieved a 34.36 percent market share for refinance loans. Six national credit card lenders dominated the small business market, as they held 51.92 percent of the small business lending market share. FTB achieved a 1.95 percent market share of small loans to business, ranking 12th among 110 reporting lenders. These market ranks/shares are adequate when compared to the deposit market/share and competition within the AA.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is good. Performance in the Knoxville MSA is good. Performance in the Nashville MSA is adequate. In performing

our analysis, we placed equal weight on the bank's home mortgage lending and small loans to businesses.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is poor.

Refer to Tables 2, 3, 4, and 5 in the state of Tennessee section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations/purchased of home mortgage loans.

Knoxville MSA

The overall geographic distribution of home mortgage loans in the Knoxville MSA AA is adequate.

The overall geographic distribution of home purchase loans is adequate. The bank's geographic distribution of home purchase loans during 2010 through 2011 was good. The percentage of loans made in low-income census tracts was below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was near to the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was near to its overall market share for home purchase loans. The bank's market share in moderate-income census tracts exceeded its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through 2011, and was poor. The percentage of loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was below the percentage of owner-occupied housing units in these areas. This performance had a negative impact on the overall home purchase conclusion.

The overall geographic distribution of home improvement loans is good. The bank's geographic distribution of home purchase loans during 2010 through 2011 was good. The percentage of loans made in low-income census tracts approximated the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies exceeded the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was significantly below its overall market share for home improvement loans. The bank's market share in moderate-income census tracts exceeded its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

The overall geographic distribution of home refinance loans is poor, with slightly greater weight given to 2012 through 2013 performance. The bank's geographic distribution of home refinance loans during 2010 through 2011 was poor. The percentage of loans

made in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was significantly below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was significantly below its overall market share for home refinance loans. The bank's market share in moderate-income geographies was below its overall market share for home refinance loans. The bank's performance in 2012 through 2013 was stronger than performance noted in 2010 through 2011, and was poor. The percentage of loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans made in moderate-income geographies was well below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was well below its overall market share for home refinance loans. The bank's market share in moderate-income geographies exceeded its overall market share for home refinance loans.

Nashville MSA

The overall geographic distribution of home mortgage loans in the Nashville MSA AA is poor.

The overall geographic distribution of home purchase loans is poor. The bank's geographic distribution of home purchase loans during 2010 through 2011 was poor. The percentage of loans made in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income geographies was well below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was equal to its overall market share for home purchase loans. The bank's market share in moderate-income census tracts was below its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

The overall geographic distribution of home improvement loans is poor. The bank's geographic distribution of home improvement loans during 2010 through 2011 was adequate. The percentage of loans originated in low-income census tracts exceeded the percentage of owner-occupied housing units in these geographies. The percentage of loans made in moderate-income geographies was well below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income census tracts was significantly below its overall market share for home improvement loans. The bank's market share in moderate-income geographies was well below its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through, and was very poor. The percentage of loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans made in moderate-income geographies was well below the percentage of owner-occupied housing units in these areas. The bank's market share in low-income

census tracts was significantly below its overall market share for home improvement loans. The bank's market share in moderate-income geographies was well below its overall market share for home improvement loans. This performance had a negative impact on the overall home improvement conclusion.

The overall geographic distribution of home refinance loans is poor, with slightly greater weight given to 2012 through 2013 performance. The bank's geographic distribution of home refinance loans during 2010 through 2011 was adequate. The percentage of loans originated in low-income and moderate-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The bank's market share of loans in low-income geographies exceeded its overall market share for home refinance loans. The bank's market share of loans in moderate-income geographies also exceeded its overall market share for refinance loans. The bank's performance in 2012 through 2013 was weaker than the performance noted in 2010 through 2011, and was poor. The percentage of loans originated in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of loans originated in moderate-income census tracts was also significantly below the percentage of owner-occupied housing units in these geographies. The bank's market share of loans in low-income census tracts was significantly below its overall market share for home refinance loans. The bank's market share of loans in moderate-income geographies was below its overall market share for home refinance loans.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is excellent.

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

Knoxville MSA

The geographic distribution of small loans to businesses is excellent. The bank's geographic distribution of small loans to businesses during 2010 through 2011 was excellent. The percentage of loans originated in low-income census tracts exceeded the percentage of businesses in these geographies. The percentage of loans originated in moderate-income census tracts also exceeded the percentage of businesses in these geographies. The bank's market share in low-income census tracts exceeded its overall market share for small loans to businesses. The bank's market share in moderate-income census tracts also exceeded its overall market share for small loans to businesses. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

Nashville MSA

The geographic distribution of small loans to businesses is excellent. The bank's geographic distribution of small loans to businesses during 2010 through 2011 was excellent. The percentage of loans originated in low-income census tracts exceeded the percentage of businesses in these geographies. The percentage of loans originated in moderate-income census tracts also exceeded the percentage of businesses in these geographies. The bank's market share in low-income census tracts exceeded its overall market share for small loans to businesses. The bank's market share in moderate-income census tracts also exceeded its overall market share for small loans to businesses. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

Lending Gap Analysis

We reviewed summary reports and maps, to analyze FTB's home mortgage and small business lending activity over the evaluation period and identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is poor. Performance in the Knoxville MSA is adequate. Performance in the Nashville MSA is poor. As noted previously, in performing our analysis, we placed equal weight on the bank's home mortgage lending and small loans to businesses. We also placed equal weight on the bank's performance throughout the evaluation period, 2010 through 2013. High poverty levels in the AAs, depressed housing values, and other economic factors were considered in our analysis.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9 and 10 in the state of Tennessee section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of home mortgage loans.

Knoxville MSA

The overall borrower distribution of home mortgage loans is adequate.

The overall borrower distribution of home purchase loans is poor, with slightly greater weight given to 2012 through 2013 performance. The bank's borrower distribution of home purchase loans during 2010 through 2011 was adequate. The percentage of loans originated to low-income borrowers was well below the percentage of low-income families. The percentage of loans made to moderate-income borrowers exceeded the

percentage of moderate-income families. The bank's market share of loans to low-income borrowers was significantly below its overall market share for home purchase loans. The bank's market share of loans to moderate-income borrowers was below its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through 2011, and was poor. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers was well below the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share for home purchase loans. The bank's market share of loans to moderate-income borrowers was also well below its overall market share for home purchase loans.

The overall borrower distribution of home improvement loans is excellent, with slightly greater weight given to 2012 through 2013 performance. The bank's borrower distribution of home improvement loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers exceeded the percentage of low-income families. The percentage of loans made to moderate-income borrowers was below the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share for home improvement loans. The bank's market share of loans to moderate-income borrowers was near to its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was stronger than performance noted in 2010 through 2011, and was excellent. The percentage of loans originated to low-income borrowers was near to the percentage of low-income families. The percentage of loans originated to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share for home improvement loans. The bank's market share of loans to moderate-income borrowers also exceeded its overall market share for home improvement loans.

The overall borrower distribution of home refinance loans is good. The bank's borrower distribution of home refinance loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans made to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share for home refinance loans. The bank's market share of loans to moderate-income borrowers was below its overall market share for home refinance loans. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

Nashville MSA

The overall borrower distribution of home mortgage loans is adequate.

The overall borrower distribution of home purchase loans is adequate. The bank's borrower distribution of home purchase loans during 2010 through 2011 was adequate. The percentage of loans originated to low-income borrowers was below the percentage

of low-income families. The percentage of loans originated to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share for home purchase loans. The bank's market share of loans to moderate-income borrowers was also well below its overall market share for home purchase loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through 2011, and was poor. The percentage of loans originated to low-income borrowers was well below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers was well below the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share for home purchase loans. The bank's market share of loans to moderate-income borrowers was also well below its overall market share for home purchase loans.

The overall distribution of home improvement loans is excellent. The bank's borrower distribution of home improvement loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share for home improvement loans. The bank's market share of loans to moderate-income borrowers was below its overall market share for home improvement loans. The bank's performance in 2012 through 2013 was stronger than performance noted in 2010 through 2011, and was excellent. The percentage of loans originated to low-income borrowers was somewhat near to the percentage of low-income families. The percentage of loans originated to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income families exceeded its overall market share for home improvement loans. The bank's market share of loans of loans to moderate-income families also exceeded its overall market share for home improvement loans. This performance had a positive impact on the overall home improvement conclusion.

The overall distribution of home refinance loans is adequate, with slightly greater weight given to 2012 through 2013 performance. The bank's borrower distribution of home refinance loans during 2010 through 2011 was good. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share for home refinance loans. The bank's market share of loans to moderate-income borrowers was below its overall market share for home refinance loans. The bank's performance in 2012 through 2013 was weaker than performance noted in 2010 through 2011, and was adequate. The percentage of loans originated to low-income borrowers was below the percentage of low-income families. The percentage of loans originated to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was below its overall market share for home refinance

loans. The bank's market share of loans to moderate-income borrowers was also below its overall market share for home refinance loans.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is poor.

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

Knoxville MSA

The overall borrower distribution of small loans to businesses is poor. The bank's borrower distribution of small loans to businesses during 2010 through 2011 was poor. The percentage of small loans to businesses with gross annual revenues of \$1 million or less was significantly below the percentage of small businesses. The bank's market share of small loans to small businesses was below its overall market share of small loans to businesses. The bank's performance in 2012 through 2013 was consistent with performance noted in 2010 through 2011.

Nashville MSA

The overall borrower distribution of small loans to businesses is poor. The bank's borrower distribution of small loans to businesses during 2010 through 2011 was poor. The percentage of small loans to businesses with gross annual revenues of \$1 million or less was significantly below the percentage of small businesses. The bank's market share of small loans to small businesses was well below its overall market share of small loans to businesses. The bank's performance in 2012 through 2013 was consistent with the performance noted in 2010 through 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Tennessee section of Tennessee section of appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

FTB's level of CD lending had a significantly positive impact on its overall lending performance in the Nashville MSA AA and the Knoxville MSA.

Knoxville MSA

FTB's level of CD lending along with responsiveness had a significantly positive impact on the overall Lending Test rating in the Knoxville MSA AA. During the evaluation period, FTB originated 45 CD loans totaling \$38.3 million in the AA. This volume

represented 7.89 percent of allocated Tier One Capital. The bank's CD loans demonstrated good responsiveness to identified CD needs in the AA, including affordable housing and services targeting the needs of LMI. As an example, FTB originated five loans totaling \$13.8 million to finance the acquisition and rehabilitation of an existing Low-Income Housing Tax Credit (LIHTC) project that provides affordable housing for low-income families and senior residents.

Another example included a \$5 million loan to finance the extension, construction, and improvement of the water and wastewater systems of the city. The improvements are part of an environmental cleanup and redevelopment of an industrial brownfield site as part of an effort to revitalize the community. This loan will help support private development and job creation through the re-industrialization of the East Tennessee Technology Park, the Heritage Center, the Clinch River Industrial Park, and the Rarity Ridge Development.

Finally, FTB originated a \$2.6 million loan to a nonprofit organization to finance upgrades to its facility. This loan, helped to meet the service needs of LMI individuals and families in the AA. The facility provides a safe shelter for teens and those seeking safety from family violence, supports residences for mentally ill women and their children, foster care, group homes, recovery services, nursery for moms and babies, family counseling, and child abuse prevention.

Nashville MSA

FTB's level of CD lending had a significantly positive impact on the overall Lending Test rating in the Nashville MSA AA. During the evaluation period, FTB originated 42 CD loans totaling \$63 million in the AA. This volume represented 13.13 percent of allocated Tier One Capital. The bank's CD loans were highly responsive to identified CD needs in the AA such as community services targeted to LMI individuals and economic and business development.

As an example, FTB originated two loans totaling \$14.4 million to an organization that promotes economic development by creating jobs for LMI individuals. The organization provides rehabilitation services, supervised work experience, and job exploration to individuals with disabilities who lack education or job experience or face employment challenges. The organization provides workforce training and employment programs to low-income senior citizens, individuals with prior criminal offenses, veterans, and welfare recipients. The organization used the loan proceeds to purchase land and construct three retail stores and career training centers in Hendersonville, Murfreesboro and Mt. Juliet, Tennessee. In addition, \$4.4 million of the loan proceeds supported recovery efforts in designated flood disaster areas during 2010.

FTB also originated six loans totaling \$9.8 million to a nonprofit organization that provides support services to help people with severe developmental disabilities lead safe, stable and personally fulfilling lifestyles in Tennessee communities. The organization used loan proceeds to finance the purchase of real estate for use by the

nonprofit. The nonprofit organization is a Medicaid Intermediate Care Facility that provides affordable housing and community based support programs funded by state and federal Medicaid waiver services. Medicaid Intermediate Care Facilities provide comprehensive and individualized healthcare and rehabilitation services where individuals who require these services have already establish disability status and Medicaid eligibility.

Finally, FTB also originated a \$3.3 million loan to a multi-state agency that provides CD services for adults and children with special needs. The agency used the loan proceeds to finance general operating expenses. The agency is located in a moderate-income geography. The agency provides child foster care and adoption services, services to adults with special needs such as affordable housing, supervision, supported living and personal care services. LMI children served by the agency are in state custody due to abuse, neglect, medical issues or emotional needs.

Community Development Lending – Broader Statewide Area in Tennessee

In addition to the CD loans that benefit the bank’s AAs, FTB 39 loans totaling \$102.8 million benefitting other areas within the state of Tennessee, but outside the bank’s delineated AAs in Tennessee. Examples of CD loans originated in the broader statewide area include:

- A \$50 million loan to a municipality within the state of Tennessee where the city government used the loan proceeds to finance the construction, improvement, repair, replacement and equipping of the water and sewer system and wastewater treatment facility, and to purchase equipment to perform such work in a designated flood disaster area.
- FTB originated one loan totaling \$8.3 million to a municipality within the state of Tennessee where the city government used the loan proceeds to renovate two elementary schools located in a designated underserved area.

Product Innovation and Flexibility

Overall, innovative and flexible loan programs had a neutral impact on the bank’s lending performance in Tennessee. Bank-wide, FTB offered a standard product mix of loans including SBA loans, and on a referral basis, government-insured home mortgage loans, such as FHA and VA loans. Although the Disaster Recovery Assistance Program, the Keep My Tennessee Home Program, and the On Deck Referral small business loan program were available to borrowers in the MMSA, we placed no significant weight on these programs, as no data was available to determine their impact on LMI individuals and small businesses.

Refer to the description of innovative and flexible loan programs summarized in the Other Factors – Lending Test section for a description of programs offered bank-wide.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited scope reviews, the bank's performance under the Lending Test in the Jackson MSA, Kingsport-Bristol MSA, and the TN Non MSA AAs is consistent with the bank's overall "High Satisfactory" performance under the Lending Test in the state of Tennessee. Performance in the Cleveland MSA, the Johnson City MSA and the Morristown MSA is weaker than the bank's overall performance due to CD lending volume having a neutral impact on each AAs overall conclusions.

Refer to the Tables 1 through 12 in the state of Tennessee section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the state of Tennessee is rated "High Satisfactory." Based on full-scope reviews, the banks' performance in the Knoxville MSA is good. In the Nashville MSA, the bank's performance is adequate.

Refer to Table 14 in the state of Tennessee section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Knoxville MSA

The bank's investment performance in the Knoxville MSA AA is good. During the current evaluation period, FTB originated 199 investments totaling \$22 million. In addition, there were two prior period investments outstanding at the end of the evaluation period with a total book value of \$2.3 million. In total, FTB made 201 investments totaling \$24.3 million in the AA, representing 5.00 percent of the allocated Tier One Capital.

The bank's responsiveness to identified CD needs is excellent. As stated earlier, there were 37 financial service providers operating in the Knoxville MSA, many of which are large regional financial institutions, resulting in a very competitive market for investment opportunities. Opportunities for the bank to make investments in the AA other than donations does exist but is limited, and includes LIHTC and NMTC projects, and affordable housing mortgage-backed securities. Approximately 86.09 percent of dollars invested by the bank are current period investments including LIHTCs and bond purchases. During the current evaluation period, FTB purchased \$14.9 million in four LIHTC investments. Although not necessarily innovative or complex, the investments are responsive to the identified need for affordable housing for LMI in the AA. The bank's investments consisted of a 96-unit, low-income apartment complex in Knoxville. The number of units is significantly more than other low-income housing projects in the area. Twenty of these units are set aside with rents lower than the rent/income ceiling applicable to the area. Families leasing these units must have income that is 60.00

percent of the area's median gross income, as determined by the United States Department of Housing and Urban Development. FTB made \$1 million in charitable donations to CD organizations that provide services to LMI individuals and families in the AA.

Nashville MSA

The bank's investment performance in the Nashville MSA AA is adequate. During the current period, FTB originated 178 investments totaling \$1.1 million, consisting entirely of donations and contributions. In addition, there were four prior period investments outstanding at the end of the evaluation period with a total book value of \$3.1 million. In total, FTB made 182 investments totaling \$4.2 million in the AA, representing 0.88 percent of the allocated Tier One Capital.

The bank's responsiveness to identified CD needs is good. Opportunities for the bank to make investments in the AA other than donations does exist and include investments in housing tax credit and new market tax credit projects designed to support affordable housing, workforce housing, and projects to stabilize communities hardest hit by foreclosure and abandonment. Approximately \$3.9 million or 78.30 percent of dollars invested are prior period investments in five LIHTC projects. Although not necessarily innovative or complex, the investments are responsive to the continuing need for affordable housing for LMI in the AA.

Investments – Broader Statewide Area in Tennessee

In addition to qualified investments that benefit the bank's AAs, FTB made 3 investments totaling \$1.8 million in the broader statewide area of Tennessee. The investments were mortgage-backed securities, purchased in a prior period, creating 232 affordable housing units in the state.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Cleveland MSA and Kingsport-Bristol MSA AAs is consistent with the bank's overall "High Satisfactory" performance under the Investment Test in the state of Tennessee. In the Cleveland MSA AA performance is adequate and in the Kingsport-Bristol MSA AA performance is excellent. In the Jackson MSA, Johnson City MSA, Morristown MSA and TN Non MSA AAs performance is weaker than the overall performance in the state. Performance differences in the limited-scope areas is due to differences in levels of investments.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Tennessee is "High Satisfactory." Based on full-scope reviews, the bank's performance in the Knoxville MSA AA is excellent. In the Nashville MSA AA, the bank's performance is poor.

Retail Banking Services

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

Knoxville MSA

In the Knoxville MSA AA, FTB's overall branch distribution is excellent. The bank's branch distribution during 2010 through 2011 was excellent. Branches were readily accessible to geographies and individuals of different income levels in the AA. There were two branches located in low-income census tracts. The percentage of branches in low-income census tracts was near to the percentage of the population in low-income geographies. There were four branches located in moderate-income census tracts. The percentage of branches in moderate-income census tracts was exceeded the percentage of the population in moderate-income geographies. The bank's branch distribution during 2012 through 2014 was consistent with the distribution noted in 2010 through 2011.

Branch openings and closings adversely affected the overall accessibility of the bank's delivery systems, particularly to LMI geographies and individuals. During the evaluation period, FTB closed five branches, three in moderate-income census tracts, and one each in a middle- and upper-income geography. These closures were due to consolidation in business activity at the branches. FTB opened two branches, both in moderate-income census tracts. Branch services and hours do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals. Services offered and hours of operation are comparable among banking center locations regardless of the income level of the geography.

Nashville MSA

In the Nashville MSA AA, FTB's overall branch distribution is adequate. The bank's branch distribution during 2010 through 2011 was good. Branches were accessible to geographies and individuals of different income levels in the AA. There was one branch in a low-income census tract. The percentage of branches in low-income census tracts was well below the percentage of the population in low-income geographies. There were seven branches located in a moderate-income census tract. The percentage of branches in moderate-income census tracts exceeded the percentage of the population

in moderate-income geographies. The bank's branch distribution during 2012 through 2014 was weaker than the distribution noted in 2010 through 2011, and was adequate. The percentage of branches in low-income census tracts was well below the percentage of the population in low-income geographies. Changes in performance in low-income geographies was due to census tract income changes based on 2010 Census data. The percentage of branches in moderate-income census tracts was below the percentage of the population in moderate-income geographies.

Branch openings and closings adversely affected the overall accessibility of the bank's delivery systems, particularly to LMI geographies and individuals. During the evaluation period, FTB closed six branches, three in moderate-income census tracts, two in middle-income tracts, and one in an upper-income geography. These closures were due to consolidation in business activity at the branches. There was one branch opening in the Nashville MSA AA, in an upper-income census tract. Branch services and hours do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals. Services offered and hours of operation are comparable among banking center locations regardless of the income level of the geography.

Alternative Delivery Systems

Refer to the discussion in the Other Factors – Service Test section for details regarding alternative delivery systems offered bank-wide.

Community Development Services

Overall, the level of CD services provided is good.

Knoxville MSA

Overall, the level of CD services provided is excellent, reflecting a high level of responsiveness to identified CD needs in the AA. In total, 187 FTB employees provided CD services to 180 organizations, reporting 2,484 hours of service during the evaluation period. CD services include hours serving on the Board of Directors or committees of organizations that have CD as their primary purpose. Overall, 91.11 percent of the organizations provide services targeted to LMI individuals or areas, 7.22 percent were organizations that had affordable housing as their primary purpose, and 1.67 percent were organizations dedicated to promoting economic development or revitalization and stabilization in the AA. As an example of services provided, one employee served on the board of directors and others served as committee members of a housing authority that is a member of the national NeighborWorks America organization. The local affiliate seeks to provide sustainable housing opportunities to residents of Knoxville and the East Tennessee region through its homebuyer education programs, foreclosure prevention counseling, the rehabilitation of homes as part of the Neighborhood Stabilization Program (NSP), and the construction of new single-family affordable housing for LMI families and senior residents living in economically challenged neighborhoods in the AA. As another example, several employees served on the board

of directors or as a committee member of three social service agencies that provide community services targeted to LMI individuals and families.

Nashville MSA

Overall, the level of CD serviced provided is good, reflecting an adequate level of responsiveness to identified CD needs in the AA. In total, 86 FTB employees provided CD services to 75 organizations, reporting 806 hours of service during the evaluation period. CD services include hours serving on the Board of Directors or committees of organizations that have CD as their primary purpose. Overall, 82.67 percent of the organizations provide services targeted to LMI individuals or areas, and the remainder, are organizations that support affordable housing initiatives. As an example, several employees volunteered their time to a nonprofit housing organization to provide financial literacy training and budget counseling to its clients who were first time homeowners. As another example, one employee served on the board of directors of a nonprofit organization that provides job training, coaching and employment opportunities to young adults with disabilities at a thrift store owned and operated by the nonprofit organization. Finally, another employee serves on the board of directors of a housing development that provides affordable housing and other supportive services to LMI elderly and disabled individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Kingsport-Bristol MSA AA is consistent with the bank's overall "High Satisfactory" performance under the Service Test in the state of Tennessee. In the TN Non MSA AA, performance is stronger than the bank's overall performance in the state. In the Cleveland MSA and Jackson MSA AAs, performance is weaker than the bank's overall performance in the state, and is good. In the Johnson City MSA and Morristown MSA AAs, performance is also weaker, and is adequate. Weaker branch distribution was the basis for performance differences in these areas. The differences were not significant enough to influence the bank's overall state rating.

State Rating

State of North Carolina

CRA Rating North Carolina⁴:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating:

- Adequate home mortgage and small business loan lending activity;
- Overall geographic distribution was very poor as demonstrated by a very poor distribution of home mortgage loans in geographies of different income levels;
- Overall borrower income distribution was very poor, as evidenced by a very poor distribution of home mortgage loans to borrowers of different income levels;
- Significantly positive CD loan performance. This performance elevated otherwise very poor lending performance to adequate in the MMSA;
- An good level of CD investments, reflecting a high level of responsiveness to identified CD needs;
- A branch distribution that was accessible to limited portions of the AA; and,
- Overall, excellent CD service performance.

Description of Institution’s Operations in North Carolina

FTB has two AAs within the state of North Carolina, described as follows:

- Winston-Salem MSA – Forsyth County
- Raleigh-Cary MSA – Wake County

FTB has two full-service branches within the state of North Carolina, representing 1.12 percent of the bank’s total branch network. During the evaluation period, FTB did not open or close any branches in North Carolina. FTB has three deposit-taking ATMs in the state, representing less than one percent of the bank’s total ATM network. The

⁴ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution’s performance in that area.

branch in the Winston-Salem MSA is limited to wealth management and commercial banking. The banking industry is highly competitive in the state of North Carolina. As of June 30, 2013, the bank ranked 29th among 36 financial institutions in the North Carolina AAs. FTB's deposits for the state of North Carolina totaled \$14.6 million, representing a 0.03 percent deposit market share.

Winston-Salem MSA

As of June 30, 2013, there were 19 financial service providers with branches in the AA. FTB ranked 17th in total AA deposits with a 0.03 percent deposit market share. Competitors include branches of national, regional and community banks. One state chartered bank dominated the AA achieving a deposit market share of 85.80 percent. The top five financial institutions in the AA included Branch Banking and Trust Company, Wells Fargo Bank, N.A., Piedmont Federal Savings Bank, SunTrust Bank, and First Citizens Bank and Trust Company.

Refer to the market profiles for the state of North Carolina in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in North Carolina

For the state of North Carolina, we completed a full-scope review in the Winston-Salem MSA. The Raleigh-Cary MSA received a limited-scope review. The Winston-Salem AA received a full-scope review, and received the greatest weight in arriving at overall conclusions, because it represented the most significant AA in the state, in terms of deposits (82.47 percent) and reportable loans (77.30 percent). The conclusions in the Lending Test are limited to the bank's performance for home refinance loans as FTB did not originate/purchase a sufficient number of home purchase, home improvement loans or small loans to businesses or farms to perform a quantitative analysis. Refer to the table in Appendix for more information on the North Carolina AAs.

Information obtained from one community contact contributed to the evaluation of bank performance. The organization contacted cited access to banking services for the un-banked/under banked populations, and financial literacy education targeting teens and young adults as needs in the Winston-Salem MSA AA.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the state of North Carolina is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Winston-Salem MSA AA is adequate.

Lending Activity

Refer to Tables 1 Lending Volume in the state of North Carolina section of appendix D for the facts and data used to evaluate the bank's lending activity.

FTB's lending activity in the Winston-Salem MSA is adequate. Based upon FDIC Deposit Market data, as of June 30, 2012, FTB achieved a 0.03 percent deposit market share of deposits, ranking 17th among 19 financial institutions in the AA. FTB has very limited, single branch presence in the AA and faces strong competition for loan originations with over 200 lenders reporting the origination/purchase of a loan. Based upon 2012 Peer Data, FTB's market share of 0.29 percent for home refinance loans ranked the bank 41st among 259 reporting lenders. The top five lenders in the AA dominated the market with a combined market share of 51.64 percent.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is very poor. Performance in the Winston-Salem MSA is very poor. We equally weighted the bank's performance in 2009 through 2011 and 2012 through 2013. When conducting our evaluation, the relative low level of owner-occupied units and high level of rental units in the Winston-Salem MSA AA was a consideration. The limited branch business focus, on wealth management and commercial banking services, also impacted the characteristics of customer oriented lending. As discussed in the lending activity comments, there were very large numbers of financial institutions competing for home mortgage loans when relatively few owner-occupied units were available.

In the full-scope AA, we did not perform an analysis of home purchase, home improvement, multifamily, small business, or small farm loans, as the bank did not originate or purchase a sufficient number of loans during the evaluation period to analyze.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is very poor.

Refer to Tables 2, 3, 4, and 5 in the state of North Carolina section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations/purchases of home mortgage loans.

The overall geographic distribution of home mortgage loans in the Winston-Salem MSA AA is very poor.

The overall geographic distribution of home refinance loans is very poor. The bank's geographic distribution of home refinance loans during 2009 through 2011 was very poor. The percentage of loans in low-income census tracts was significantly below the percentage of owner-occupied housing units in these geographies. The percentage of

loans in moderate-income census tracts was well below the percentage of owner-occupied housing units in these geographies. The bank's performance in 2012 through 2013 was consistent with performance noted in 2009 through 2011. The branch's limited business focus and location in a predominantly middle- and upper-income census tract area within the AA adversely impacted the distribution of loans.

Lending Gap Analysis

We reviewed summary reports and maps, to analyze FTB's home mortgage and small business lending activity over the evaluation period and identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is very poor. We equally weighted the bank's performance in 2009 through 2011 and 2012 through 2013. High poverty levels in the AA, and other economic factors influenced our conclusion. The limited branch business focus, on wealth management and commercial banking services, also impacted the characteristics of customer oriented lending.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans in the Winston-Salem MSA AA is very poor.

Refer to Tables 8, 9 and 10 in the state of North Carolina section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of home mortgage loans.

The overall borrower distribution of home refinance loans is very poor. The bank's borrower distribution of home refinance loans during 2010 through 2011 was very poor. The percentage of loans originated to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. The bank's performance in 2012 through 2013 was consistent with performance noted in 2009 through 2011. The branch's limited business focus on wealth management and commercial banking within the AA adversely impacted the distribution of loans.

Community Development Lending

Refer to Table 1 Lending Volume in the state of North Carolina section of appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

FTB's level of CD lending had a significantly positive impact on its overall lending performance in the Winston-Salem MSA AA, compensating for weak retail loan distributions. During the evaluation period, FTB originated two CD loans totaling \$12.5

million in the AA. This volume represented more than 100.00 percent of allocated Tier One Capital, and 20.9 percent of total AA lending. The bank's CD loans demonstrated excellent responsiveness to CD needs in the AA. As an example, during the current evaluation period, FTB renewed a \$12 million loan to the City of Winston-Salem to assist in the economic development of the blighted downtown area of the city. The loan proceeds facilitated the construction of several multi-purpose commercial and residential properties, and created more than 400 jobs in the AA. FTB also originated a \$500,000 loan to a nonprofit organization that operates a 69-bed homeless shelter, soup kitchen and drug rehabilitation program for the homeless and LMI individuals and families. The organization used the loan proceeds to construct a new facility to house its business operations.

Product Innovation and Flexibility

Overall, innovative and flexible loan programs has a neutral impact on the bank's lending performance in the Winston-Salem MSA AA. Bank-wide, FTB offered a standard product mix of loans including SBA loans, and on a referral basis, government-insured home mortgage loans, such as FHA and VA loans. Although these loan program were available to borrowers throughout the state, during the evaluation period, we placed no significant weight on the programs, as no data was available to determine the impact on LMI and small businesses.

Refer to the description of innovative and flexible loan programs summarized in the Other Factors – Lending Test section of this report.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Raleigh-Cary MSA is weaker than the bank's overall "Low Satisfactory" performance under the Lending Test in the state of North Carolina, due to very minimal loan volume and lack of CD lending over the evaluation period.

Refer to the Tables 1 through 12 in the state of North Carolina section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the state of North Carolina is "High Satisfactory." Based on a full-scope review, the bank's performance in the Winston-Salem MSA is good.

Refer to Table 14 in the state of North Carolina section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

FTB had a good level of qualified investments. The bank's investments were highly responsive and helped various nonprofit organizations fund their CD programs and continue to provide services targeted to LMI individuals and families. During the evaluation period, FTB originated 50 donations and grants totaling \$153,817, representing 7.35 percent of allocated Tier One Capital. An example of one of the more responsive grants was FTB's \$37,000 donation to a social service agency that through its programs, strives to address the educational needs of LMI youth and adults and the financial stability of LMI families who are financially unstable or on the road to economic independence. As another example of a responsive investment in the AA, FTB donated \$7,000 to a nonprofit advocacy organization that promotes affordable housing through its technical assistance/outreach programs. The organization sponsors foreclosure prevention and fair housing workshops and administers a statewide information database of homeless service providers. The organization also administers the program to assist, inform, educate and engage tenants living in eligible Section 8-assisted properties, at risk of losing affordability protections or project-based rental assistance.

Investments – Broader Statewide Area in North Carolina

In addition to qualified investments that benefit the bank's AA, FTB made 9 donations and grants totaling \$20,919 in the broader statewide area of North Carolina. The donations and contributions were to nonprofit organizations that provide services to LMI individuals and families.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Raleigh-Cary MSA AA is weaker than the bank's overall "High Satisfactory" performance under the Investment Test in the state of North Carolina. Performance in the Raleigh-Cary MSA is weaker due to a significantly lower level of investments, and is very poor. Performance in the limited-scope area did not have an impact on the overall Investment Test in the state.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of North Carolina is "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Winston-Salem MSA AA is adequate.

Retail Banking Services

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

In the Winston-Salem MSA AA, FTB's overall branch distribution is adequate. The bank's branch distribution during 2010 through 2011 was adequate. FTB has a limited presence in the AA, operating one branch located in a geography redesignated as upper-income, from middle-income, as a result of the 2010 Census. The bank's branch distribution during 2012 through 2013 was consistent with the distribution noted in 2010 through 2011. The branch was accessible to limited portions of the AA, considering low- and moderate-income geographies in proximity to the branch, offset by the wealth management and commercial banking focus of the branch

During the evaluation period, FTB did not open or close any branches in the Winston-Salem MSA AA. Branch services and hours do not vary in a way that inconveniences portions of the AA, particularly LMI geographies and individuals. Services offered and hours of operation are comparable to other banking center locations bank-wide.

Alternative Delivery Systems

Refer to the discussion in the Other Factors – Service Test section for details regarding alternative delivery systems offered bank-wide.

Community Development Services

Overall, the level of CD services provided is excellent. FTB employees within the Winston-Salem MSA AA demonstrated a high level of responsiveness in providing CD services. In total, 36 employees provided CD services to 34 organizations, reporting 109 hours of service during the evaluation period. CD services include hours serving on the Board of Directors or committees of organizations that have CD as their primary purpose. Overall, 94.12 percent of the organizations provide services targeted to LMI individuals or areas. As an example, a bank officer serves on the board of directors of an endowment fund that administers the grants and scholarships of charitable organizations serving 67 counties statewide. Many of the beneficiaries of the grants and scholarships are LMI individuals. Another bank employee is a board member of a 501(c)(3) organization that provides programs and supportive services to children with developmental and behavioral disabilities, many of whom are LMI. Finally, another bank employee is a board member of a 501(c)(3) charity that funds medical expenses of LMI individuals and families who do not have access to private health insurance coverage.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Raleigh-Cary MSA is consistent with the bank's overall "Low Satisfactory" performance under the Service Test in the state of North Carolina.

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): January 1, 2010 through December 31, 2013 Investment and Service Tests and CD Loans: January 11, 2010 through April 7, 2014	
Financial Institution	Products Reviewed	
First Tennessee Bank, N.A. (FTB) Memphis, Tennessee	Home Purchase, Home Improvement, and Home Refinance loans; Multifamily loans; Small Business loans; Small Farm loans; Community Development loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
First Tennessee Housing Corporation (FTHC)	Affiliate	Community Development Investments
First Tennessee New Markets Tax Corporation (FTNMC)	Bank Subsidiary	
First Horizon Foundation	Affiliate	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Memphis (TN-MS-AR) MMSA #32820	Full-Scope	Desoto, Tate (MS) and Shelby (TN) counties
Chattanooga (TN-GA) MMSA #16860	Full-Scope	Catoosa (GA) and Hamilton (TN) counties
State of Tennessee Knoxville MSA #28940 Nashville-Davidson-Murfreesboro-Franklin MSA #34980	Full-Scope	Blount and Knox counties
	Full-Scope	Davidson, Rutherford, Sumner, Williamson, and Wilson counties
Cleveland MSA #17420	Limited-Scope	Bradley County
	Limited-Scope	Madison County

<p>Jackson MSA #27140 Johnson City MSA #27740 Kingsport-Bristol MSA #28700 Morristown MSA #34100 TN Non MSA #99999</p> <p>State of North Carolina Winston-Salem MSA #49180 Raleigh-Cary MSA #39580</p>	<p>Limited-Scope Limited-Scope Limited-Scope</p> <p>Full-Scope Limited-Scope</p>	<p>Unicoi and Washington counties Hamblen and Jefferson counties Greene and Putnam counties</p> <p>Forsyth County Wake County</p>
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Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS FIRST TENNESSEE BANK, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
First Tennessee Bank, N.A.	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Memphis (TN-MS-AR) Multistate MA	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Chattanooga (TN-GA) Multistate MA	High Satisfactory	Low Satisfactory	Outstanding	Satisfactory
State of Tennessee	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State of North Carolina	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

Memphis TN-MS-AR Multistate MSA

Memphis MMSA (2000 Census)

Demographic Information for Full Scope Area: Memphis MMSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	243	17.28	24.69	25.10	31.69	1.23
Population by Geography	1,030,041	9.54	25.49	29.58	34.93	0.47
Owner-Occupied Housing by Geography	251,108	5.66	20.64	30.16	43.54	0.00
Business by Geography	107,062	6.75	16.11	26.15	50.69	0.30
Farms by Geography	1,932	3.47	13.35	29.50	53.42	0.26
Family Distribution by Income Level	267,443	21.94	16.29	19.43	42.33	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	102,264	16.86	38.47	29.07	15.60	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		46,771 58,300 14%	Median Housing Value Unemployment Rate (2000 US Census)		103,576 3.22%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census and 2011 HUD updated MFI

Memphis MMSA (2010 Census)

Demographic Information for Full Scope Area: Memphis MMSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	259	21.24	22.39	25.10	29.34	1.93
Population by Geography	1,117,782	14.33	22.04	25.33	37.86	0.44
Owner-Occupied Housing by Geography	260,811	8.89	17.90	26.54	46.67	0.00
Business by Geography	84,701	10.06	20.35	22.98	45.80	0.80
Farms by Geography	1,865	6.01	16.78	25.42	51.42	0.38
Family Distribution by Income Level	272,948	23.77	16.11	17.39	42.73	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	108,865	25.47	32.41	24.37	17.74	0.00

Median Family Income	56,557	Median Housing Value	140,600
FFIEC Adjusted Median Family Income for 2013	58,000	Unemployment Rate (2010 US Census)	4.98%
Households Below Poverty Level	16%		

(*) 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 Memphis MMSA is an area consisting of ten counties in three states, Tennessee, Mississippi, and Arkansas. FTB’s AA consists of Shelby County, Tennessee and Desoto and Tate counties in Mississippi. The AA includes the City of Memphis, the largest city in the state, the county seat of Shelby County, TN, and the largest city on the Mississippi River. The AA does not arbitrarily exclude any areas, including low and-moderate income (LMI) areas. The 2000 U.S. Census recorded 243 census tracts within the AA. One hundred one or 41.97 percent were designated LMI. The 2010 U.S. Census recorded 259 census tracts within the AA which represents an increase of 6.58 percent in the number of census tracts since 2000. There were 113 census tracts or 43.63 percent of total census tracts designated LMI, which represents an increase of 11.88 percent since the 2000 U.S. Census.

The population of the Memphis MMSA AA was 1,030,041 according to the 2000 U.S. Census. The 2010 U.S. Census recorded a population within the Memphis MMSA AA of 1,117,782, which represents an increase of 8.52 percent. The population of the City of Memphis was 650,100 per the 2000 U.S. Census. The 2010 U.S. Census recorded the population of the City of Memphis at 646,889, which represents a decrease of 0.49 percent. Based on the 2000 U.S. Census, the median family income for the Memphis MMSA was \$46,771. As of the 2010 U.S. Census, the median family income was \$56,557; representing an increase of 20.92 percent. The FFIEC adjusted median family income for 2013 was \$58,000.

The 2000 U.S. Census recorded 54,525 households, or 14.10 percent of the total number of households in the Memphis MMSA (386,215), as living below the poverty level. The majority of the households living below the poverty level, 39.84 percent, resided in moderate-income census tracts, and 27.52 percent of the households living below the poverty level resided in low-income census tracts. The 2010 U.S. Census recorded 63,902 households, or 15.73 percent of the total number of households in the Memphis MMSA (406,161), as living below the poverty level. Of the 63,902 households living below the poverty level, 36.13 percent of the households resided in low-income census tracts, and 31.94 percent resided in moderate-income census tracts.

According to the U.S. Bureau of Labor Statistics, the labor force in the Memphis MMSA was 593,697 persons as of the 2000 U.S. Census and reflected an annualized unemployment rate of 3.80 percent or 22,560 persons. The unemployment rate for the U.S. during that same time was 3.90 percent. The 2010 U.S. Census recorded an increase in the labor force of 19,884 persons or 3.30 percent to 613,581 persons. The annualized unemployment rate in the Memphis MMSA in 2010 was 10.10 percent or 61,971 persons. The unemployment rate for the U.S. during that same time was 9.60 percent. As of December 2013, the labor force was 595,174 persons with an unemployment rate of 7.80 percent compared to the U.S. unemployment rate of 6.70 percent at that same time.

The Memphis area, often referred to as America's distribution hub, has a diverse. The top employers are Fed Ex Corporation, Methodist Healthcare, Naval Support Activity Mid-South, Baptist Memorial Healthcare Corporation, and Wal-Mart Stores Inc. In addition, tourism is also a major contributor to the AA economy. Major industries include state and local governments, restaurants, employment services, and couriers and express delivery services.

Strengths in the Memphis economy include low business costs, particularly office rents and state and local taxes. Weaknesses include high dependence on large employers and close structural ties to the U.S. economy linking the local economy to the national business cycle. After posting broad based growth during the first half of 2013, Memphis' economy lost momentum during the second half as goods producing industries retrenched.

The 2000 U.S. Census recorded a median housing value of \$103,576 for the bank's AA. The 2010 U.S. Census recorded a median housing value of \$140,600, which represents an increase in value of 35.75 percent. The 2000 U.S. Census recorded 144,565 housing units located in LMI census tracts of which 26.30 percent were owner occupied. According to the 2010 U.S. Census, the total number of housing units in LMI census tracts was 183,840 of which 26.79 percent were owner occupied. Although the number of housing units increased by 27.00 percent, the rate of ownership remained the same. The percentage of renter occupied units in LMI census tracts increased from 48.00 percent as of the 2000 U.S. Census data, to 53.64 percent pursuant to 2010 U.S. Census data, where 25.13 percent were in low-income census tracts and 28.51 percent were in moderate-income census tracts.

Data obtained from the Federal Housing Finance Agency reflects that during the evaluation period, in the Memphis MMSA, the mean (average) housing value decreased 3.21 percent from \$143,060 in the first quarter of 2010 to \$138,470 in the third quarter of 2013. Economists predict that the housing forecast for the AA is for existing home prices to increase in 2014 by 7.00 percent because housing inventory remains below its year ago level. Increasing house prices will encourage homebuilders to ramp up construction; however, rising material cost and a shortage of lots suitable for development could lead to a slower rebound. At nearly 15.00 percent, the rental vacancy rate remains much higher than those found in other markets in the Southeast. As a result, apartment rents increase at a slower pace than average and construction will taper off.

We utilized information from four community contacts initiated during the evaluation period to establish performance context and to identify community development needs and opportunities. An affordable housing provider stated his clients have a difficult time obtaining mortgage loans due to the heightened underwriting criteria and lower applicant credit scores, where most local banks are looking for credit scores of at least 620. He stated he could get an LMI family in a home at a cost of \$470 per month when they are currently paying \$650 to rent, yet his client cannot get a loan from a bank and

has to use the services of credit unions that charge a higher interest rate. There is also no leniency shown for applicants that have experienced catastrophic medical events. The contact also mentioned the large number of unbanked persons in the community. Three other community contacts identified the following credit and non-credit related needs in the AA:

- Banking alternatives for the un-banked population;
- Low-cost mortgage loans;
- Financing supporting neighborhood revitalization programs;
- Support for public services, especially health services, services for children experiencing homelessness, child care, transportation, child welfare, family literacy training, job/employment training, and education services;
- Lines of credit for small business owners; and,
- Foreclosure prevention programs.

Competition for CD loans, qualified investments, and CD services is moderate to high and consists primarily of local financial institutions that have a presence within the AA. We determined the opportunities to make CD loans and provide CD services within the AA abundant and include low-income housing tax credits, new market tax credits, and affordable housing mortgage-backed securities. The AA has numerous CD organizations including nonprofit housing and social service agencies that provide community services targeting LMI individuals. Additionally, there are numerous agencies involved in economic and business development. The opportunity to make qualified investments other than donations does exist but is limited

Chattanooga (TN-GA) Multistate MSA

Chattanooga MMSA (2000 Census)

Demographic Information for Full Scope Area: Chattanooga MMSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	77	7.79	18.18	48.05	25.97	
Population by Geography	361,178	5.05	10.44	53.88	30.62	0.00
Owner-Occupied Housing by Geography	97,792	1.91	8.53	55.09	34.48	0.00
Business by Geography	44,637	4.14	10.10	56.09	29.67	0.00
Farms by Geography	792	0.88	7.32	53.41	38.38	0.00
Family Distribution by Income Level	99,685	18.14	16.68	21.86	43.32	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	34,708	9.78	16.17	55.25	18.80	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		44,787 57,000 12%	Median Housing Value Unemployment Rate (2000 U.S. Census)		93,765 2.63%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census and 2011 HUD updated MFI

Chattanooga MMSA (2010 Census)

Demographic Information for Full Scope Area: Chattanooga MMSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	93	9.68	19.35	36.56	33.33	1.08
Population by Geography	400,405	6.97	13.74	39.41	39.88	0.00
Owner-Occupied Housing by Geography	106,048	3.27	10.13	42.04	44.56	0.00
Business by Geography	38,737	6.64	21.48	35.83	35.97	0.08
Farms by Geography	814	4.42	12.16	42.26	41.15	0.00
Family Distribution by Income Level	104,405	20.31	16.19	19.69	43.81	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	38,105	12.71	18.42	43.48	25.39	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		54,527 58,000 14%	Median Housing Value Unemployment Rate (2010 U.S. Census)		147,454 4.39%	

(*) 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 Chattanooga TN-GA MMSA is an area consisting of six counties, three in southeast Tennessee (Hamilton, Marion, and Sequatchie) and three in northwest Georgia (Catoosa, Dade and Walker). Chattanooga is the fourth largest city in the State of Tennessee and is the seat of Hamilton County. FTB's AA consists of Catoosa County, GA, and Hamilton County, TN. The AA does not arbitrarily exclude any areas, including low and-moderate income (LMI) areas. The 2000 U.S. Census recorded 77 census tracts within the Chattanooga MMSA. Twenty or 25.97 percent were designated LMI. The 2010 U.S. Census recorded 93 census tracts within the Chattanooga MMSA AA which represents an increase of 20.73 percent in the number of census tracts since 2000. There were 27 census tracts or 29.03 percent of total census tracts, designated LMI, which represents an increase of 35 percent since the 2000 U.S. Census.

The population of the Chattanooga MMSA AA per the 2000 U.S. Census was 361,178. The 2010 U.S. Census recorded a population of 400,405, which represents an increase within the Chattanooga MMSA of 10.86 percent or 39,227 persons. The population of the City of Chattanooga was 171,279 as of July 2012.

Based on the 2000 U.S. Census, the median family income for the Chattanooga MMSA was \$44,787. As of the 2010 U.S. Census, the median family income was \$54,527, representing an increase of 21.74 percent. The FFIEC Adjusted Median Family income for 2013 was \$58,000.

The 2000 U.S. Census recorded 17,452 households, or 12.04 percent of the total number of households in the Chattanooga MMSA AA (144,960), as living below the poverty level. Of the 17,452 households in the AA living below the poverty level, 19.81 percent resided in low-income census tracts and 20.01 resided in moderate-income census tracts. The 2010 U.S. Census recorded 21,533 households, or 13.62 percent of the total number of households in the Chattanooga MMSA AA (158,051), as living below the poverty level. Of the 21,533 households living below the poverty level, 21.48 percent were in low-income census tracts and 24.22 percent were in moderate-income census tracts.

According to the U.S. Bureau of Labor and Statistics, the labor force in the Chattanooga MMSA was 247,294 for the 2000 U.S. Census and reflected an annualized unemployment rate of 3.40 percent or 8,407 persons. The unemployment rate for the U.S. at December 2000 was 3.90 percent. The 2010 U.S. Census recorded an increase in the labor force within the Chattanooga MMSA of 11,703 persons to 258,997. This represents an increase of 4.7 percent. The annualized unemployment rate for 2010 was 8.80 percent or 22,791 persons. The unemployment rate for the U.S. at December 2010 was 9.40 percent. Based on 2000 and 2010 U.S. Census data, the population within the Chattanooga MMSA increased by 10.80 percent. As of December 2013, the labor force was 253,002 persons with an unemployment rate of 6.20 percent compared to the U.S. unemployment rate of 6.70 percent at the same time.

Chattanooga's economy includes a diversified and growing mix of manufacturing and service industries. The top employers include Blue Cross Blue Shield of Tennessee, Tennessee Valley Authority, Erlanger Health System, Memorial Healthcare System, and Unum Provident Corp. The leading industries are state and local government, restaurants, insurance carriers, and the federal government. Economic strengths include low business costs and proximity to large mid-south markets; a diverse industrial base and moderate employment volatility; and a sizable auto industry that is expanding its market share. Economic weaknesses include below average per capita income and, a below average rate of educational attainment limiting growth opportunities.

Economists predict that Chattanooga's economy should improve in the next few months as manufacturing and financial services provide fuel for growth. Over the long run, low educational attainment and dearth of high-value-added services will contribute to Chattanooga's below-average performance.

The 2000 U.S. Census recorded a median housing value of \$93,765 for the Chattanooga AA. The 2010 U.S. Census recorded a median housing value of \$147,454, which represents an increase in value of 57.26 percent. The 2000 U.S. Census revealed 25,982 housing units located in LMI census tracts within the Chattanooga MMSA, where 1.91 percent were owner occupied housing units located in low-income census tracts and 8.53 percent were owner occupied housing units located in moderate-income census tracts. According to the 2010 U.S. Census, 38,954 housing units were located in LMI census tracts, an increase of 50.00 percent, and 13.40 percent were owner occupied. Although the number of housing units within the LMI census tracts increased by 50.00 percent between the 2000 and 2010 census, the rate of ownership did not change substantially. The percentage of renter occupied units during that same time increased from 26.3 percent in 2000 to 36.2 percent in 2010. The 2010 U.S. Census indicated that of the 38,954 housing units located in LMI census tracts, 14.00 percent were occupied rented housing units located in low-income census tracts, and 22.23 percent were occupied rented housing units located in moderate-income census tracts.

Data obtained from the Federal Housing Finance Agency reflects that during the evaluation period, in the Chattanooga MMSA, the mean (average) housing value decreased 0.58 percent from \$174,440 in the first quarter of 2010 to \$173,430 in the third quarter of 2013. Economists forecast that the Chattanooga AA housing market is poised to recover more slowly than other peer metropolitan areas in Tennessee. Supply balance indicators suggest there is demand for housing, but because of soft job growth, it will materialize more slowly. In addition, the population of potential first time homebuyers is smaller in the Chattanooga metro area than elsewhere in the state

We utilized the information from one community contact initiated during the evaluation period to establish performance context and to identify CD needs and opportunities. The community contact representative indicated there remains a growing need for multifamily rental housing. There are also financing needs for bridge and take-out loans

as well as acquisition financing. In addition, the contact indicated there is a thriving payday lending industry in Chattanooga and it would be desirable for financial institutions to provide for the unbanked population a free checking account or other secured loan products. There is also a need for homebuyer and foreclosure prevention counseling.

Competition for CD loans, qualified investments, and CD services is moderate to high and consists primarily of local financial institutions that have a presence within the AA. We determined the opportunities to make CD loans and provide CD services within the AA are moderate. The AA has housing and social service agencies that provide community services to LMI individuals. Additionally, there are agencies that are involved in economic and business development. The opportunity to make qualified investments other than donations directly in the AA is limited and consists of low-income housing tax credits, new markets tax credits, and mortgage backed securities for affordable housing for a larger statewide or regional area.

State of Tennessee

Knoxville MSA (2000 Census)

Demographic Information for Full Scope Area: Knoxville MSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	101	14.85	20.79	43.56	19.80	0.99
Population by Geography	487,855	7.09	13.21	53.80	25.86	0.05
Owner-Occupied Housing by Geography	137,976	3.67	11.02	58.48	26.83	0.00
Business by Geography	58,418	7.63	12.51	46.75	33.09	0.02
Farms by Geography	1,387	3.03	8.22	62.73	26.03	0.00
Family Distribution by Income Level	131,822	19.45	17.55	21.60	41.40	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	48,771	11.83	18.38	58.02	11.77	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		46,594 61,300 13%	Median Housing Value Unemployment Rate (2000 U.S. Census)		100,362 2.43%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census and 2011 HUD updated MFI

Knoxville MSA (2010 Census)

Demographic Information for Full Scope Area: Knoxville MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	140	6.43	20.00	45.71	25.00	2.86
Population by Geography	555,236	6.10	17.33	48.88	26.61	1.08
Owner-Occupied Housing by Geography	156,249	2.46	14.76	53.09	29.68	0.01
Business by Geography	46,964	5.22	21.06	40.17	32.91	0.63
Farms by Geography	1,266	1.97	14.77	54.74	27.96	0.55
Family Distribution by Income Level	142,505	19.86	17.34	21.37	41.43	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	53,013	9.32	24.60	52.54	13.55	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		59,310 60,700 14%	Median Housing Value Unemployment Rate (2010 U.S. Census)		157,108 3.09%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2013 FFIEC updated MFI

According to the 2010 U.S. Census, the Knoxville, TN MSA is the third largest MSA in Tennessee and consists of five Tennessee counties including; Anderson, Blount, Knox, Loudon, and Union. FTB's AA consists of Blount County and Knox County. Knoxville is the principal city in the Knoxville MSA and it is the third largest city in the State of Tennessee. The bank's AA consists of whole geographies and does not arbitrarily exclude any areas including LMI geographies.

The 2000 U.S. Census recorded a population within the bank's AA of 487,855. The 2010 U.S. Census recorded a population of 555,236, representing an increase of 67,381 persons or 13.81 percent. The City of Knoxville had a population of 182,200 as of July 2012.

The 2000 U.S. Census disclosed the bank's AA contained 101 census tracts where 35 or 35.64 percent were LMI. The 2010 U.S. Census disclosed the bank's AA contained 140 census tracts where 37 or 26.43 percent were LMI. Although the number of census tracts within the AA increased 38.61 percent between 2000 and 2010, the percentage of LMI census tracts within the AA decreased

The median family income of the bank's AA for the 2000 U.S. Census was \$46,594. As of the 2010 U.S. Census, the median family income was \$59,310, which represents an increase of 27.29 percent. The 2013 FFIEC adjusted median family income for the bank's AA was \$60,700.

The 2000 U.S. Census recorded 26,242 households, or 13.10 percent of total households within the bank's AA (200,592), as living below the poverty level. Of the 26,242 total households living below the poverty level, 23.33 percent resided in low-income census tracts and 25.77 percent resided in moderate-income census tracts. The 2010 U.S. Census recorded 30,838 households, or 13.64 percent of the households within the bank's AA (226,006), as living below the poverty level. The 2010 U.S. Census indicated that 24.08 percent of the households living below the poverty level were in low-income census tracts, and 27.75 percent were in moderate-income census tracts.

According to the U.S. Bureau of Labor Statistics (USBLS), the labor force for the Knoxville MSA was 318,562 persons as of the 2000 U.S. Census, and reflected an annualized unemployment rate of 3.40 percent or 10,831 persons. The unemployment rate for the U.S. at December 2000 was 3.90 percent. According to the USBLS, as of the 2010 U.S. Census the labor force for the Knoxville MSA was 365,622 persons, which represents an increase of 14.80 percent. The annualized unemployment rate was 8.00 percent or 54,112 persons. The unemployment rate for the U.S. at December 2010 was 9.40 percent. As of December 2013, the labor force was 412,689 persons with an unemployment rate of 5.70 percent compared to the U.S. unemployment rate of 6.70 percent at the same time.

Knoxville is the home of the flagship campus of the University of Tennessee and is also home to the headquarters of the Tennessee Valley Authority as well as the corporate headquarters of several national and regional corporations. As one of the largest cities

in the Appalachian Region, Knoxville has positioned itself in recent years as a repository of Appalachian culture. The stable economy of the Greater Knoxville Area is one of the region's major assets. It is highly diversified with no one employment sector accounting for more than 22.00 percent of the area's total employment. Recent years have seen substantial growth in the areas of trade, transportation, utilities, and financial activities. Knoxville's economy is bolstered by the presence of the Tennessee Valley Authority headquarters and the University of Tennessee at Knoxville. The largest employers within the Knoxville MSA are U.S. Department of Energy Oak Ridge Operations, Covenant Health, and University of Tennessee-Knoxville.

Knoxville's economic strengths include high industrial diversity for the area's size class and relatively diverse manufacturing, with key concentrations of high-value production relative to most metro areas. The economic weaknesses include vulnerability to federal spending cuts; below-average per capita income; and above-average dependence on consumer spending via large retail industry.

The 2000 U.S. Census recorded a median housing value of \$100,362 within the bank's AA. The 2010 U.S. Census recorded a median housing value of \$157,108 within the bank's AA, which represents an increase in value of 56.50 percent. According to the 2000 U.S. Census, there were 51,413 housing units located within LMI census tracts in the bank's AA, in which 14.69 percent were owner occupied (7,552). The 2010 U.S. Census disclosed 66,499 housing units located in LMI census tracts in the bank's AA. This represents an increase of 29.30 percent in housing units within LMI census tracts, where 26.53 percent were in low-income census tracts and 73.70 percent were in moderate-income census tracts. Owner occupied units represented 17.20 percent or 11,438 units. Between the 2000 and 2010 U.S. Census, the number of owner occupied housing units in LMI census tracts within the bank's AA, increased 51.50 percent, where 2.46 percent were located in low-income census tracts and 14.76 percent were in moderate-income census tracts. Rented occupied housing units represented 28.27 percent of the housing units in the AA, where 16.46 percent were located in low-income census tracts, and 28.74 percent were situated in moderate-income census tracts.

Data obtained from the Federal Housing Finance Agency reflects that during the evaluation period, in the Knoxville MSA, the estimated mean (average) housing value decreased 0.56 percent from \$174,080 in the first quarter of 2010 to \$173,110 in the third quarter of 2013. Economists forecast that residential construction will boost growth in Knoxville less than it will nationally. This is because of the metro area's large supply of homes for sale, which will weigh on house price appreciation. Although the inventory of homes for sale decreased in the fourth quarter 2013 to a six-year low, the inventory-to-sales ratio remains near 10 months, twice the U.S. average.

We utilized information from three community contacts initiated during the evaluation period to establish performance context and to identify CD needs and opportunities. Two of the contacts provided community services targeted to LMI individuals and families and the other was a community development corporation. Community contact feedback revealed that the overall opinion was that Knoxville has a very competitive

banking environment. One contact mentioned however, that underwriting criteria for mortgage loans was becoming more stringent, which has had an adverse impact on the ability of LMI families to acquire a home loan.

The contacts also identified the following credit and non-credit related needs in the AA:

- Support for projects that involve financing through low-income housing tax credits;
- Financial support in the form of construction loans and permanent financing for targeted redevelopment projects across the city;
- Support for economic development initiatives;
- Membership on the boards of community service organizations; and,
- Sponsorship of Federal Home Loan Bank (FHLB) grant applications.

Competition for CD loans, qualified investments, and CD services is moderate to high and consists primarily of local financial institutions that have a presence within the AA. We determined that opportunities to make CD loans and investments, and provide CD services within the AA are abundant, and include partnerships with agencies such as the Knoxville Community Development Corporation, Knoxville-Knox County Community Action Committee, and various Community Housing Development Organizations all striving to advance the city's strategic CD goals. The AA has numerous CD organizations including nonprofit housing and social service agencies that provide community services to LMI individuals and families. In addition, there are numerous agencies involved in economic and business development.

State of Tennessee

Nashville MSA (2000 Census)

Demographic Information for Full Scope Area: Nashville MSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	226	7.08	21.24	49.12	22.12	0.44
Population by Geography	1,097,810	4.74	18.05	53.10	24.11	0.00
Owner-Occupied Housing by Geography	277,904	1.95	13.11	56.33	28.61	0.00
Business by Geography	160,801	3.38	17.59	48.90	29.87	0.26
Farms by Geography	3,096	1.39	10.69	60.82	26.91	0.19
Family Distribution by Income Level	288,102	18.38	17.41	23.02	41.19	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	102,398	9.04	26.70	52.72	11.54	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		51,844 66,200 10%	Median Housing Value Unemployment Rate (2000 U.S. Census)		132,098 2.48%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census and 2011 HUD updated MFI

Nashville MSA (2010 Census)

Demographic Information for Full Scope Area: Nashville MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	310	10.32	20.00	37.42	30.97	1.29
Population by Geography	1,347,105	8.33	19.36	38.02	33.92	0.36
Owner-Occupied Housing by Geography	339,319	3.95	15.36	41.55	39.14	0.00
Business by Geography	129,262	8.78	18.34	32.08	40.01	0.80
Farms by Geography	2,927	3.35	14.83	43.87	37.65	0.31
Family Distribution by Income Level	331,085	20.05	17.08	20.70	42.18	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	122,916	14.37	28.98	39.11	17.51	0.03
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		63,006 62,300 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		199,125 3.73%	

(*) 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 metropolitan area known as the Nashville-Davidson-Murfreesboro-Franklin MSA is the 36th largest MSA in the United States and is the largest metropolitan area in the state of Tennessee. Nashville is the second largest city in the State of Tennessee. The MSA includes 14 counties in Middle Tennessee. FTB's AA includes the counties of Davidson, Rutherford, Sumner, Williamson, and Wilson. The AA consists of whole geographies and does not arbitrarily exclude any areas including LMI areas.

The 2000 U.S. Census disclosed a population for the bank's AA of 1,097,810. The 2010 U.S. Census disclosed a population of 1,347,105, which represents an increase of 22.71 percent or 249,295 persons.

The 2000 U.S. Census disclosed the bank's AA was composed of 226 census tracts where 64 or 28.32 percent were designated LMI census tracts. The 2010 U.S. Census disclosed the bank's AA was composed of 310 census tracts where 94 or 30.32 percent were designated LMI census tracts. There was a 46.88 percent increase in the number of census tracts designated LMI between the 2000 to the 2010 U.S. Census, and the ratio of LMI census tracts to total census tracts increased from 28.3 percent to 30.3 percent.

The 2000 U.S. Census disclosed the median family income for the bank's AA was \$51,844. As of the 2010 U.S. Census, the median family income increased to \$63,006, which represents an increase of 21.53 percent. The 2013 FFIEC adjusted median family income was \$62,300.

The 2000 U.S. Census disclosed 43,647 households, or 10.10 percent of the total households within the bank's AA (430,514), as living below the poverty level, where 17.28 percent resided in low-income census tracts and 31.07 percent resided in moderate-income census tracts. . The 2010 U.S. Census disclosed 61,400 households, or 12.09 percent of the total households within the bank's AA (508,052), as living below the poverty level. The majority of households living below the poverty level, 31.07 percent, resided in moderate-income census tracts and 23.89 percent resided in low-income census tracts.

According to the U.S. Bureau of Labor Statistics (USBLS), the labor force for the Nashville MSA was 717,210 persons as of the 2000 U.S. Census, and reflected an annualized unemployment rate of 3.20 percent or 22,950 persons. The unemployment rate for the U.S. at December 2000 was 3.90 percent. According to the USBSL the 2010 Nashville MSA labor force was 820,821 persons, which represents an increase of 14.40 percent. The annualized unemployment rate was 8.70 percent or 71,411 persons. The unemployment rate for the U.S. at December 2010 was 9.40 percent. The population within the Nashville MSA increased by 21.00 percent from 2000 to 2010 pursuant to U.S. Census data. As of December 2013, the labor force was 880,152 persons with an unemployment rate of 5.00 percent compared to the U.S. unemployment rate of 6.70 percent at the same time.

Nashville has become a major music recording and productions center. Since the 1960's, Nashville has been the second largest music production center in the United States, and estimates indicate that the music industry has a total economic impact of \$6.4 billion per year and contributes 19,000 jobs to the Nashville area. However, health care is actually the largest industry in the AA. Nashville is home to more than 300 health care companies including Hospital Corporation of America, the largest private operator of hospitals in the world. The automotive industry is also becoming increasingly important to the entire Middle Tennessee region. The largest employers within the Nashville MSA are Vanderbilt University and Medical Center, Metro Nashville-Davidson County Government and Public Schools, and the State of Tennessee.

The AA's economic strengths include its low office rents and a favorable business tax structure, high birth rate and recent strong in-migration, and its relatively high industrial diversity. Economic weaknesses include competition from neighboring cities for large-scale industrial and commercial projects, and an industrial structure geared toward activities susceptible to outsourcing.

Manufacturing and construction are still powering much of the Nashville economic expansion, and consumers are another source of growth as retail sales tax data reveal household spending accelerated during late 2013 as consumers have adjusted to higher payroll taxes. Auto manufacturing has been pivotal in sustaining Nashville's recovery, but the industry's contribution to growth will gradually diminish during the next two years.

The 2000 U.S. Census recorded a median housing value of \$132,098 within the bank's AA. The 2010 U.S. Census recorded a median housing value of \$199,125 within the bank's AA, which represents an increase in value of 50.74 percent. According to the 2000 U.S. Census, there were 105,005 housing units located within LMI census tracts in the bank's AA, in which 15.07 percent were owner-occupied (15,855). Of these units, 4.58 percent were located in low-income census tracts and 18.39 percent were in moderate-income census tracts. The 2010 U.S. Census disclosed 165,154 housing units located in LMI census tracts in the bank's AA. This represents an increase of 57.28 percent in housing units within LMI census tracts; 8.75 percent were in low-income census tracts and 21.08 percent were in moderate-income census tracts. Owner occupied units represented 19.31 percent or 31,875 units. Between the 2000 and 2010 U.S. Census, the number of owner occupied housing units in LMI census tracts within the bank's AA, increased 101.00 percent, where 3.95 percent were in low-income census tracts and 15.36 percent were in moderate-income census tracts.

Data obtained from the Federal Housing Finance Agency reflects that during the evaluation period, in the Nashville MSA, the estimated mean (average) housing value increased 3.39 percent from \$175,510 in the first quarter of 2010 to \$181,460 in the third quarter of 2013.

We utilized information from three community contacts initiated during the evaluation period to establish performance context and to identify CD needs and opportunities. A

community contact representative mentioned there are credit needs for LMI persons in the form of mortgage loans, credit cards, and small dollar personal loans in order to provide competition for the large number of payday lenders operating in the AA. There is also a need for flexible underwriting criteria or better access to credit cards for LMI persons.

Feedback from other community contacts also identified the following credit and non-credit related needs in this AA:

- Support for housing projects that involve low-income tax credits;
- Foreclosure prevention programs;
- Funding for affordable housing programs sponsored by CD organizations;
- Financial support for CD organizations that provide services to LMI individuals and families;
- Financial literacy training and counseling;
- Membership on the boards of community services organizations, providing them with technical expertise to manage their programs; and,
- Support for economic development initiatives that seek to recruit new and expand existing businesses.

Competition for CD loans, qualified investments, and CD services in the AA is moderate to high and consists primarily of local financial institutions that have a presence within the AA. We determined that opportunities to make CD loans and provide CD services within the AA are abundant, and include partnerships with organizations that provide technical assistance and supportive services to facilitate the creation, stabilization, and expansion of microenterprise businesses. Numerous social service agencies actively manage programs designed to address homelessness in the metro area. The opportunity to make qualified investments other than donations does exist and include LIHTC projects designed to support affordable housing, workforce housing, and projects to stabilize communities hardest hit by foreclosure and abandonment, along with NMTC projects to support small business development.

State of North Carolina

Winston-Salem MSA (2000 Census)

Demographic Information for Full Scope Area: Winston-Salem MSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	75	6.67	20.00	42.67	30.67	0.00
Population by Geography	306,067	4.39	17.91	44.17	33.53	0.00
Owner-Occupied Housing by Geography	81,252	1.33	11.78	46.67	40.22	0.00
Business by Geography	35,218	1.92	11.46	51.09	35.53	0.00
Farms by Geography	752	0.27	7.98	51.06	40.69	0.00
Family Distribution by Income Level	82,386	18.82	16.93	22.46	41.80	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	29,450	8.12	27.04	45.45	19.40	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		50,059 61,200 11%	Median Housing Value Unemployment Rate (2000 U.S. Census)		110,448 2.37%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census and 2011 HUD updated MFI

Winston-Salem MSA (2010 Census)

Demographic Information for Full Scope Area: Winston-Salem MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	93	11.83	19.35	33.33	35.48	0.00
Population by Geography	350,670	8.63	20.92	32.84	37.62	0.00
Owner-Occupied Housing by Geography	90,028	3.46	14.16	37.61	44.77	0.00
Business by Geography	29,348	5.21	15.71	35.99	43.08	0.00
Farms by Geography	692	2.46	10.84	40.61	46.10	0.00
Family Distribution by Income Level	87,701	21.65	15.75	20.10	42.51	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	32,795	15.60	30.21	32.73	21.46	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2013 Households Below Poverty Level		57,577 59,500 14%	Median Housing Value Unemployment Rate (2010 U.S. Census)		151,608 3.84%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2013 FFIEC updated MFI

Winston-Salem is the county seat and largest city in Forsyth County, North Carolina. It is the fifth largest city in North Carolina and the largest municipality in the Piedmont Triad Region.

FTB's AA consists of one county within the Winston-Salem MSA, Forsyth County. The AA consists of whole geographies and does not arbitrarily exclude any areas including LMI areas. The 2000 U.S. Census disclosed 75 census tracts within the Winston-Salem MSA AA, of which, 20 census tracts, or 26.67 percent were designated LMI. The 2010 U.S. Census disclosed 93 census tracts within the Winston-Salem MSA AA. Twenty-nine census tracts, or 31.20 percent were designated LMI. The total number of census tracts within the AA increased 24.00 percent between the 2000 and 2010 U.S. Census, whereas the number of census tracts designated LMI increased 45.00 percent during that same time-period.

The 2000 U.S. Census reported the population within the bank's AA as 306,067. The 2010 U.S. Census reported the population within the bank's AA as 350,670. This represents an increase of 14.57 percent or 44,603 persons.

The 2000 U.S. Census disclosed the median family income for the Winston-Salem MSA was \$50,059. As of the 2010 U.S. Census, the median family income increased to \$57,577, which represents an increase of 15.02 percent. The 2013 FFIEC adjusted median family income was \$59,500.

According to the June 30, 2013 FDIC Deposit Market Share Report, FTB ranked 17th in deposit market share out of 19 financial institutions operating branches in Forsyth County with a deposit market share of \$12 million or 0.03 percent. Branch Banking & Trust Company was first in market share at 85.77 percent, Wells Fargo Bank, N.A. was second with 6.44 percent market share, and Piedmont Federal Savings Bank was third with 1.89 percent market share.

The 2000 U.S. Census disclosed 13,304, or 10.80 percent of the total number of households in the Winston-Salem MSA (124,023), as living below the poverty level, where 14.69 percent resided in low-income census tracts and 33.94 percent resided in moderate-income census tracts. The 2010 U.S. Census disclosed 19,163 households, or 14.00 percent of the total number of households in the Winston-Salem MSA (136,612), as living below the poverty level. The majority of households living below the poverty level, 33.58 percent, resided in moderate-income census tracts, and 22.03 percent resided in low-income census tracts.

According to the U.S. Bureau of Labor Statistics (USBLS), the labor force for the Winston-Salem MSA was 223,088 persons as of the 2000 U.S. Census, and reflected an annualized unemployment rate of 3.40 percent or 7,585 persons. The unemployment rate for the U.S. at December 2000 was 3.9 percent. The USBLS 2010 Winston-Salem MSA labor force count was 243,825 persons, which represents an increase of 9.30 percent. The annualized unemployment rate was 10.10 percent or 24,626 persons. The unemployment rate for the U.S. at December 2010 was 9.40 percent. As of December

2013, the labor force within the Winston-Salem MSA was 314,217 persons with an unemployment rate of 6.20 percent, compared to the U.S. unemployment rate of 6.70 percent at the same time.

The top employers in the Winston-Salem Forsyth County area are Wake Forest University Baptist Medical Center, Novant Health, and Winston-Salem Forsyth County School System. The three major industries are health care and social assistance; trade, transportation & utilities; and professional and business services.

The recognized economic strengths of the Winston-Salem MSA include the presence of Wake Forest University, a leader in medical research, and community college programs that meet needs of area employers; proximity to large high-growth areas; and high affordability that supports steady immigration. Recognized economic weaknesses include high exposure to declining manufacturing, and low industrial diversity.

The 2000 U.S. Census recorded a median housing value of \$110,448 within the bank's AA. The 2010 U.S. Census recorded a median housing value of \$151,608 within the bank's AA, which represents an increase in value of 37.27 percent. According to the 2000 U.S. Census, there were 28,099 housing units located within LMI census tracts in the bank's AA, in which 13.11 percent were owner occupied (3,680). Of the owner-occupied housing units, 3.93 percent were located in low-income census tracts and 17.18 percent were located in moderate-income census tracts. The 2010 U.S. Census disclosed 47,191 housing units located in LMI census tracts in the bank's AA, where 8.64 percent were located in low-income census tracts and 21.97 percent were located in moderate-income census tracts. This represents an increase of 67.95 percent in housing units within LMI census tracts. Owner occupied units represented 17.62 percent, or 8,305 units. Although the number of housing units within LMI census tracts increased 68.00 percent between the 2000 and 2010 U.S. Census, the rate of owner occupied units within LMI census tracts did not change substantially, where 3.46 percent of the housing units were located in low-income census tracts and 14.16 percent were in moderate-income census tracts. The percentage of renter occupied units during that same period increased from 35.60 percent in 2000 to 50.40 percent in 2010; 17.43 percent of the units were in low-income census tracts and 32.94 percent were in moderate-income census tracts.

Data obtained from the Federal Housing Finance Agency reflects that during the evaluation period, in the Winston-Salem MSA, the estimated mean (average) housing value decreased 3.60 percent from \$151,300 in the first quarter of 2010 to \$145,850 in the third quarter of 2013

We utilized the information from one community contact, an affordable housing provider, to establish performance context and to identify CD needs and opportunities. The community contact representative mentioned LMI families have difficulty obtaining credit, primarily mortgage loans. There are also a large number of persons who are unbanked and do not have a banking relationship with a financial institution. There are a

large number of payday lenders in the area, and there is a need for financial literacy to educate LMI persons regarding financial decisions and planning.

Competition for CD loans, qualified investments, and CD services is moderate to high and consists primarily of local financial institutions that have a presence in the AA. We determined the opportunities to make CD loans and provide CD services within the AA are abundant. The AA has numerous CD organizations including nonprofit housing and social service agencies that provide community services to LMI individuals and families. The opportunity to make qualified investments other than donations exists, including tax credits in support of revitalization of targeted neighborhoods in the AA, made available through the North Carolina Mill Rehabilitation Tax Credit Program and the federal New Market and Historic Tax Credit Program.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of 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. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

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.

Table 1. Other Products - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, 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, 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. .

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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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:												
Memphis MMSA	100.00	1,248	214,960	1,763	350,782	4	485	117	142,897	3,132	709,124	100.00
Chattanooga MMSA	100.00	834	185,130	970	220,216	2	100	50	44,887	1,856	450,333	100.00

* 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 11, 2010 to April 7, 2014.

*** Deposit Data as of June 30, 2011. 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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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	Over all	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	334	100.00	5.66	0.60	20.64	7.49	30.16	21.26	43.54	70.66	0.67	1.08	0.52	0.75	0.65
Chattanooga MMSA	232	100.00	1.91	0.43	8.53	5.60	55.09	40.95	34.48	53.02	1.34	0.00	1.15	1.11	1.68

* 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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	63	100.00	5.66	1.59	20.64	17.46	30.16	22.22	43.54	58.73	3.96	3.03	4.65	2.83	4.74
Chattanooga MMSA	43	100.0	1.91	0.00	8.53	4.65	55.09	46.51	34.48	48.84	3.64	0.00	4.00	3.48	4.00

* 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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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:															
Memphis MMSA	851	100.00	5.66	0.12	20.64	4.94	30.16	14.10	43.54	80.85	2.12	0.00	2.28	1.48	2.30
Chattanooga MMSA	559	100.00	1.91	0.89	8.53	3.04	55.09	38.82	34.48	57.25	2.97	3.51	3.30	2.29	3.64

* 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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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 Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	0	0.00	14.54	0.00	29.81	0.00	30.36	0.00	25.29	0.00	0.00	0.00	0.00	0.00	0.00
Chattanooga MMSA	0	0.00	16.24	0.00	8.26	0.00	57.91	0.00	17.60	0.00	0.00	0.00	0.00	0.00	0.00

* 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 Multi Family 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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	1,732	100.00	6.75	10.97	16.11	17.21	26.15	19.98	50.69	51.85	6.53	10.59	8.33	6.57	5.60
Chattanooga MMSA	970	100.00	4.14	16.49	10.10	18.56	56.09	49.79	29.67	15.15	8.38	26.04	14.52	8.54	3.33

* 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 (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011															
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:															
Memphis MMSA	4	100.00	3.47	0.00	13.35	50.00	29.50	0.00	53.42	50.00	0.00	0.00	0.00	0.00	0.00
Chattanooga MMSA	2	100.00	0.88	0.00	7.32	0.00	53.41	0.00	38.38	100.00	7.69	0.00	0.00	0.00	16.67

* Based on 2011 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 (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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**	% Families5	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	334	100.00	21.94	9.34	16.29	21.69	19.43	19.28	42.33	49.70	0.82	0.96	0.48	0.49	1.17
Chattanooga MMSA	232	100.00	18.14	4.74	16.68	18.10	21.86	17.24	43.32	59.91	1.55	1.12	0.81	0.79	2.54

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.6% of loans originated and purchased by bank. 5 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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 6	% BANK Loans***	% Families***	% BANK Loans***	% Families***	% BANK Loans***	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	63	100.00	21.94	12.70	16.29	23.81	19.43	14.29	42.33	49.21	4.35	6.19	3.31	1.69	5.90
Chattanooga MMSA	43	100.00	18.14	6.98	16.68	16.28	21.86	18.60	43.32	58.14	3.90	1.82	6.15	1.10	5.74

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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****	% Families7	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans***	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	851	100.00	21.94	4.36	16.29	13.55	19.43	18.02	42.33	64.08	2.79	2.38	3.31	2.26	2.89
Chattanooga MMSA	559	100.00	18.14	2.87	16.68	14.70	21.86	18.46	43.32	63.98	3.84	1.93	3.01	2.75	4.82

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.2% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2010 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:									
Memphis MMSA	1,763	100.00	67.21	27.45	54.00	20.99	25.01	6.53	4.27
Chattanooga MMSA	970	100.00	68.24	25.77	48.45	22.68	28.87	8.38	5.14

* 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.

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

**** 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 25.30% 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: Multistate MSAs Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
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:									
Memphis MMSA	4	100.00	95.70	75.00	50.00	50.00	0.00	0.00	0.00
Chattanooga MMSA	2	100.00	97.35	0.00	100.00	0.00	0.00	7.69	0.00

* Based on 2011 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 - 2011).

**** 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 25.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS Geography: Multistate MSAs Evaluation Period: JANUARY 11, 2010 TO APRIL 7, 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:									
Memphis MMSA	11	15,754	258	13,432	269	29,186	100.00	0	0
Chattanooga MMSA	1	2,798	84	650	85	3,448	100.00	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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011																	
MA/Assessment Area:	Deposit s	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposit s in AA	# of BANK Branch es	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Opening s	# of Branch Closing s	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:																	
Memphis MMSA	100.00	50	100.00	6.00	14.00	20.00	60.00	0	2	-1	0	-1	0	9.54	25.49	29.58	34.99
Chattanooga MMSA	100.00	21	100.00	9.52	14.29	47.62	28.57	0	2	0	-1	-1	0	5.05	10.44	53.88	30.63

Table 1. Lending Volume

LENDING VOLUME Geography: Multistate MSAs 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:												
Memphis MMSA	100.00	804	163,224	1,438	316,296	2	350	0	0	2,244	479,870	100.00
Chattanooga MMSA	100.00	691	149,358	886	213,827	1	50	0	0	1,578	363,235	100.00

* 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 January 11, 2010 to April 7, 2014, refer to 2010-2011 table.

*** Deposit Data as of June 30, 2013. 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: Multistate MSAs 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 Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	164	100.00	8.89	0.00	17.90	5.49	26.54	17.07	46.67	77.44	0.66	0.00	0.43	0.59	0.73
Chattanooga MMSA	159	100.00	3.27	1.26	10.13	9.43	42.04	22.01	44.56	67.30	1.52	1.90	1.67	1.07	1.77

* Based on 2012 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 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: Multistate MSAs 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	50	100.0	8.89	6.00	17.90	16.00	26.54	30.00	46.67	48.00	3.75	6.98	3.33	3.81	3.49
Chattanooga MMSA	37	100.0	3.27	0.00	10.13	8.11	42.04	37.84	44.56	54.05	4.14	0.00	7.32	2.86	4.88

* Based on 2012 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 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: Multistate MSAs 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	590	100.00	8.89	0.68	17.90	5.93	26.54	15.76	46.67	77.63	1.94	0.94	1.84	1.39	2.12
Chattanooga MMSA	495	100.00	3.27	0.81	10.13	8.08	42.04	27.88	44.56	63.23	3.47	0.51	3.65	2.71	4.02

* Based on 2012 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 2010 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: Multistate MSAs 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	Overa ll	Low	Mod	Mid
Full Review:																
Memphis MMSA	0	0.00	24.29	0.00	27.64	0.00	24.19	0.00	23.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Chattanooga MMSA	0	0.00	15.43	0.00	26.50	0.00	34.59	0.00	23.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 Multi Family 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 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	1,405	100.00	10.06	12.53	20.35	26.12	22.98	16.23	45.80	45.12	4.89	7.21	6.59	4.46	4.19
Chattanooga MMSA	885	100.00	6.64	17.06	21.48	32.43	35.83	28.36	35.97	22.15	7.36	15.61	10.36	6.26	5.21

* Based on 2012 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 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: Multistate MSAs 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:															
Memphis MMSA	2	100.00	6.01	0.00	16.78	0.00	25.42	0.00	51.42	100.00	0.86	0.00	0.00	0.00	1.45
Chattanooga MMSA	1	100.00	4.42	0.00	12.16	0.00	42.26	0.00	41.15	100.00	5.88	0.00	0.00	0.00	20.00

* Based on 2012 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: Multistate MSAs 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**	% Families8	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	164	100.00	23.77	4.35	16.11	7.45	17.39	14.91	42.73	73.29	0.79	0.33	0.34	0.64	1.20
Chattanooga MMSA	159	100.00	20.31	3.16	16.19	11.39	19.69	12.03	43.81	73.42	1.68	0.62	0.87	1.15	2.69

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.8% of loans originated and purchased by bank. 8 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: Multistate MSAs 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 9	% BANK Loans***	% Families***	% BANK Loans***	% Families***	% BANK Loans***	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	50	100.00	23.77	14.00	16.11	28.00	17.39	24.00	42.73	34.00	4.14	4.82	4.79	4.62	3.41
Chattanooga MMSA	37	100.00	20.31	13.51	16.19	24.32	19.69	8.11	43.81	54.05	4.43	4.55	4.55	2.33	5.56

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: Multistate MSAs 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 10	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans***	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	590	100.00	23.77	5.60	16.11	12.56	17.39	18.00	42.73	63.84	2.55	2.66	2.55	2.07	2.70
Chattanooga MMSA	495	100.00	20.31	4.25	16.19	13.77	19.69	20.65	43.81	61.34	4.21	2.23	3.05	3.54	5.04

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.2% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: Multistate MSAs 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:									
Memphis MMSA	1,438	100.00	69.77	20.72	50.35	23.02	26.63	4.89	2.77
Chattanooga MMSA	886	100.00	69.07	23.25	43.34	25.85	30.81	7.36	4.93

* Based on 2012 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 29.55% 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: Multistate MSAs 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:									
Memphis MMSA	2	100.00	95.71	100.00	0.00	100.00	0.00	0.86	1.64
Chattanooga MMSA	1	100.00	97.30	0.00	100.00	0.00	0.00	5.88	0.00

* Based on 2012 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 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Multistate MSAs Evaluation Period: JANUARY 1, 2012 TO APRIL 7, 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:																	
Memphis MMSA	100.00	47	100.00	8.51	14.89	19.15	57.45	0	3	0	0	-1	-2	14.33	22.04	25.33	37.8
Chattanooga MMSA	100.00	21	100.00	14.29	9.52	52.38	23.81	0	0	0	0	0	0	6.97	13.74	39.41	39.8

Table 1. Lending Volume

LENDING VOLUME Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 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:												
Knoxville MSA	23.30	943	214,911	768	146,340	0	0	45	38,312	1,756	399,563	38.26
Nashville MSA	34.93	1,420	372,826	1,161	210,213	10	947	42	63,065	2,633	647,051	31.46
Limited Review:												
Cleveland MSA	3.67	150	21,262	120	26,053	3	137	4	167	277	47,619	4.31
Jackson MSA	3.09	85	12,056	142	24,088	1	19	5	28,770	233	64,933	2.02
Johnson City MSA	11.42	580	92,778	272	41,803	2	600	7	510	861	135,691	8.48
Kingsport-Bristol MSA	10.11	480	82,179	256	48,200	1	200	25	12,941	762	143,520	6.21
Morristown MSA	4.75	256	33,407	98	15,706	3	630	1	1,700	358	51,443	3.65
TN Non MSA	8.73	388	55,987	259	37,032	6	616	5	1,700	658	95,335	5.61
TN Statewide		0	0	0	0	0	0	39	102,822	39	102,822	

* 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 11, 2010 to April 7, 2014.

*** Deposit Data as of June 30, 2011. 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: TENNESSEE Evaluation Period: JANUARY 1, 2010 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	Over all	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	248	23.96	3.67	2.82	11.02	9.68	58.48	49.60	26.83	37.90	1.27	1.16	1.96	0.94	1.63
Nashville MSA	358	34.59	1.95	0.56	13.11	6.70	56.33	41.34	28.61	51.40	0.66	0.66	0.44	0.42	1.15
Limited Review:															
Cleveland MSA	47	4.54	1.27	0.00	7.97	12.77	71.02	59.57	19.75	27.66	0.77	0.00	0.00	0.76	1.01
Jackson MSA	12	1.16	8.37	0.00	7.71	0.00	42.47	33.33	41.45	66.67	0.16	0.00	0.00	0.27	0.13
Johnson City MSA	149	14.40	0.00	0.00	7.27	5.37	65.46	56.38	27.27	38.26	3.47	0.00	3.61	3.27	3.81
Kingsport-Bristol MSA	116	11.21	0.00	0.00	9.21	4.31	59.96	49.14	30.83	46.55	2.56	0.00	1.57	1.37	4.64
Morristown MSA	47	4.54	0.00	0.00	4.72	0.00	76.28	70.21	19.00	29.79	0.40	0.00	0.00	0.39	0.45
TN Non MSA	58	5.60	0.00	0.00	6.92	5.17	87.60	84.48	5.48	10.34	1.62	0.00	4.26	1.34	4.29

* 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: TENNESSEE Evaluation Period: JANUARY 1, 2010 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	28	17.72	3.67	3.57	11.02	14.29	58.48	46.43	26.83	35.71	2.06	0.00	2.38	2.20	1.87
Nashville MSA	43	27.22	1.95	2.33	13.11	6.98	56.33	48.84	28.61	41.86	2.29	0.00	1.16	2.10	3.28
Limited Review:															
Cleveland MSA	6	3.80	1.27	0.00	7.97	16.67	71.02	50.00	19.75	33.33	2.56	0.00	16.67	2.44	0.00
Jackson MSA	2	1.27	8.37	0.00	7.71	0.00	42.47	0.00	41.45	100.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	30	18.99	0.00	0.00	7.27	6.67	65.46	60.00	27.27	33.33	7.39	0.00	7.69	6.67	9.09
Kingsport-Bristol MSA	17	10.76	0.00	0.00	9.21	0.00	59.96	47.06	30.83	52.94	3.76	0.00	0.00	2.72	6.52
Morristown MSA	10	6.33	0.00	0.00	4.72	0.00	76.28	90.00	19.00	10.00	4.58	0.00	0.00	6.03	0.00
TN Non MSA	22	13.92	0.00	0.00	6.92	0.00	87.60	86.36	5.48	13.64	8.13	0.00	0.00	8.11	14.29

* 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: TENNESSEE Evaluation Period: JANUARY 1, 2010 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	666	21.44	3.67	0.60	11.02	4.65	58.48	48.05	26.83	46.70	2.19	0.51	1.72	1.79	2.88
Nashville MSA	1,019	32.81	1.95	0.88	13.11	5.69	56.33	45.73	28.61	47.69	1.36	2.36	1.63	1.11	1.64
Limited Review:															
Cleveland MSA	97	3.12	1.27	0.00	7.97	6.19	71.02	73.20	19.75	20.62	1.58	0.00	2.15	1.67	1.28
Jackson MSA	71	2.29	8.37	0.00	7.71	1.41	42.47	23.94	41.45	74.65	1.02	0.00	1.61	0.44	1.30
Johnson City MSA	401	12.91	0.00	0.00	7.27	2.24	65.46	61.10	27.27	36.66	7.61	0.00	2.13	7.57	8.45
Kingsport-Bristol MSA	346	11.14	0.00	0.00	9.21	3.76	59.96	58.96	30.83	37.28	6.78	0.00	3.82	7.31	6.54
Morristown MSA	198	6.37	0.00	0.00	4.72	1.52	76.28	69.19	19.00	29.29	4.97	0.00	2.94	4.56	6.57
TN Non MSA	308	9.92	0.00	0.00	6.92	4.87	87.60	85.06	5.48	10.06	6.41	0.00	6.32	6.13	9.43

* 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: TENNESSEE Evaluation Period: JANUARY 1, 2010 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 Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	1	33.33	20.28	0.00	24.70	0.00	34.43	0.00	20.59	100.00	0.00	0.00	0.00	0.00	0.00
Nashville MSA	0	0.00	8.04	0.00	23.63	0.00	51.38	0.00	16.96	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Cleveland MSA	0	0.00	14.22	0.00	20.51	0.00	50.16	0.00	15.11	0.00	0.00	0.00	0.00	0.00	0.00
Jackson MSA	0	0.00	25.51	0.00	7.00	0.00	35.81	0.00	31.68	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	0	0.00	0.00	0.00	31.64	0.00	48.77	0.00	19.60	0.00	0.00	0.00	0.00	0.00	0.00
Kingsport-Bristol MSA	1	33.33	0.00	0.00	31.08	0.00	35.81	0.00	33.10	100.00	0.00	0.00	0.00	0.00	0.00
Morristown MSA	1	33.33	0.00	0.00	9.78	0.00	77.02	100.00	13.20	0.00	0.00	0.00	0.00	0.00	0.00
TN Non MSA	0	0.00	0.00	0.00	26.97	0.00	57.30	0.00	15.72	0.00	0.00	0.00	0.00	0.00	0.00

* 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 Multi Family 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: TENNESSEE Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	768	25.00	7.63	15.76	12.51	17.71	46.75	38.67	33.09	27.86	4.84	8.27	7.07	4.87	3.49
Nashville MSA	1,157	37.66	3.38	3.80	17.59	24.63	48.90	44.34	29.87	27.23	2.36	3.01	3.35	2.42	1.84
Limited Review:															
Cleveland MSA	120	3.91	1.25	0.83	10.03	10.00	68.38	74.17	20.34	15.00	5.33	7.69	3.25	6.07	5.16
Jackson MSA	142	4.62	12.07	3.52	7.04	0.00	38.80	54.93	42.09	41.55	5.05	1.39	0.00	7.80	4.32
Johnson City MSA	272	8.85	0.00	0.00	12.83	16.54	55.87	43.38	31.30	40.07	8.02	0.00	10.27	6.86	9.57
Kingsport-Bristol MSA	256	8.33	0.00	0.00	16.64	15.23	54.45	54.69	28.91	30.08	6.64	0.00	5.67	6.99	6.85
Morristown MSA	98	3.19	0.00	0.00	9.70	19.39	73.68	63.27	16.63	17.35	5.06	0.00	6.59	5.35	4.05
TN Non MSA	259	8.43	0.00	0.00	14.64	34.36	77.47	47.88	7.89	17.76	8.49	0.00	13.10	6.51	13.55

* 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 (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011															
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:															
Knoxville MSA	0	0.00	3.03	0.00	8.22	0.00	62.73	0.00	26.03	0.00	0.00	0.00	0.00	0.00	0.00
Nashville MSA	10	38.46	1.39	0.00	10.69	0.00	60.82	100.00	26.91	0.00	5.04	0.00	0.00	8.82	0.00
Limited Review:															
Cleveland MSA	3	11.54	0.77	0.00	3.07	0.00	69.35	100.00	26.82	0.00	22.22	0.00	0.00	33.33	0.00
Jackson MSA	1	3.85	5.05	0.00	8.75	0.00	36.36	100.00	49.83	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	2	7.69	0.00	0.00	4.48	0.00	65.17	50.00	30.35	50.00	2.17	0.00	0.00	2.94	0.00
Kingsport-Bristol MSA	1	3.85	0.00	0.00	9.06	0.00	61.40	100.00	29.53	0.00	5.88	0.00	0.00	10.00	0.00
Morristown MSA	3	11.54	0.00	0.00	4.34	0.00	82.66	100.00	13.01	0.00	4.76	0.00	0.00	5.26	0.00
TN Non MSA	6	23.08	0.00	0.00	3.64	0.00	93.76	100.00	2.60	0.00	9.38	0.00	0.00	9.68	0.00

* Based on 2011 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 (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 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**	% Families11	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	248	23.96	19.45	6.53	17.55	22.04	21.60	18.78	41.40	52.65	1.39	0.68	1.10	0.60	2.27
Nashville MSA	358	34.59	18.38	7.30	17.41	16.57	23.02	17.42	41.19	58.71	0.75	0.33	0.35	0.54	1.28
Limited Review:															
Cleveland MSA	47	4.54	18.88	6.38	17.48	23.40	22.88	29.79	40.76	40.43	1.01	1.05	0.74	0.74	1.42
Jackson MSA	12	1.16	21.77	8.33	15.50	33.33	20.75	8.33	41.99	50.00	0.20	0.00	0.00	0.43	0.25
Johnson City MSA	149	14.40	17.89	4.03	16.69	16.11	22.74	22.15	42.68	57.72	3.72	1.79	2.38	2.56	5.18
Kingsport-Bristol MSA	116	11.21	18.01	7.76	17.80	12.07	23.17	17.24	41.02	62.93	2.76	0.82	0.59	1.19	5.50
Morristown MSA	47	4.54	18.03	6.38	17.79	23.40	23.20	23.40	40.98	46.81	0.44	0.00	0.00	0.38	0.86
TN Non MSA	58	5.60	18.59	5.26	18.21	21.05	23.33	21.05	39.87	52.63	1.73	0.00	1.09	0.96	3.03

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.6% of loans originated and purchased by bank.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 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 12	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	28	17.72	19.45	21.43	17.55	14.29	21.60	28.57	41.40	35.71	2.18	3.54	1.94	2.48	1.54
Nashville MSA	43	27.22	18.38	9.30	17.41	20.93	23.02	25.58	41.19	44.19	2.46	1.67	1.89	3.06	2.70
Limited Review:															
Cleveland MSA	6	3.80	18.88	33.33	17.48	33.33	22.88	0.00	40.76	33.33	2.70	25.00	3.57	0.00	0.00
Jackson MSA	2	1.27	21.77	0.00	15.50	0.00	20.75	100.00	41.99	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	30	18.99	17.89	0.00	16.69	30.00	22.74	16.67	42.68	53.33	7.50	0.00	9.52	6.12	9.64
Kingsport-Bristol MSA	17	10.76	18.01	17.65	17.80	11.76	23.17	23.53	41.02	47.06	3.91	4.17	1.92	2.94	5.68
Morristown MSA	10	6.33	18.03	0.00	17.79	10.00	23.20	30.00	40.98	60.00	5.11	0.00	2.86	3.70	8.93
TN Non MSA	22	13.92	18.59	13.64	18.21	4.55	23.33	22.73	39.87	59.09	8.44	5.88	0.00	8.70	14.29

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 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 13	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans***	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	666	21.44	19.45	6.62	17.55	16.24	21.60	22.56	41.40	54.59	2.63	2.65	1.93	2.60	2.92
Nashville MSA	1,019	32.81	18.38	6.29	17.41	15.42	23.02	22.89	41.19	55.40	1.69	1.82	1.31	1.54	1.88
Limited Review:															
Cleveland MSA	97	3.12	18.88	6.19	17.48	15.46	22.88	24.74	40.76	53.61	2.18	1.32	1.96	2.18	2.32
Jackson MSA	71	2.29	21.77	2.82	15.50	18.31	20.75	21.13	41.99	57.75	1.24	0.00	2.92	1.74	0.75
Johnson City MSA	401	12.91	17.89	4.24	16.69	14.21	22.74	22.44	42.68	59.10	9.07	11.96	8.60	6.74	10.05
Kingsport-Bristol MSA	346	11.14	18.01	3.76	17.80	15.90	23.17	26.01	41.02	54.34	7.95	4.20	6.06	8.74	8.71
Morristown MSA	198	6.37	18.03	7.11	17.79	21.83	23.20	17.77	40.98	53.30	6.05	6.31	7.08	3.50	6.91
TN Non MSA	308	9.92	18.59	4.55	18.21	16.56	23.33	20.78	39.87	58.12	7.50	4.05	9.03	5.94	8.06

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.1% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 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:									
Knoxville MSA	768	24.97	67.20	28.26	53.78	23.70	22.53	4.84	3.61
Nashville MSA	1,161	37.74	67.50	31.44	54.35	23.08	22.57	2.36	1.63
Limited Review:									
Cleveland MSA	120	3.90	70.27	21.67	55.83	16.67	27.50	5.33	2.73
Jackson MSA	142	4.62	68.57	18.31	57.04	25.35	17.61	5.05	1.48
Johnson City MSA	272	8.84	68.25	29.78	59.56	19.49	20.96	8.02	4.77
Kingsport-Bristol MSA	256	8.32	68.71	27.34	53.52	21.09	25.39	6.64	4.52
Morristown MSA	98	3.19	68.03	29.59	61.22	21.43	17.35	5.06	3.47
TN Non MSA	259	8.42	70.95	27.80	65.25	16.99	17.76	8.49	7.41

* 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.

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

**** 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 29.71% 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: TENNESSEE Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
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:									
Knoxville MSA	0	0.00	97.48	0.00	0.00	0.00	0.00	0.00	0.00
Nashville MSA	10	38.46	97.51	50.00	60.00	40.00	0.00	5.04	3.26
Limited Review:									
Cleveland MSA	3	11.54	97.32	66.67	66.67	33.33	0.00	22.22	14.29
Jackson MSA	1	3.85	96.30	0.00	100.00	0.00	0.00	0.00	0.00
Johnson City MSA	2	7.69	97.26	50.00	50.00	0.00	50.00	2.17	0.00
Kingsport-Bristol MSA	1	3.85	96.78	0.00	0.00	100.00	0.00	5.88	0.00
Morristown MSA	3	11.54	97.56	0.00	33.33	0.00	66.67	4.76	0.00
TN Non MSA	6	23.08	99.65	16.67	83.33	0.00	16.67	9.38	0.00

* Based on 2011 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 - 2011).

**** 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 65.38% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS Geography: TENNESSEE Evaluation Period: JANUARY 11, 2010 TO April 7, 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:									
Knoxville MSA	2	2,343	199	21,933	201	24,276	62.39	0	0
Nashville MSA	4	3,136	178	1,070	182	4,206	10.81	0	0
Limited Review:									
Cleveland MSA	0	0	22	1,985	22	1,985	5.10	0	0
Jackson MSA	0	0	9	16	9	16	0.04	0	0
Johnson City MSA	0	0	30	89	30	89	0.23	0	0
Kingsport-Bristol MSA	0	0	57	6,029	57	6,029	15.49	0	0
Morristown MSA	1	340	17	91	18	431	1.11	0	0
TN Non MSA	0	0	25	113	25	113	0.29	0	0
TN Statewide	3	1,766	0	0	3	1,766	4.54	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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: TENNESSEE Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011																	
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:																	
Knoxville MSA	38.26	31	29.52	6.45	25.81	45.16	22.58	0	0	0	0	0	0	7.09	13.21	53.80	25.86
Nashville MSA	31.46	44	40.95	2.27	15.91	43.18	38.64	0	4	0	-2	-1	-1	4.74	18.05	53.10	24.11
Limited Review:																	
Cleveland MSA	4.31	5	4.76	0.00	20.00	80.00	0.00	0	0	0	0	0	0	2.83	11.44	66.03	19.69
Jackson MSA	2.02	3	2.86	33.33	0.00	0.00	66.67	0	0	0	0	0	0	14.76	9.16	39.18	36.90
Johnson City MSA	8.48	7	6.67	0.00	0.00	57.14	42.86	0	0	0	0	0	0	0.00	13.36	62.18	24.46
Kingsport-Bristol MSA	6.21	6	5.71	0.00	33.33	50.00	16.67	0	0	0	0	0	0	0.00	12.01	58.53	29.46
Morristown MSA	3.65	5	3.81	0.00	0.00	80.00	20.00	0	0	0	0	0	0	0.00	6.19	75.94	17.87
TN Non MSA	5.61	6	5.71	0.00	33.33	50.00	16.67	0	0	0	0	0	0	0.00	11.79	82.11	6.10

Table 1. Lending Volume

LENDING VOLUME Geography: TENNESSEE 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:												
Knoxville MSA	22.88	775	191,811	722	146,067	1	120	0	0	1,498	337,998	35.47
Nashville MSA	40.68	1,652	456,988	1,003	200,719	8	805	0	0	2,663	658,512	35.06
Limited Review:												
Cleveland MSA	2.87	101	15,019	84	18,814	3	110	0	0	188	33,943	3.51
Jackson MSA	2.43	48	12,542	111	19,709	0	0	0	0	159	32,251	2.00
Johnson City MSA	10.16	450	75,189	214	33,954	1	100	0	0	665	109,243	7.07
Kingsport-Bristol MSA	9.38	358	61,779	256	44,843	0	0	0	0	614	106,622	5.81
Morristown MSA	3.80	148	20,956	101	16,453	0	0	0	0	249	37,409	3.58
TN Non MSA	7.81	309	41,232	195	35,044	7	377	0	0	511	76,653	7.51

* 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 January 11, 2010 to April 7, 2014. Refer to 2010-2011 table.

*** Deposit Data as of June 30, 2013. 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: TENNESSEE 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 Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	177	21.64	2.46	0.56	14.76	9.60	53.10	27.12	29.68	62.71	0.96	1.16	0.84	0.57	1.52
Nashville MSA	392	47.92	3.95	1.28	15.36	9.18	41.55	17.60	39.14	71.94	0.62	0.32	0.43	0.31	0.94
Limited Review:															
Cleveland MSA	20	2.44	2.79	0.00	4.76	5.00	59.16	50.00	33.29	45.00	0.84	0.00	1.43	0.78	0.88
Jackson MSA	11	1.34	6.57	0.00	12.56	0.00	47.03	9.09	33.84	90.91	0.48	0.00	0.00	0.00	1.11
Johnson City MSA	73	8.92	1.17	0.00	12.61	10.96	47.40	20.55	38.82	68.49	2.30	0.00	3.68	0.78	3.46
Kingsport-Bristol MSA	80	9.78	1.30	0.00	13.76	7.50	47.54	31.25	37.39	61.25	2.53	0.00	1.69	2.22	3.04
Morristown MSA	18	2.20	0.00	0.00	8.70	5.56	76.06	66.67	15.23	27.78	0.97	0.00	0.00	0.90	1.63
TN Non MSA	47	5.75	0.00	0.00	11.72	12.77	70.90	55.32	17.38	31.91	2.59	0.00	4.24	1.99	3.77

* Based on 2012 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 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: TENNESSEE 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:															
Knoxville MSA	36	14.34	2.46	2.78	14.76	8.33	53.10	55.56	29.68	33.33	2.23	3.70	2.94	1.85	2.41
Nashville MSA	92	36.65	3.95	1.09	15.36	8.70	41.55	33.70	39.14	56.52	3.52	1.20	2.42	2.20	5.59
Limited Review:															
Cleveland MSA	12	4.78	2.79	0.00	4.76	0.00	59.16	41.67	33.29	58.33	4.67	0.00	0.00	5.00	5.00
Jackson MSA	3	1.20	6.57	0.00	12.56	0.00	47.03	33.33	33.84	66.67	2.67	0.00	0.00	0.00	10.00
Johnson City MSA	38	15.14	1.17	0.00	12.61	5.26	47.40	52.63	38.82	42.11	12.61	0.00	0.00	13.82	14.63
Kingsport-Bristol MSA	26	10.36	1.30	0.00	13.76	11.54	47.54	23.08	37.39	65.38	5.62	0.00	3.85	3.85	7.83
Morristown MSA	14	5.58	0.00	0.00	8.70	7.14	76.06	78.57	15.23	14.29	3.95	0.00	9.09	3.50	4.35
TN Non MSA	30	11.95	0.00	0.00	11.72	16.67	70.90	76.67	17.38	6.67	14.84	0.00	19.05	15.66	8.33

* Based on 2012 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 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: TENNESSEE 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	559	20.20	2.46	0.89	14.76	9.12	53.10	41.14	29.68	48.84	2.39	1.22	2.57	2.03	2.78
Nashville MSA	1,168	42.21	3.95	1.37	15.36	7.36	41.55	28.60	39.14	62.67	1.63	0.76	1.18	1.18	2.07
Limited Review:															
Cleveland MSA	69	2.49	2.79	0.00	4.76	2.90	59.16	63.77	33.29	33.33	1.65	0.00	1.94	2.13	1.10
Jackson MSA	34	1.23	6.57	0.00	12.56	8.82	47.03	41.18	33.84	50.00	1.25	0.00	0.65	1.30	1.36
Johnson City MSA	338	12.22	1.17	0.30	12.61	7.40	47.40	46.75	38.82	45.56	9.22	5.00	8.73	9.61	9.04
Kingsport-Bristol MSA	251	9.07	1.30	0.80	13.76	8.76	47.54	40.64	37.39	49.80	7.27	2.86	6.06	7.12	7.81
Morristown MSA	116	4.19	0.00	0.00	8.70	2.59	76.06	71.55	15.23	25.86	4.33	0.00	3.80	3.92	6.27
TN Non MSA	232	8.38	0.00	0.00	11.72	7.76	70.90	66.38	17.38	25.86	6.85	0.00	6.05	6.76	7.47

* Based on 2012 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 2010 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: TENNESSEE 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	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	3	60.00	22.30	0.00	28.40	0.00	35.41	66.67	13.89	33.33	3.49	0.00	0.00	6.06	16.67
Nashville MSA	0	0.00	17.79	0.00	30.47	0.00	30.28	0.00	21.46	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Cleveland MSA	0	0.00	25.56	0.00	15.37	0.00	35.90	0.00	23.17	0.00	0.00	0.00	0.00	0.00	0.00
Jackson MSA	0	0.00	26.92	0.00	31.65	0.00	38.75	0.00	2.67	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	1	20.00	1.05	0.00	31.90	100.00	18.25	0.00	48.80	0.00	0.00	0.00	0.00	0.00	0.00
Kingsport-Bristol MSA	1	20.00	4.96	0.00	19.90	0.00	47.75	100.00	27.39	0.00	9.09	0.00	0.00	16.67	0.00
Morristown MSA	0	0.00	0.00	0.00	29.24	0.00	62.70	0.00	8.05	0.00	0.00	0.00	0.00	0.00	0.00
TN Non MSA	0	0.00	0.00	0.00	47.25	0.00	32.26	0.00	20.49	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 Multi Family 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 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: TENNESSEE Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	722	27.08	5.22	11.77	21.06	28.81	40.17	30.89	32.91	28.53	3.64	8.88	5.51	2.99	2.94
Nashville MSA	983	36.87	8.78	12.92	18.34	22.99	32.08	29.81	40.01	34.28	1.95	2.94	2.42	2.05	1.57
Limited Review:															
Cleveland MSA	84	3.15	3.48	4.76	7.47	3.57	51.14	53.57	37.91	38.10	2.94	4.88	0.83	3.54	3.02
Jackson MSA	111	4.16	12.59	2.70	23.57	27.03	38.43	49.55	25.42	20.72	3.52	0.56	4.61	5.01	2.37
Johnson City MSA	214	8.03	1.69	0.93	17.34	20.09	35.15	21.50	44.96	57.48	5.06	2.94	6.44	4.02	6.04
Kingsport-Bristol MSA	256	9.60	2.48	1.56	14.99	20.70	48.55	47.66	33.98	30.08	5.39	5.41	10.00	5.05	4.76
Morristown MSA	101	3.79	0.00	0.00	14.62	28.71	73.67	58.42	11.71	12.87	3.39	0.00	7.10	3.12	3.50
TN Non MSA	195	7.31	0.00	0.00	20.61	32.31	54.74	31.28	24.65	36.41	5.98	0.00	9.25	4.21	7.71

* Based on 2012 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 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: TENNESSEE 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:															
Knoxville MSA	1	5.00	1.97	0.00	14.77	0.00	54.74	100.00	27.96	0.00	2.38	0.00	0.00	3.33	0.00
Nashville MSA	8	40.00	3.35	0.00	14.83	0.00	43.87	87.50	37.65	12.50	2.27	0.00	0.00	3.92	1.69
Limited Review:															
Cleveland MSA	3	15.00	2.00	0.00	1.60	0.00	60.40	100.00	36.00	0.00	7.14	0.00	0.00	8.33	0.00
Jackson MSA	0	0.00	5.09	0.00	8.36	0.00	46.91	0.00	39.64	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	1	5.00	0.24	0.00	10.69	0.00	57.72	100.00	31.35	0.00	2.44	0.00	0.00	5.00	0.00
Kingsport-Bristol MSA	0	0.00	0.29	0.00	12.03	0.00	46.70	0.00	40.97	0.00	0.00	0.00	0.00	0.00	0.00
Morristown MSA	0	0.00	0.00	0.00	6.54	0.00	81.20	0.00	12.26	0.00	0.00	0.00	0.00	0.00	0.00
TN Non MSA	7	35.00	0.00	0.00	6.02	0.00	84.07	85.71	9.92	14.29	4.35	0.00	0.00	3.92	6.25

* Based on 2012 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: TENNESSEE 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**	% Families14	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	177	21.64	19.86	7.43	17.34	10.29	21.37	6.29	41.43	76.00	1.03	0.64	0.63	0.31	1.89
Nashville MSA	392	47.92	20.05	4.85	17.08	10.46	20.70	12.50	42.18	72.19	0.70	0.36	0.31	0.26	1.35
Limited Review:															
Cleveland MSA	20	2.44	19.73	5.00	18.02	5.00	19.97	20.00	42.27	70.00	1.20	0.00	0.42	0.72	2.31
Jackson MSA	11	1.34	22.91	0.00	16.68	0.00	17.98	0.00	42.44	100.00	0.56	0.00	0.00	0.00	1.37
Johnson City MSA	73	8.92	18.66	5.48	16.89	17.81	19.19	13.70	45.25	63.01	2.42	2.70	1.92	1.40	3.17
Kingsport-Bristol MSA	80	9.78	19.72	7.50	16.49	8.75	20.15	12.50	43.65	71.25	2.72	2.67	1.11	1.75	4.08
Morristown MSA	18	2.20	19.79	11.11	17.56	11.11	20.13	16.67	42.52	61.11	1.06	1.16	0.67	0.75	1.55
TN Non MSA	47	5.75	21.00	10.64	17.59	10.64	21.37	19.15	40.04	59.57	2.84	2.08	1.14	1.78	4.58

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.2% of loans originated and purchased by bank.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: TENNESSEE 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 15	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	36	14.34	19.86	16.67	17.34	25.00	21.37	22.22	41.43	36.11	2.31	2.59	3.91	2.49	1.23
Nashville MSA	92	36.65	20.05	11.96	17.08	20.65	20.70	25.00	42.18	42.39	3.75	3.98	4.23	3.04	3.85
Limited Review:															
Cleveland MSA	12	4.78	19.73	16.67	18.02	8.33	19.97	41.67	42.27	33.33	5.11	6.67	0.00	8.11	5.36
Jackson MSA	3	1.20	22.91	0.00	16.68	0.00	17.98	0.00	42.44	100.00	2.86	0.00	0.00	0.00	5.88
Johnson City MSA	38	15.14	18.66	15.79	16.89	18.42	19.19	21.05	45.25	44.74	12.72	15.63	14.29	12.07	11.46
Kingsport-Bristol MSA	26	10.36	19.72	11.54	16.49	3.85	20.15	15.38	43.65	69.23	5.71	3.85	0.00	5.56	8.70
Morristown MSA	14	5.58	19.79	7.14	17.56	7.14	20.13	42.86	42.52	42.86	4.05	0.00	0.00	8.00	4.62
TN Non MSA	30	11.95	21.00	13.33	17.59	30.00	21.37	23.33	40.04	33.33	15.08	16.67	25.93	9.38	12.24

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: TENNESSEE 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 16	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans***	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Knoxville MSA	559	20.20	19.86	12.16	17.34	14.67	21.37	21.82	41.43	51.34	2.82	4.16	2.30	2.29	3.03
Nashville MSA	1,168	42.21	20.05	6.93	17.08	15.92	20.70	20.38	42.18	56.76	2.09	1.75	1.70	1.91	2.37
Limited Review:															
Cleveland MSA	69	2.49	19.73	5.80	18.02	23.19	19.97	20.29	42.27	50.72	2.38	2.42	4.47	1.73	2.03
Jackson MSA	34	1.23	22.91	11.76	16.68	14.71	17.98	8.82	42.44	64.71	1.56	2.94	1.74	0.00	2.00
Johnson City MSA	338	12.22	18.66	6.80	16.89	16.27	19.19	19.82	45.25	57.10	10.85	10.79	11.11	9.87	11.22
Kingsport-Bristol MSA	251	9.07	19.72	5.58	16.49	14.34	20.15	23.90	43.65	56.18	8.50	8.50	5.98	8.48	9.37
Morristown MSA	116	4.19	19.79	5.17	17.56	19.83	20.13	23.28	42.52	51.72	4.98	2.68	6.14	4.88	4.94
TN Non MSA	232	8.38	21.00	3.45	17.59	16.38	21.37	25.86	40.04	54.31	7.87	3.74	8.54	7.94	8.05

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: TENNESSEE 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:									
Knoxville MSA	722	26.88	71.93	27.01	51.66	22.71	25.62	3.64	3.13
Nashville MSA	1,003	37.34	71.16	24.03	53.54	21.93	24.53	1.95	1.19
Limited Review:									
Cleveland MSA	84	3.13	73.09	11.90	51.19	20.24	28.57	2.94	1.35
Jackson MSA	111	4.13	67.53	10.81	58.56	18.92	22.52	3.52	0.80
Johnson City MSA	214	7.97	71.41	19.63	54.21	27.10	18.69	5.06	3.20
Kingsport-Bristol MSA	256	9.53	72.44	27.73	58.20	20.31	21.48	5.39	3.95
Morristown MSA	101	3.76	72.65	26.73	63.37	12.87	23.76	3.39	3.29
TN Non MSA	195	7.26	72.61	20.00	60.00	18.46	21.54	5.98	4.44

* Based on 2012 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 28.78% 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: TENNESSEE 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:									
Knoxville MSA	1	5.00	97.71	0.00	0.00	100.00	0.00	2.38	0.00
Nashville MSA	8	40.00	97.40	25.00	75.00	25.00	0.00	2.27	0.82
Limited Review:									
Cleveland MSA	3	15.00	97.60	33.33	100.00	0.00	0.00	7.14	0.00
Jackson MSA	0	0.00	96.00	0.00	0.00	0.00	0.00	0.00	0.00
Johnson City MSA	1	5.00	97.39	0.00	100.00	0.00	0.00	2.44	0.00
Kingsport-Bristol MSA	0	0.00	97.99	0.00	0.00	0.00	0.00	0.00	0.00
Morristown MSA	0	0.00	98.37	0.00	0.00	0.00	0.00	0.00	0.00
TN Non MSA	7	35.00	99.84	28.57	100.00	0.00	0.00	4.35	4.00

* Based on 2012 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 70.00% of small loans to farms originated and purchased by the bank.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: TENNESSEE Evaluation Period: JANUARY 1, 2012 TO APRIL 7, 2014																	
MA/Assessment Area:	Deposit s % of Rated Area Deposit s in AA	Branches						Branch Openings/Closings						Population			
		# 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:																	
Knoxville MSA	35.47	28	25.93	7.14	32.14	32.14	28.57	2	5	0	-1	-1	-1	6.10	17.33	48.88	26.61
Nashville MSA	35.06	43	39.81	2.33	11.63	44.19	41.86	1	2	0	-1	-1	+1	8.33	19.36	38.02	33.92
Limited Review:																	
Cleveland MSA	3.51	4	3.70	0.00	25.00	50.00	25.00	0	1	0	0	-1	0	5.89	7.47	53.92	32.73
Jackson MSA	2.00	3	2.78	33.33	0.00	0.00	66.67	0	0	0	0	0	0	12.23	17.79	43.24	26.75
Johnson City MSA	7.07	6	5.56	0.00	0.00	66.67	33.33	0	1	0	0	0	-1	1.86	16.78	42.46	37.41
Kingsport-Bristol MSA	5.81	6	5.56	0.00	33.33	50.00	16.67	0	0	0	0	0	0	2.14	15.87	46.78	35.21
Morristown MSA	3.58	5	4.63	0.00	0.00	80.00	20.00	0	0	0	0	0	0	0.00	11.44	73.90	14.66
TN Non MSA	7.51	13	12.04	0.00	23.08	53.85	23.08	7	0	0	+1	+4	+2	0.00	19.59	63.80	16.61

Table 1. Lending Volume

LENDING VOLUME Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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:												
Winston-Salem MSA	74.39	40	16,684	19	4,030	0	0	2	12,520	61	33,234	80.77
Limited Review:												
Raleigh-Cary MSA	25.61	15	7,072	6	1,850	0	0	0	0	21	8,922	19.23

* 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 11, 2010 to April 7, 2014.

*** Deposit Data as of June 30, 2011. 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: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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	Over all	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	11	84.62	1.33	0.00	11.78	0.00	46.67	9.09	40.22	90.91	0.21	0.00	0.00	0.05	0.43
Limited Review:															
Raleigh-Cary MSA	2	15.38	1.01	0.00	9.98	0.00	54.98	50.00	34.03	50.00	0.01	0.00	0.00	0.00	0.02

* 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: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	1	100.00	1.33	0.00	11.78	0.00	46.67	0.00	40.22	100.00	0.40	0.00	0.00	0.00	0.94
Limited Review:															
Raleigh-Cary MSA	0	0.00	1.01	0.00	9.98	0.00	54.98	0.00	34.03	0.00	0.00	0.00	0.00	0.00	0.00

* 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: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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:															
Winston-Salem MSA	28	68.29	1.33	0.00	11.78	7.14	46.67	14.29	40.22	78.57	0.26	0.00	0.59	0.04	0.40
Limited Review:															
Raleigh-Cary MSA	13	31.71	1.01	0.00	9.98	0.00	54.98	69.23	34.03	30.77	0.02	0.00	0.00	0.03	0.01

* 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: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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 Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	0	0.00	4.38	0.00	23.55	0.00	50.96	0.00	21.11	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Raleigh-Cary MSA	0	0.00	6.96	0.00	17.48	0.00	51.61	0.00	23.95	0.00	0.00	0.00	0.00	0.00	0.00

* 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 Multi Family 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: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	19	76.00	1.92	0.00	11.46	26.32	51.09	68.42	35.53	5.26	0.12	0.00	0.00	0.24	0.00
Limited Review:															
Raleigh-Cary MSA	6	24.00	1.59	0.00	8.74	0.00	56.99	100.00	32.69	0.00	0.02	0.00	0.00	0.03	0.00

* 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 (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011															
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:															
Winston-Salem MSA	0	0.00	0.27	0.00	7.98	0.00	51.06	0.00	40.69	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Raleigh-Cary MSA	0	0.00	0.68	0.00	8.11	0.00	62.92	0.00	28.29	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2011 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 (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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**	% Families17	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	11	84.62	18.82	0.00	16.93	0.00	22.46	9.09	41.80	90.91	0.25	0.00	0.00	0.00	0.70
Limited Review:															
Raleigh-Cary MSA	2	15.38	16.90	0.00	16.60	0.00	22.48	0.00	44.01	100.00	0.01	0.00	0.00	0.00	0.02

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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 18	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	1	100.00	18.82	0.00	16.93	0.00	22.46	0.00	41.80	100.00	0.42	0.00	0.00	0.00	1.10
Limited Review:															
Raleigh-Cary MSA	0	0.00	16.90	0.00	16.60	0.00	22.48	0.00	44.01	0.00	0.00	0.00	0.00	0.00	0.00

* 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 Families is based on the 2000 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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 19	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans***	Overa II	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	28	68.29	18.82	0.00	16.93	3.57	22.46	3.57	41.80	92.86	0.33	0.00	0.12	0.08	0.55
Limited Review:															
Raleigh-Cary MSA	13	31.71	16.90	0.00	16.60	0.00	22.48	7.69	44.01	92.31	0.02	0.00	0.00	0.00	0.04

* 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.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank. 19 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 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:									
Winston-Salem MSA	19	76.00	65.59	5.26	57.89	21.05	21.05	0.12	0.00
Limited Review:									
Raleigh-Cary MSA	6	24.00	67.32	0.00	16.67	16.67	66.67	0.02	0.00

* 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.

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

**** 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 16.00% 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: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
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:									
Winston-Salem MSA	0	0.00	98.54	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
Raleigh-Cary MSA	0	0.00	95.11	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2011 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 - 2011).

**** 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: NORTH CAROLINA Evaluation Period: JANUARY 11, 2010 TO April 7, 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:									
Winston-Salem MSA	0	0	50	154	50	154	85.56	0	0
Limited Review:									
Raleigh-Cary MSA	0	0	4	5	4	5	2.78	0	0
NC Statewide	0	0	9	21	9	21	11.67	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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011																	
MA/Assessment Area:	Deposit s	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:																	
Winston-Salem MSA	80.77	1	50.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	4.39	17.91	44.17	33.53
Limited Review:																	
Raleigh-Cary MSA	19.23	1	50.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	5.32	12.84	52.30	29.54

Table 1. Lending Volume

LENDING VOLUME Geography: NORTH 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:												
Winston-Salem MSA	80.25	52	23,344	13	3,213	0	0	0	0	65	26,557	82.47
Limited Review:												
Raleigh-Cary MSA	19.75	8	2,234	8	3,640	0	0	0	0	16	5,874	17.53

* 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 January 11, 2012 to April 7, 2014. Refer to 2010 to 2011 table.

*** Deposit Data as of June 30, 2013. 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: NORTH 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 Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	19	86.36	3.46	0.00	14.16	5.26	37.61	10.53	44.77	84.21	0.23	0.00	0.21	0.00	0.43
Limited Review:															
Raleigh-Cary MSA	3	13.64	1.97	0.00	16.96	0.00	38.16	33.33	42.91	66.67	0.02	0.00	0.00	0.01	0.03

* Based on 2012 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 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: NORTH 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	0	0.00	3.46	0.00	14.16	0.00	37.61	0.00	44.77	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Raleigh-Cary MSA	0	0.00	1.97	0.00	16.96	0.00	38.16	0.00	42.91	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 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: NORTH 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:															
Winston-Salem MSA	33	86.84	3.46	0.00	14.16	0.00	37.61	3.03	44.77	96.97	0.29	0.00	0.00	0.04	0.46
Limited Review:															
Raleigh-Cary MSA	5	13.16	1.97	0.00	16.96	20.00	38.16	20.00	42.91	60.00	0.01	0.00	0.00	0.01	0.01

* Based on 2012 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 2010 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: NORTH 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	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	0	0.00	14.91	0.00	36.46	0.00	21.33	0.00	27.29	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Raleigh-Cary MSA	0	0.00	11.15	0.00	25.31	0.00	30.06	0.00	33.48	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 Multi Family 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 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	13	61.90	5.21	0.00	15.71	61.54	35.99	30.77	43.08	7.69	0.10	0.00	0.50	0.09	0.00
Limited Review:															
Raleigh-Cary MSA	8	38.10	4.31	37.50	17.94	12.50	33.02	25.00	44.49	25.00	0.01	0.15	0.00	0.00	0.00

* Based on 2012 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 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: NORTH 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:															
Winston-Salem MSA	0	0.00	2.46	0.00	10.84	0.00	40.61	0.00	46.10	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Raleigh-Cary MSA	0	0.00	1.65	0.00	13.68	0.00	45.99	0.00	38.63	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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: NORTH 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**	% Families20	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	19	86.36	21.65	0.00	15.75	5.26	20.10	0.00	42.51	94.74	0.27	0.00	0.09	0.00	0.68
Limited Review:															
Raleigh-Cary MSA	3	13.64	19.53	0.00	15.78	0.00	19.61	0.00	45.08	100.00	0.02	0.00	0.00	0.00	0.04

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank. 20 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: NORTH 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 21	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	0	0.00	21.65	0.00	15.75	0.00	20.10	0.00	42.51	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Raleigh-Cary MSA	0	0.00	19.53	0.00	15.78	0.00	19.61	0.00	45.08	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: NORTH 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 22	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans***	Overa II	Low	Mod	Mid	Upp
Full Review:															
Winston-Salem MSA	33	86.84	21.65	0.00	15.75	0.00	20.10	0.00	42.51	100.00	0.36	0.00	0.00	0.00	0.66
Limited Review:															
Raleigh-Cary MSA	5	13.16	19.53	20.00	15.78	0.00	19.61	20.00	45.08	60.00	0.01	0.05	0.00	0.01	0.01

* Based on 2012 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank. 22 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: NORTH 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:									
Winston-Salem MSA	13	61.90	72.41	23.08	30.77	46.15	23.08	0.10	0.04
Limited Review:									
Raleigh-Cary MSA	8	38.10	73.00	0.00	12.50	25.00	62.50	0.01	0.00

* Based on 2012 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 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: NORTH 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:									
Winston-Salem MSA	0	0.00	97.54	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
Raleigh-Cary MSA	0	0.00	94.89	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: NORTH CAROLINA Evaluation Period: JANUARY 1, 2012 TO APRIL 7, 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:																	
Winston-Salem MSA`	82.47	1	50.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	8.63	20.92	32.84	37.62
Limited Review:																	
Raleigh-Cary MSA	17.53	1	50.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	6.21	19.34	36.37	37.60

Table 1. Lending Volume

LENDING VOLUME Geography: BROADER REGIONAL AREA Evaluation Period: JANUARY 11, 2010 TO APRIL 7, 2014												
Assessment Area:	% 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)	
Broader Regional Area (With no potential benefit to any AA)		0	0	0	0	0	0	5	31,391	5	31,391	

* 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 January 11, 2010 to April 7, 2014

*** Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS Geography: BROADER REGIONAL AREA Evaluation Period: JANUARY 11, 2010 TO APRIL 7, 2014									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Broader Regional Area (With no potential benefit to any AA)	9	34,868	13	25,084	22	59,952	100.00	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.

