



## **PUBLIC DISCLOSURE**

December 2, 2019

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Atlantic Capital Bank, NA  
Charter Number: 24425

945 East Paces Ferry Road, Suite 1600  
Atlanta, Georgia 30326

Office of the Comptroller of the Currency

Three Ravinia Drive, Suite 550  
Atlanta, Georgia 30346

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

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

The following table indicates the performance level of Atlantic Capital Bank with respect to the Lending, Investment, and Service Tests:

Performance Levels	Atlantic Capital Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory			X
Low Satisfactory	X		
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 Lending Test rating is based on an overall adequate performance in home mortgage lending, small business lending, and community development lending. Overall, community development lending in Tennessee was adequate and community development lending levels in Georgia were relatively high.
- The Investment Test rating is based on an excellent performance in making qualified investments and donations in both Tennessee and Georgia.
- The Service Test rating is based on a good level of services in the states of Tennessee and Georgia.

### Lending in Assessment Area

An adequate percentage of the bank’s loans are in its assessment areas.

The bank originated and purchased 60.9 percent of the number of its total loans inside its assessment areas during the evaluation period. By dollar volume of loans, the bank originated 50.9 percent of loans within its assessment areas. This analysis is performed at the bank, rather than the assessment area, level.

**Table D - Lending Inside and Outside of the Assessment Area**

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
<b>Home Mortgage</b>										
2016	131	68.2	61	31.8	192	27,952	43.7	35,971	56.3	63,923
2017	154	69.7	67	30.3	221	53,771	53.1	47,437	46.9	101,208
2018	267	71.4	107	28.6	374	76,033	69.2	33,917	30.8	109,950
<b>Subtotal</b>	<b>552</b>	<b>70.1</b>	<b>235</b>	<b>29.9</b>	<b>787</b>	<b>157,756</b>	<b>57.3</b>	<b>117,325</b>	<b>42.7</b>	<b>275,081</b>
Small Business	517	53.4	451	46.6	968	156,488	45.7	185,921	54.3	342,409
<b>Total</b>	<b>1,079</b>	<b>61.48</b>	<b>686</b>	<b>38.52</b>	<b>1,755</b>	<b>314,244</b>	<b>50.89</b>	<b>303,246</b>	<b>49.11</b>	<b>617,490</b>

Source: Evaluation Period: 7/1/2016- 12/31/2018 Bank Data  
Due to rounding, totals may not equal 100.0

## Description of Institution

Atlantic Capital Bank is a federally chartered financial institution that opened in 2007. It is the sole banking subsidiary of Atlantic Capital Bancshares, Inc. In 2015, Atlantic Capital Bank acquired First Security Group, Inc. and FSG Bank, thereby adding banking offices in North Georgia and Tennessee. Over the evaluation period, Atlantic Capital Bank sold some of the acquired offices and closed and consolidated others. Seven Tennessee branches were sold in 2016, another was sold in 2017. In addition, Atlantic Capital Bank closed the loan production office in Charlotte, North Carolina, and sold the trust and wealth management division, which primarily operated in the Tennessee and northwest Georgia markets.

Atlantic Capital Bank has designated five assessment areas, all of which are located in Metropolitan Statistical Areas. These assessment areas include Atlanta, Georgia; Knoxville, Tennessee; Chattanooga, Tennessee; Dalton, Georgia; and Jefferson County, Tennessee. The Atlanta, Georgia assessment area is the largest with 57 percent of the combined assessment area population and 275 census tracts. This assessment area does not include whole counties but does not arbitrarily exclude low- and moderate-income geographies. Rather, it is made up of census tracts from the Georgia Counties of Fulton, Cobb, Gwinnett, and DeKalb. The Knoxville, Tennessee assessment area includes Knox and Union Counties in their entirety. The Chattanooga, Tennessee assessment area encompasses all of Hamilton County. The Dalton, Georgia assessment area includes all of Whitfield County, and the Jefferson County, Tennessee assessment area includes all of Jefferson County. The five assessment areas combined have a population of nearly 2.3 million, with 489 census tracts.

At year-end 2018, Atlantic Capital Bank operated 15 branch offices and 17 ATMs within its combined CRA assessment areas. All branch offices offer a full range of credit and deposit services. Consumer products include demand deposit, savings, money market and time deposit accounts, along with consumer loans/lines of credit and mortgage loans. Electronic services offered to consumer customers include online and mobile banking. Products offered to commercial customers include checking, money market, savings and time deposits, along with commercial loans and ACH services. Lobby and drive-up facility hours are convenient, and ATMs are available 24 hours a day at all locations.

Atlantic Capital Bank faces significant competition in all geographic markets in which it operates, mainly from banks that operate nationwide and regional banks, but also from other community banks. In the Atlanta, Georgia assessment area, Atlantic Capital Bank ranks 14<sup>th</sup> in deposit market share of 63 depository institutions, with \$1.4 billion in deposits. Atlantic Capital Bank's Atlanta business is focused on commercial and not-for-profit enterprises, commercial real estate developers, and individuals related to these businesses. Non-Atlanta offices (Tennessee and Northwest Georgia) operated in a more traditional retail fashion, serving consumer and small-and-mid-size businesses in those markets.

As of September 30, 2019, Atlantic Capital Bank reported total assets of \$2.4 billion, net loans of \$1.8 billion, total deposits of \$1.8 billion, and total equity of \$370 million. Leverage capital (Tier 1 – Core) ratio was 13.57 percent with common equity Tier 1 and total risk-based capital ratios of 14.29 percent and 15.12 percent, respectively. The bank's loan portfolio reflects commercial real estate, commercial and industrial, and construction loans as the bank's primary products. As of September 30, 2019, commercial real estate loans comprised 44 percent of the loan portfolio, followed by commercial loans and industrial loans at 38 percent and construction loans at 8 percent.

There are no legal or financial impediments that hinder the bank's ability to meet the credit needs of the community. Atlantic Capital Bank received an overall "Satisfactory" rating at its prior intermediate small bank CRA examination dated October 3, 2016. During 2018, the decision was made to exit the Tennessee and northwest Georgia markets and the residential mortgage banking business. On November 14, 2018, ACB entered into an agreement to sell the remaining branches in Tennessee and branches in northwest Georgia to FirstBank. The sale was consummated in early 2019. Strategic priorities now include growing Atlanta presence and investing in high growth depository and lending businesses with a long-term focus on sustainable growth, expense management, interest rate risk management and maintaining best in class asset quality.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

This Performance Evaluation is an assessment of Atlantic Capital Bank's ability to meet the credit needs of its communities. The bank was evaluated using the procedures for large banks. These procedures include tests for Lending, Investments, and Services.

The bank's primary loan products over the evaluation period were home mortgage and small business loans. For purposes of this evaluation, we gave equal weight to the bank's home mortgage lending and its record of small business lending. Home mortgages include home purchase, home improvement and refinance loan originations. Atlantic Capital Bank's performance for the lending test is based on an assessment of its home mortgage, small business and community development lending between July 1,

2016, and December 31, 2018. In assessing performance with respect to community development we reviewed the bank's services, investments, and donations, for the same period.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one assessment area within that state was selected for a full-scope review. For purposes of this evaluation, the bank's delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single assessment area. These combined assessment areas may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating section for details regarding how full-scope assessment areas were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope assessment areas.

### **Ratings**

The bank's overall rating is a blend of the state ratings. Performance in the state of Georgia was most heavily weighted as the Atlanta assessment area represents 70.2 percent of total deposits during the review period. In addition, the Atlanta assessment area has the greatest population and volume of census tracts. When evaluating performance under the Lending Test, we weighted home mortgages and small business loans equally, as the volume of originations for both loan types was similar. The state ratings are both based primarily on those assessment areas receiving full-scope reviews. Refer to the "Scope" section under each State for details regarding how the areas were weighted in arriving at the respective ratings.

### **Discriminatory 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 Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

## **State Rating**

### **State of Tennessee**

**CRA rating for the State of Tennessee:** Satisfactory

**The Lending Test is rated:** Low Satisfactory

**The Investment Test is rated:** Outstanding

**The Service Test is rated: High Satisfactory**

The major factors that support this rating include:

- Lending activity in the Chattanooga assessment area reflects good responsiveness to the assessment area credit needs given competition from other lenders in Hamilton County.
- The bank exhibits a good geographic distribution of home loans and small business loans in its Chattanooga assessment area. Overall, the geographic distribution of home mortgage and small business loans in the limited-scope assessment areas is consistent with the Chattanooga assessment area.
- The bank exhibits a poor distribution of loans among individuals of different income levels and businesses of different sizes in the Chattanooga assessment area. Lending levels in the limited-scope assessment areas was stronger than in the Chattanooga assessment area.
- While the bank made a poor level of community development loans in the Chattanooga assessment area, community development lending in the limited-scope assessment areas had a very positive impact on overall community development lending in the state of Tennessee.
- Delivery systems are readily accessible to all portions of the bank's assessment areas and to individuals of different income levels.
- The level of community development services is good.
- The bank has an excellent level of qualified community development investments and grants demonstrating good responsiveness to credit and community economic development needs.

**Description of Institution's Operations in the State of Tennessee**

By the end of 2018, Atlantic Capital Bank operated eleven branches in the state of Tennessee. The bank possesses a limited deposit market share in the state of Tennessee with a share of 0.27 percent. The bank ranks 53 out of 189 total financial institutions with deposits in the state (Source: 2018 FDIC Summary of Deposits). The bank's deposits in Tennessee make up 20 percent of its total deposits. In 2018, the top three financial institutions in the bank's state of Tennessee assessment areas combined were First Tennessee Bank, N.A, SunTrust Bank, and Regions Bank, which collectively make up 66 percent of deposit market share.

During the period under review, Atlantic Capital Bank operated six branches with automated teller machines in the Chattanooga assessment area. According to the 2015 ACS Census data, the assessment area includes 82 census tracts: ten low-income, 12 moderate-income, 31 middle-income, 27 upper-income and 2 non-descript. The population of the assessment area was 348,121 with 88,629 families. Approximately 20.2 percent of the families are low-income, and 17 percent are moderate-income.

Approximately 9.4 percent of the families are below poverty level. The median income in the assessment area is \$67,322 and the median housing value is \$280,161.

The Tennessee Department of Labor & Workforce Development states that as of December 2018, the unemployment rate in Hamilton County was 2.9 percent while the unemployment rate for the state of Tennessee was 4 percent. The Chattanooga Area Chamber of Commerce identifies Erlanger Health System, BlueCross BlueShield of Tennessee, Hamilton County Schools, Tennessee Valley Authority and McKee Foods Corporation as major employers of Hamilton County.

Hamilton County, which constitutes the Chattanooga assessment area, is part of the Chattanooga, TN-GA MSA. The Chattanooga MSA is the fourth largest in Tennessee and the city of Chattanooga anchors a three-state area that includes Southeast Tennessee, Northwest Georgia, and Northeast Alabama. Major industry driving the economy includes automotive, advanced manufacturing, food and beverage production, healthcare, insurance, tourism, and back office and corporate headquarters. Chattanooga's economy includes a diversified and growing mix of manufacturing and service industries.

Below are demographics for each of the bank's Tennessee assessment areas.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Chattanooga Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	82	12.2	14.6	37.8	32.9	2.4
Population by Geography	348,121	8.8	13.5	35.9	41.8	0.0
Housing Units by Geography	153,730	9.4	14.7	37.4	38.6	0.0
Owner-Occupied Units by Geography	87,922	4.2	11.7	37.2	46.9	0.0
Occupied Rental Units by Geography	48,397	16.3	18.9	38.2	26.6	0.0
Vacant Units by Geography	17,411	16.0	17.9	36.0	30.1	0.0
Businesses by Geography	27,441	8.1	15.6	35.6	40.4	0.3
Farms by Geography	607	4.8	11.2	40.2	43.8	0.0
Family Distribution by Income Level	88,629	20.2	17.0	18.9	44.0	0.0
Household Distribution by Income Level	136,319	23.9	15.6	17.0	43.4	0.0
Median Family Income MSA - 16860 Chattanooga, TN-GA MSA		\$58,694	Median Housing Value			\$159,123
			Median Gross Rent			\$769
			Families Below Poverty Level			11.3%



Source: 2015 ACS Census and 2018 D&B Data  
 Due to rounding, totals may not equal 100.0  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

**Table A – Demographic Information of the Assessment Area**  
**Assessment Area: Jefferson County Assessment Area**

<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	9	0.0	0.0	88.9	11.1	0.0
Population by Geography	52,490	0.0	0.0	93.0	7.0	0.0
Housing Units by Geography	23,592	0.0	0.0	93.3	6.7	0.0
Owner-Occupied Units by Geography	14,439	0.0	0.0	92.4	7.6	0.0
Occupied Rental Units by Geography	5,240	0.0	0.0	94.4	5.6	0.0
Vacant Units by Geography	3,913	0.0	0.0	95.1	4.9	0.0
Businesses by Geography	2,151	0.0	0.0	94.8	5.2	0.0
Farms by Geography	84	0.0	0.0	85.7	14.3	0.0
Family Distribution by Income Level	14,068	18.0	18.2	21.1	42.7	0.0
Household Distribution by Income Level	19,679	22.0	14.6	17.9	45.6	0.0
Median Family Income MSA - 34100 Morristown, TN MSA		\$49,373	Median Housing Value			\$132,645
			Median Gross Rent			\$643
			Families Below Poverty Level			11.6%

Source: 2015 ACS Census and 2018 D&B Data  
 Due to rounding, totals may not equal 100.0  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

**Table A – Demographic Information of the Assessment Area****Assessment Area: Knoxville Assessment Area**

<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	104	5.8	19.2	37.5	35.6	1.9
Population by Geography	417,609	4.2	18.5	38.9	37.1	1.4
Housing Units by Geography	185,562	4.4	21.1	39.9	34.5	0.1
Owner-Occupied Units by Geography	112,016	2.2	15.0	40.8	42.0	0.0
Occupied Rental Units by Geography	56,807	8.3	30.7	38.7	22.2	0.2
Vacant Units by Geography	16,739	6.2	29.3	38.1	26.1	0.4
Businesses by Geography	26,368	2.8	16.0	33.2	47.4	0.6
Farms by Geography	639	1.4	16.9	36.6	44.1	0.9
Family Distribution by Income Level	105,534	19.4	15.4	19.3	45.9	0.0
Household Distribution by Income Level	168,823	21.5	15.6	16.4	46.5	0.0
Median Family Income MSA - 28940 Knoxville, TN MSA		\$59,210	Median Housing Value			\$167,574
			Median Gross Rent			\$809
			Families Below Poverty Level			10.6%

Source: 2015 ACS Census and 2018 D&B Data

Due to rounding, totals may not equal 100.0

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

### Community Contacts

To help identify needs and opportunities in the Chattanooga assessment area, we reviewed community contact forms prepared within the evaluation period of the exam. A neighborhood development authority in the Northwest Georgia area, focused on promoting the expansion of industry and diversification of the regional economy, noted 40 percent of workforce from Northern Georgia work in the Chattanooga area. The community contact noted a need for \$5M to \$50M loans for individuals and small businesses and noted a need for more multi-unit family units in counties where there is a greater population.

## Scope of Evaluation in the State of Tennessee

We conducted a full-scope review of the Chattanooga assessment area (which consists solely of Hamilton County in its entirety), given the significant portion of originated/purchased loans, branch locations and deposits. As a result of its significance in the state, we placed the greatest amount of weight on the results in the Chattanooga assessment in determining the state rating. We conducted limited-scope reviews of the Knoxville assessment area and the Jefferson assessment area. These assessment areas were selected for limited-scope reviews as the volume of loans, deposits, and branch offices is lower in these areas. During the period under review, the bank originated 370 loans in the Chattanooga assessment area. For the Knoxville and Jefferson assessment areas, the bank originated 86 and 119 loans, respectively. Also, the Chattanooga assessment area had six branch offices during the period under review, while the Knoxville and Jefferson assessment areas had only three and two branch offices, respectively. With respect to deposit volume, the Chattanooga assessment area had \$168.6 million in deposits in Hamilton County. For the Knoxville and Jefferson assessment areas, the bank had lower deposit volumes of \$115.5 billion and \$129.4 billion, respectively.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TENNESSEE

### LENDING TEST

The bank's performance under the Lending Test in the State of Tennessee is rated Low Satisfactory.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review in the Chattanooga assessment area, the bank's performance is adequate.

### Lending Activity

Lending activity in the Chattanooga assessment area (Hamilton County) reflects adequate responsiveness to the assessment area credit needs given competition from other lenders in Hamilton County. Atlantic Capital Bank had a deposit market share in the Chattanooga assessment area of 2.16 percent as of June 30, 2018 and ranked 8<sup>th</sup> among 19 depository institutions. With respect to home mortgage lending in the Chattanooga assessment area, the bank ranked 27<sup>th</sup> out of 431 lenders in the market with an .84 percent market share. The top three lenders in the Chattanooga assessment area were large national banks. These included SunTrust, Regions Bank, and Wells Fargo.

The following tables reflect the bank's lending in the Chattanooga assessment area.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Chattanooga AA	215	154	1	370

Dollar Volume of Loans (000s)				
Assessment Area	Home Mortgage (000s)	Small Business (000s)	Community Development (000s)	Total
Chattanooga AA	\$43,538	\$35,597	\$350	\$79,485

### **Distribution of Loans by Income Level of the Geography**

The bank exhibits a good geographic distribution of loans in its Chattanooga assessment area.

#### ***Home Mortgage Loans***

Refer to Table O of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

In 2016, the bank made no mortgage loans in low-or moderate-income census tracts. The aggregate of all reporting lenders in the Chattanooga assessment area for 2016 reported 3.1 percent of lending in low-income census tracts and 9.5 percent in moderate-income census tracts. For purposes of this evaluation, we placed less weight on 2016 lending as it encompasses only six months of the total review period. For 2017 and 2018 combined, the bank's home mortgage lending in low-income census tracts significantly exceeded aggregate lenders and was commensurate with the aggregate of all lenders in moderate-income census tracts.

#### ***Small Loans to Businesses***

Refer to Table Q of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

For 2016, small business lending in low-income and moderate-income census tracts significantly exceeded the aggregate of all lenders reporting in Hamilton County. For 2017 and 2018 combined, small business lending in low-income census tracts well exceeded the aggregate of all lenders but was slightly lower than aggregate in moderate-income census tracts.

#### ***Lending Gap Analysis***

We reviewed summary reports and analyzed Atlantic Capital Bank's home mortgage and small business lending activity over the evaluation period to 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 bank exhibits a poor distribution of loans among individuals of different income levels and business of different sizes.

### ***Home Mortgage Loans***

Refer to Table P in appendix D for the facts and data used to evaluate the borrower distribution of the institution's home mortgage loan originations and purchases.

For 2016, the bank's lending to low-income and moderate-income borrowers was less than the aggregate of all lenders reporting in the Chattanooga assessment area. For 2017 and 2018 combined, lending to low-income borrowers exceeded aggregate lending levels, but was lower than the aggregate for moderate-income borrowers.

### ***Small Loans to Businesses***

Refer to Table R in the state of Tennessee section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's originations and purchases of small loans to businesses.

For 2016, the bank's percentage of lending to businesses with annual revenues of less than \$1M was 30.0 percent. In comparison, the aggregate of all lenders reported 42.7 percent of 2016 lending to businesses with annual revenues less than \$1M. For 2017 and 2018 combined, the percentage of Atlantic Capital Bank's lending to businesses less than \$1M in the Chattanooga assessment area was 40.4 percent. For the same period, the percentage of aggregate lenders reported 46.4 percent of lending to businesses with revenues less than \$1M.

### **Community Development Lending**

The institution made a poor level of community development loans in the Chattanooga assessment area.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of community development lending. These tables include all community development loans in the full-scope assessment area. The tables reflect that during the period under review, Atlantic Capital Bank originated one community development loan in the Chattanooga assessment area in the amount of \$350,000. This level of community development lending represents 1.37 percent of Tier 1 capital and has had a negative impact on overall lending levels in the Chattanooga assessment area. Nevertheless, the single community development loan was responsive to identified community needs for local employment. The loan was a \$350,000 line of credit extended to a local minor league sports team. The arena where this team plays provides jobs for low- and moderate-income individuals in the surrounding area.

### **Product Innovation and Flexibility**

The institution makes limited use of innovative and/or flexible lending practices in order to serve assessment area credit needs. Atlantic Capital Bank supports the lending needs of small businesses with loan products that offer high loan-to-value ratios, low down payment requirements, and low monthly payments.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews for all types of lending, the bank's performance under the Lending Test in the Knoxville and Jefferson County assessment areas is stronger than the bank's overall performance under the Lending Test in the full-scope area. Overall, lending in the limited-scope assessment areas has had a positive impact on ratings in the state of Tennessee.

Refer to Tables in appendix D for the facts and data that support these conclusions.

While the Knoxville, Tennessee assessment area was reviewed utilizing limited-scope procedures, one community development loan is worth noting. Atlantic Capital Bank originated a \$6.6 million loan within this assessment area, used to renovate a largely vacant historic building in downtown Knoxville into a new hotel. The hotel is located within the Knoxville Community Development Corporation's Gay Street Redevelopment District, which was created to revitalize a blighted section of downtown Knoxville. The hotel created 83 permanent jobs, the majority of which were estimated as low-and moderate-income. In addition, approximately 200 construction jobs were created during the renovation, the majority of which were estimated as low- and moderate-income.

## **INVESTMENT TEST**

The institution's performance under the Investment Test in the state of Tennessee is rated Outstanding.

## **Conclusions for the Area Receiving a Full-Scope Review**

Based on a full-scope review, the institution's performance in the Chattanooga assessment area is excellent.

The institution has an excellent level of qualified community development investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution makes use of complex investments to support community development initiatives.

**Number and Amount of Qualified Investments**

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
<b>Full Scope</b>										
Chattanooga AA	7	\$2,448	10	\$3,916	17	47.22%	\$6,364	39.36%	0	0
<b>Limited Scope</b>										
Jefferson AA	3	\$1,085	5	\$1,594	8	22.22%	\$2,679	16.57%	0	0
Knoxville AA	7	\$5,690	4	\$1,434	11	30.56%	\$7,124	44.07%	0	0

\* Prior Period Investments' means investments made in a previous evaluation 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.

The total investments in the full-scope assessment area of \$6,364 represent 25.0% percent of allocated Tier 1 capital. This is very positive. Investments consist of municipal bonds, mortgage-backed securities, tax credits, and CDs. In addition to the above investments, the bank made 28 donations in the Chattanooga assessment area in the total amount of \$128,244.

**Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited scope reviews, the bank’s performance under the Investment Test in the Jefferson assessment area and Knoxville assessment area is consistent with the bank’s overall performance under the Investment Test in the full-scope area. In addition, the bank has made 28 donations in the Jefferson assessment totaling \$128,244. In the Knoxville assessment area, the bank made eleven donations totaling \$23,000.

**SERVICE TEST**

The institution’s performance under the Service Test in the Chattanooga assessment area is rated High Satisfactory.

**Conclusions for the Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank’s performance in the Chattanooga assessment area is good.

**Retail Banking Services**

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution’s Tennessee assessment areas.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Scope</b>											
Chattanooga AA	40.74%	6	54.55%	0	0	1	5	8.8	13.5	35.9	41.8
<b>Limited Scope</b>											
Jefferson AA	31.32%	2	18.18%	0	0	2	0	0	0	93.3	6.7
Knoxville AA	27.94%	3	27.27%	0	1	1	1	4.2	18.5	38.9	37.1

As reflected in the table above, the bank does not operate in any low-income census tracts (the Jefferson assessment area has no low-income or moderate-income census tracts). The bank has one branch office in a moderate-income census tract, four in middle-income census tracts, and six in upper-income census tracts. Atlantic Capital Bank’s Tennessee branches operated in a traditional retail fashion over the review period, primarily serving consumer and small- and mid-size businesses in those markets. The bank’s products and services are available at all Tennessee branch locations. Consumer deposit products include consumer demand deposits, certificates of deposit, savings accounts and money market accounts. Alternative delivery systems include on-line, telephone and mobile banking, and the bank operates automated teller machines at each of its Tennessee branches. The bank offers an array of consumer loans in its Tennessee branches including auto loans, boat loans, loans secured by deposits and home equity credit lines. Real estate loans are offered for purchase and construction of residential dwellings. Commercial loan offerings include commercial real estate, commercial lines of credit and SBA loans.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
<b>Full Scope</b>						
Chattanooga AA	0	0	0	0	0	0
<b>Limited Scope</b>						
Jefferson AA	0	0	0	0	0	0
Knoxville AA	0	0	0	0	0	0



The institution's opening and closing of branches has not affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.

Services and business hours are tailored to the convenience and needs of the various portions of the bank's Tennessee assessment areas, particularly low- and moderate-income geographies and/or individuals. Tennessee branches are not open on Saturdays. The bank operates drive-up facilities at each of its Tennessee branches. Lobby hours in the Tennessee branch offices are typically from 9:00 a.m. to 5:30 p.m. Monday through Thursday, and from 9:00 a.m. to 5:30 p.m. on Fridays. Typical drive-up hours are from 8:30 a.m. to 4:00 p.m. Monday through Thursday, and Friday from 8:30 a.m. to 5:30 p.m.

### **Community Development Services**

The institution provides a relatively high level of community development services.

Community development services had a positive impact on the overall Services Test rating. Statewide the bank provided 792 hours of financial education and other community development activities relating to the provision of financial services. This total included 32 hours outside the assessment areas in the State.

In the Chattanooga assessment area, the bank provided 472 hours of employee time dedicated to community development services. The bank's community development services in the assessment area was at a good level, including participation as board members or officers of the various community development organizations. Examples of qualified community development services are detailed in the following examples:

- A bank officer worked with a local organization focused on working with high school students in the county's impoverished and under-performing schools to assist disadvantaged youth with the development of work and life-skills including financial and credit education.
- A bank officer provided financial counseling in a program begun by a local government leader to help low- and moderate-income citizens escape poverty.
- An Atlantic Capital Bank officer served as chairman of the board of a local organization and provided financial management and guidance to low- and moderate-income entrepreneurs for small businesses startups.

### **Conclusions for the Areas Receiving a Limited-Scope Review**

Based on limited-scope reviews in the Jefferson and Knoxville assessment areas, the bank's performance under the Service Test in those areas is consistent with the bank's overall performance under the Service Test in the full-scope area. In the Knoxville assessment area, bank employees provided 211 hours of community development services, while 77 hours were provided in the Jefferson assessment area.

## State Rating

### State of Georgia

**CRA rating for the State of Georgia:** Satisfactory

**The Lending Test is rated:** Low Satisfactory

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- Lending activity in the Atlanta assessment area reflects good responsiveness to the assessment area credit needs given competition from other lenders in the assessment area.
- The bank exhibits a good geographic distribution of loans home loans and small business loans in its Atlanta assessment area. Overall, the geographic distribution of home mortgage and small business loans in the limited-scope assessment area is consistent with the Atlanta assessment area.
- The bank exhibits a poor distribution of loans among individuals of different income levels and businesses of different sizes in the Atlanta assessment area. Overall, the distribution of loans among individuals of different income levels and businesses of different sizes in the limited-scope assessment area is consistent with the Atlanta assessment area.
- The bank made a relatively high level of community development lending in the Atlanta assessment area.
- Delivery systems are readily accessible to all portions of the bank's assessment areas and to individuals of different income levels.
- The level of community development services is good.
- The bank has an excellent level of qualified community development investments and grants demonstrating good responsiveness to credit and community economic development needs.

### Description of Institution's Operations in Georgia

The Atlanta assessment area is composed of census tracts located in the counties of DeKalb, Gwinnett, Cobb, and Fulton. The assessment area does not include any of the four counties in their entirety. According to the Summary of Deposits report data (which is only available for whole counties), as of June 30, 2018, Atlantic Capital Bank ranked 14<sup>th</sup> in total deposits among the 63 depository institutions with a branch presence in Cobb, Gwinnett, DeKalb, and Fulton. The bank has \$1.4 billion in deposits in its Atlanta AA assessment area. Deposits in the Atlanta assessment area make up 72 percent of the bank's total deposits. The 63 banks in the assessment area operate a total of 757 offices in the area. In

2018, the top three financial institutions in the Atlanta assessment area were SunTrust Bank, Bank of America, and Wells Fargo, which collectively made up 70 percent of deposit market share.

Atlantic Capital Bank operates one branch, with three automated teller machines, in the Atlanta MSA assessment area. The bank's Atlanta MSA assessment area includes all census tracts within defined parameters of Fulton County above Interstate 20; Gwinnett County west of Interstate 85; Cobb County east of Interstate 75; and DeKalb County west of Interstates 85 and 285. The population of the assessment area was 1.3 billion with 290,525 families. Approximately 18.4 percent of the families are low-income, and 12.9 percent are moderate-income. Approximately 11.3 percent of the families are below poverty level. The median income in the assessment area is \$58,694 and the median housing value is \$159,123.

Atlanta is the capital and most populous city in the state of Georgia. The city serves as the cultural and economic center of the Atlanta metropolitan area, home to 5.9 million people and the ninth largest metropolitan area in the nation. Atlanta is the seat of Fulton County, the most populous county in Georgia. Portions of the city extend eastward into neighboring DeKalb County. The Georgia Department of Labor states that as of December 2018, the unemployment rate for the state of Georgia was 3.7 percent.

Atlanta has attained international prominence as a major air transportation hub, with Hartsfield–Jackson Atlanta International Airport being the world's busiest airport by passenger traffic since 1998. The Atlanta metropolitan area's economy is the tenth-largest in the country and among the top 20-largest in the world. Corporate operations play a major role in Atlanta's economy, as the city claims the nation's third-largest concentration of Fortune 500 companies. It also hosts the global headquarters of corporations like The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, Chick-fil-A, and UPS. Over 75 percent of Fortune 1000 companies conduct business operations in the city's metro area, and the region hosts offices of over 1,250 multinational corporations. The Metro Atlanta Chamber of Commerce identifies Delta Airlines, Emory University and Emory Healthcare, and Home Depot as the top three employers.

### **Community Contacts**

To help identify needs and opportunities in the Atlanta AA, we reviewed community contact forms prepared within the evaluation period of the exam. We contacted a neighborhood development authority in the Atlanta area that offers various programs to assist in the community development throughout the city and acquires and rehabilitates homes in the metro Atlanta market. While the community contact indicated that general banking and credit needs are met through various institutions, there is ample opportunity for local institutions to assist in the affordable housing programs offered. The following table presents some of the demographic characteristics for the Atlanta MSA assessment area based on 2015 Census Data and 2018 D & B Data:

Below are demographics for each of the bank's Georgia assessment areas.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Atlanta MSA AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	276	9.8	18.1	13.4	56.5	2.2
Population by Geography	1,306,102	7.6	17.1	14.4	59.8	1.0
Housing Units by Geography	582,733	8.1	17.3	14.2	59.9	0.4
Owner-Occupied Units by Geography	279,428	3.4	10.1	11.9	74.5	0.1
Occupied Rental Units by Geography	239,889	11.6	23.9	17.9	45.7	0.9
Vacant Units by Geography	63,416	15.9	23.5	10.8	49.3	0.5
Businesses by Geography	171,727	4.2	13.5	14.8	65.8	1.6
Farms by Geography	1,968	3.8	14.6	16.6	64.7	0.4
Family Distribution by Income Level	290,525	18.4	12.9	14.3	54.4	0.0
Household Distribution by Income Level	519,317	21.4	14.4	15.5	48.7	0.0
Median Family Income MSA - 12060 Atlanta-Sandy Springs- Roswell, GA MSA		\$67,322	Median Housing Value			\$280,161
			Median Gross Rent			\$1,073
			Families Below Poverty Level			9.4%
<i>Source: 2018 ACS Census and 2018 D&amp;B Data            Due to rounding, totals may not equal 100.0            (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Dalton Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	18	0.0	22.2	44.4	33.3	0.0
Population by Geography	103,456	0.0	21.1	42.1	36.9	0.0
Housing Units by Geography	39,731	0.0	20.2	42.5	37.3	0.0
Owner-Occupied Units by Geography	22,242	0.0	16.5	40.9	42.7	0.0
Occupied Rental Units by Geography	12,333	0.0	25.6	43.9	30.5	0.0
Vacant Units by Geography	5,156	0.0	23.2	46.6	30.2	0.0
Businesses by Geography	5,625	0.0	19.3	51.4	29.3	0.0
Farms by Geography	146	0.0	4.1	55.5	40.4	0.0
Family Distribution by Income Level	25,402	19.4	19.2	20.5	40.9	0.0
Household Distribution by Income Level	34,575	20.3	17.9	18.5	43.3	0.0
Median Family Income MSA - 19140 Dalton, GA MSA		\$47,062	Median Housing Value			\$120,921
			Median Gross Rent			\$676
			Families Below Poverty Level			14.5%
<i>Source: 2015 ACS Census and 2018 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

## Scope of Evaluation in Georgia

The Atlanta assessment area was given a full-scope review. The Dalton, Georgia assessment area consisting of Whitfield County, was given a limited-scope review. We conducted a full-scope review of the Atlanta assessment area given the high percentage of originated/purchased loans, deposits and volume of census tracts in the assessment area. Refer to the tables in appendix A for more information.

Ratings are primarily based on the results in the full-scope assessment area with consideration of performance in the limited-scope area. The Atlanta assessment area had 59.67 percent of the loans in the state of Georgia during the period under review. The Dalton assessment area had a 7.01 percent market share of deposits in Whitfield County in 2018, while the Atlanta MSA assessment area had 1.05 percent market share as of June 30, 2018. While the Atlanta MSA assessment area had only one branch in the assessment area during the period under review (opposed to three branches in the Dalton MSA assessment area), the vast majority of assessment area census tracts in the state of Georgia were in the Atlanta MSA assessment area (93.88 percent). Based on the foregoing, the Atlanta MSA assessment area was selected for a full-scope review.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN GEORGIA

### LENDING TEST

The bank's performance under the Lending Test in Georgia is rated Low Satisfactory.

### Conclusions for the Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Atlanta assessment area is adequate.

### Lending Activity

Lending levels in the Atlanta assessment area reflect a good responsiveness to assessment area credit needs given the strong competition in the assessment area. Atlantic Capital Bank had a deposit market share of 1.28 percent as of June 30, 2018 and ranked 14<sup>th</sup> among 63 depository institutions. In home purchase lending, Atlantic Capital Bank ranked 146<sup>th</sup> among 688 lenders in the market with a .20 percent market share.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Atlanta AA	94	193	12	299

Dollar Volume of Loans (000s)				
Assessment Area	Home Mortgage (000s)	Small Business (000s)	Community Development (000s)	Total
Atlanta AA	\$89,123	\$83,211	\$35,940	\$208,274

### Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its Atlanta assessment area.

***Home Mortgage Loans***

Refer to Table O in appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

In 2016, the bank made no home mortgage loans in low-income or moderate-income census tracts. The aggregate of all lenders reporting in the Atlanta assessment area reported 3.1 percent of loans in low-income census tracts and 9.5 percent in moderate-income census tracts. For purposes of this evaluation, we placed less weight on 2016 lending as it encompasses only six months of the total review period. For 2017 and 2018 combined, the bank's home mortgage lending in both low-income census tracts and moderate-income census tracts significantly exceeded aggregate lenders.

***Small Loans to Businesses***

Refer to Table Q in appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

For 2016 Small Business Lending in the Atlanta assessment area, the bank's lending in low-income census tracts is commensurate with aggregate lending levels. For moderate-income census tracts in 2016, the bank's lending to moderate-income borrowers significantly exceeded aggregate lending. For 2017 and 2018 combined, the bank's lending lagged the aggregate of all lenders in low-income and moderate-income census tracts in the Atlanta assessment area. Less weight was placed on 2016 lending, as it represents only six months of the period under review.

***Lending Gap Analysis***

We reviewed summary reports and analyzed Atlantic Capital Bank's home mortgage and small business lending activity over the evaluation period to 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 bank exhibits a poor distribution of loans among individuals of different income levels and business and farms of different sizes, given the product lines offered by the institution.

***Home Mortgage Loans***

Refer to Table P in appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

For 2016, the bank did not originate any home mortgage loans to low-income or moderate-income borrowers. For 2016, the aggregate of all lenders reporting in the Atlanta assessment area reported 2.2 percent of lending in low-income census tracts and 7.8 percent in moderate-income census tracts. For purposes of this evaluation, we placed less weight on the bank's 2016 lending activity as it represents

only the first six months of the period under review. For 2017 and 2018 combined, the bank's lending to low-income borrowers and moderate-income borrowers were both consistent with aggregate lending percentages.

### ***Small Loans to Businesses***

Refer to Table R in 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.

For 2016, the bank's percentage of lending to businesses with annual revenues of less than \$1M was 17.9 percent. In comparison, the aggregate of all lenders reported 49.1 percent of 2016 lending to businesses with annual revenues less than \$1M. For 2017 and 2018 combined, the percentage of Atlantic Capital Bank's lending to businesses less than \$1M in the Atlanta assessment area was 18.8 percent. For the same period, the percentage of aggregate lenders reported 52.9 percent of lending to businesses with revenues less than \$1M.

## **Community Development Lending**

The institution has made a relatively high level of community development loans in its Atlanta assessment area.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of community development lending. These tables include all community development loans in the full-scope assessment area, including multifamily loans that also qualify as community development loans. The tables reflect that during the period under review, Atlantic Capital Bank originated 12 community development loans in the Atlanta assessment area in the total amount of \$35.9 million. This volume of community development loans is relatively high and had a positive impact on the Lending Test performance in the Atlanta assessment area. This volume of community development lending was equivalent to 15.9 percent of tier 1 capital allocated to the assessment area. Atlantic Capital Bank's community development loans were responsive to identified community needs (being met by many financial institutions, including Atlantic Capital Bank), specifically of affordable housing and revitalization and stabilization of low-and moderate-income geographies. Some notable examples of community development lending follows:

- Atlantic Capital Bank made two community development loans totaling \$750,000 to a nonprofit Community Development Financial Institution that serves metro Atlanta and north Georgia by providing loans and business development resources to small businesses that help to create jobs.
- The bank made two community development loans totaling \$3.7 million to a non-profit in northwest Atlanta focusing on a low- and moderate-income neighborhood revitalization project with a stated goal to end the cycle of generational poverty.
- The bank made three community development loans totaling \$4.7 million to a non-profit community center in northwest Atlanta that focuses on in-school and after-school academic support and family services for children in the underserved community.



### Product Innovation and Flexibility

The institution makes limited use of innovative and/or flexible lending practices to serve assessment area credit needs.” In the Atlanta assessment area, Atlantic Capital Bank has established a lending group that specifically benefits small business franchises. This group creates customized lending solutions to help franchisees grow. The franchise group offers lending products for an array of franchise needs. These products include, among others, initial acquisition, working capital financing and debt consolidation.

### Conclusions for the Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank’s performance under the Lending Test in the Dalton assessment area is consistent with the bank’s overall performance under the Lending Test in the full-scope area.

Refer to Tables O through V in appendix D for the facts and data that support these conclusions.

### INVESTMENT TEST

The bank’s performance under the Investment Test in Georgia is rated Outstanding.

### Conclusions for the Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Atlanta assessment area is excellent.

The institution has an excellent level of qualified community development investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution uses innovative and/or complex investments to support community development initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
<b>Full Review</b>									0	0
Atlanta AA	8	\$8,484	20	\$47,715	28	93.33%	\$54,904	99.49%		
<b>Limited Review</b>										
Dalton AA	1	\$123	1	\$157	2	6.67%	\$280	.51%	0	0
									0	0

\* Prior Period Investments' means investments made in a previous evaluation 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.

The total investments in the Atlanta assessment area of \$54,904,000 represent 24 percent of allocated Tier 1 capital. This is very positive. Investments consist of municipal bonds, mortgage-backed securities, tax credits, and CDs. In addition to the above investments, the bank made 25 donations in the Atlanta assessment area in the total amount of \$143,200.

**Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited scope review, the bank’s performance under the Investment Test in the Dalton assessment area is weaker than the bank’s overall performance under the Investment Test in the full-scope area. It is noted that the bank has made two investments in the total amount of \$280,000 in the Dalton assessment area. In addition, the bank has made three donations in the Dalton assessment area totaling \$9,000.

**SERVICE TEST**

The bank’s performance under the Service Test in Georgia is rated High Satisfactory.

**Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank’s performance in the Atlanta assessment area is good.

**Retail Banking Services**

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution’s Georgia assessment areas.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Atlanta AA	89.87%	1	25.00%	0	0	0	1	7.6	17.1	14.4	59.8
Dalton AA	10.13%	3	75.00%	0	0	2	1	0.0	21.1	42.1	36.9

As reflected in the table above, the bank does not operate in any low-income census tracts (the Dalton assessment area has no low-income census tracts) or in moderate-income census tracts. The bank operates two branches in Georgia in middle-income census tracts and one in an upper-income census tract. Atlantic Capital Bank’s Georgia operations are more regional or national in scope than its Tennessee operations. Specifically, the bank offers automated clearing house and other services to clients nationwide, and the Franchise Lending business is also nationwide. The Franchise Lending unit collaborates with franchisors and distribution companies to tailor financing programs that will help them access capital to grow their businesses and achieve financial success. Atlantic Capital Bank helps single-location and multi-unit operators across multiple industries execute strategies such as acquisition financing, start-up and expansion, real estate and equipment financing and inventory, accounts

receivable, and working capital financing. All these loans and services are primarily booked in the Atlanta, Georgia office.

The bank also provides the same consumer and commercial products and services in the Georgia offices that are available in its Tennessee branch locations. These include consumer deposit products such as demand deposits, certificates of deposit, savings accounts and money market accounts. Alternative delivery systems include on-line, telephone and mobile banking, and the bank operates automated teller machines at each of its branches. Consumer loan offerings in its Georgia branches include auto loans, boat loans, loans secured by deposits and home equity credit lines. Real estate loans are offered for purchase and construction of residential dwellings. In addition, the bank offers a full array of commercial loans and deposit products in its Georgia assessment areas.

The table below reflects that the bank has not opened or closed any branch offices in its Georgia assessment areas for the period under review.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Atlanta AA	0	0	0	0	0	0
Dalton AA	0	0	0	0	0	0

The institution's opening and closing of branches has not affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.

Services and business hours are tailored to the convenience and needs of the various portions of the bank's Georgia assessment areas, particularly low- and moderate-income geographies and/or individuals. Georgia branches are not open on Saturdays. The bank operated drive-up facilities at each of its Dalton assessment area branches, but not at the Atlanta office. In the Atlanta office, lobby hours are from 9:00 a.m. to 4:30 p.m. Monday through Friday. Two of the Dalton offices have lobby hours Monday through Thursday from 9:00 a.m. to 4:00 p.m. and from 9:00 a.m. to 5:30 p.m. on Fridays. The same two offices have drive-up hours from 8:30 a.m. to 4:00 p.m. Mondays through Thursdays and from 8:30 a.m. to 5:30 p.m. on Fridays. The remaining Dalton office offers extended lobby hours from 8:30 to 4:00 p.m. Mondays through Thursdays, and from 8:30 to 5:30 p.m. on Fridays.

## Community Development Services

The institution provides a relatively high level of community development services.

Community development services had a positive impact on the overall Services Test rating for the state of Georgia. Statewide, the bank provided 844 hours of financial education and other community development activities relating to the provision of financial services. This total included 42 hours outside the assessment areas in the State.

In the Atlanta assessment area during the evaluation period, the bank provided 533 hours of employee time dedicated to community development services. The bank's level of community development services in the full-scope assessment area was at a good level, including participation as board members or officers of the various organizations. Examples of qualified community development services are below:

- A bank officer serves on the board and worked with a nonprofit in northwest Atlanta focusing on a low- and moderate-income neighborhood revitalization project with a stated goal to end the cycle of generational poverty. Additional bank staff provide credit education workshop and financial literacy training.
- An Atlantic Capital Bank officer serves in a local elementary school's Parent-Teacher Association by providing financial expertise in budgeting and accounting services. The majority of the families of the students at the school are at or below the poverty line.
- A bank officer provides fundraising assistance to a non-profit community center in northwest Atlanta that focuses on in-school and after-school academic support and family services for children in the underserved community.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Service Test in the Dalton assessment area is weaker than the bank's overall performance under the Service Test in the full-scope area.

Refer to Tables in appendix D for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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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 MSAs and non-MSAs 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”.

<b>Time Period Reviewed:</b>	July 1, 2016 through December 31, 2018	
<b>Bank Products Reviewed:</b>	Home mortgages and small business loans. Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Georgia</b>		
Atlanta AA	Full-Scope	
Dalton AA	Limited-Scope	
<b>Tennessee</b>		
Chattanooga AA	Full-Scope	
Jefferson AA	Limited-Scope	
Knoxville AA	Limited-Scope	

## Appendix B: Summary of State Ratings

RATINGS Atlantic Capital Bank				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory
MMSA or State:				
State of Tennessee	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory
State of Georgia	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory

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

## Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in 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. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**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; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, 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, 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-Scope 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), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**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 state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5



million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical 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 statistical area, the institution will receive a rating for the multi-state metropolitan statistical 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) 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 1 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.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, 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 the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> 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 O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - 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 aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - 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 MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were 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) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - 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. Because aggregate 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 T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography –** 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 in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** 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 households by income level in each MMSA/assessment area.

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Atlanta MSA AA 2016	11	8,693	8.4	55,682	4.4	0.0	3.1	10.0	0.0	9.5	15.3	0.0	15.3	70.4	100.0	72.1	0.0	0.0	0.0
Chattanooga MSA AA 2016	54	11,877	41.2	12,312	3.9	7.4	2.8	10.5	3.7	9.1	39.0	29.6	33.5	46.5	59.3	54.6	0.0	0.0	0.0
Dalton MSA AA 2016	33	3,344	25.2	2,085	2.1	3.0	1.8	9.3	12.1	8.3	49.7	42.4	47.5	38.8	42.4	42.4	0.0	0.0	0.0
Jefferson County MSA AA 2016	24	2,480	18.3	1,494	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Knoxville MSA AA 2016	9	1,558	6.9	16,330	1.9	11.1	1.0	14.5	33.3	10.6	42.8	11.1	40.8	40.8	44.4	47.6	0.0	0.0	0.0
<b>Total</b>	<b>131</b>	<b>27,952</b>	<b>100.0</b>	<b>87,903</b>	<b>3.5</b>	<b>4.6</b>	<b>2.6</b>	<b>10.7</b>	<b>6.9</b>	<b>9.5</b>	<b>29.2</b>	<b>42.0</b>	<b>24.8</b>	<b>56.5</b>	<b>46.6</b>	<b>63.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2010 U.S. Census; 07/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																	<b>2017-18</b>		
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Income Not Available</b>		
Assessment Area:	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Atlanta MSA AA	83	80,430	19.7	48,025	3.4	6.0	3.7	10.1	25.3	11.2	11.9	4.8	12.9	74.5	63.9	72.0	0.1	0.0	0.2
Chattanooga AA	161	31,661	38.2	12,396	4.2	8.1	3.2	11.7	8.7	9.9	37.2	31.1	36.2	46.9	52.2	50.6	0.0	0.0	0.0
Dalton AA	97	8,998	23.0	2,046	0.0	0.0	0.0	16.5	15.5	12.4	40.9	38.1	41.0	42.7	46.4	46.6	0.0	0.0	0.0
Jefferson AA	48	5,572	11.4	1,617	0.0	0.0	0.0	0.0	0.0	0.0	92.4	87.5	94.6	7.6	12.5	5.4	0.0	0.0	0.0
Knoxville AA	32	3,143	7.6	16,137	2.2	0.0	1.6	15.0	40.6	12.2	40.8	21.9	38.4	42.0	37.5	47.8	0.0	0.0	0.0
<b>Total</b>	<b>421</b>	<b>129,804</b>	<b>100.0</b>	<b>80,221</b>	<b>3.0</b>	<b>4.3</b>	<b>3.0</b>	<b>11.4</b>	<b>15.0</b>	<b>11.0</b>	<b>26.0</b>	<b>33.3</b>	<b>24.0</b>	<b>59.5</b>	<b>47.5</b>	<b>61.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2016**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Atlanta MSA A A 2016	11	8,693	8.4	55,682	18.5	0.0	2.2	13.2	0.0	7.8	15.2	9.1	14.9	53.2	90.9	62.6	0.0	0.0	12.5
Chattanooga M SA AA 2016	54	11,877	41.2	12,312	20.9	1.9	5.0	15.5	9.3	16.4	19.3	14.8	17.8	44.3	72.2	39.1	0.0	1.9	21.7
Dalton MSA AA 2016	33	3,344	25.2	2,085	22.5	0.0	2.8	16.2	24.2	21.2	20.0	24.2	17.3	41.3	42.4	39.7	0.0	9.1	19.1
Jefferson County MSA AA 2016	24	2,480	18.3	1,494	21.1	20.8	5.7	18.1	20.8	16.9	19.8	8.3	21.8	41.0	50.0	36.8	0.0	0.0	18.9
Knoxville MSA AA 2016	9	1,558	6.9	16,330	18.6	22.2	6.0	15.7	0.0	14.9	20.0	33.3	18.4	45.8	44.4	41.0	0.0	0.0	19.7
<b>Total</b>	<b>131</b>	<b>27,952</b>	<b>100.0</b>	<b>87,903</b>	<b>19.2</b>	<b>6.1</b>	<b>3.4</b>	<b>14.4</b>	<b>13.7</b>	<b>10.8</b>	<b>17.2</b>	<b>16.8</b>	<b>16.1</b>	<b>49.2</b>	<b>60.3</b>	<b>54.3</b>	<b>0.0</b>	<b>3.1</b>	<b>15.4</b>

Source: 2010 U.S Census ; 07/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																	<b>2017-18</b>		
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Asses Area</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Atlanta MSA AA	83	80,430	31.1	48,025	18.4	3.6	3.0	12.9	9.6	9.2	14.3	6.0	16.1	54.4	54.2	58.6	0.0	26.5	13.1
Chatt AA	161	31,661	38.2	12,396	20.2	6.8	4.6	17.0	11.8	14.9	18.9	18.0	19.3	44.0	57.1	43.2	0.0	6.2	18.0
Dalton AA	97	8,998	63.0	2,046	19.4	15.5	7.2	19.2	25.8	24.3	20.5	25.8	20.9	40.9	29.9	29.8	0.0	3.1	17.8
Jefferson AA	48	5,572	11.4	1,617	18.0	12.5	4.9	18.2	18.8	14.5	21.1	12.5	20.8	42.7	56.3	41.9	0.0	0.0	17.9
Knoxville AA	32	3,143	12.0	16,137	19.4	25.0	7.0	15.4	12.5	16.2	19.3	12.5	18.5	45.9	46.9	38.5	0.0	3.1	19.8
<b>Total</b>	<b>421</b>	<b>129,804</b>	<b>100.0</b>	<b>80,221</b>	<b>18.9</b>	<b>10.2</b>	<b>4.2</b>	<b>14.5</b>	<b>15.4</b>	<b>12.0</b>	<b>16.5</b>	<b>16.4</b>	<b>17.3</b>	<b>50.0</b>	<b>49.4</b>	<b>51.1</b>	<b>0.0</b>	<b>8.6</b>	<b>15.4</b>

Source: 2015 ACS Census ; 01/01/2017 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0



**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2016**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Atlanta MSA AA 2016	28	11,310	27.5	58,479	5.7	3.6	4.9	15.5	28.6	13.6	18.5	25.0	17.9	60.2	42.9	63.5	0.1	0.0	0.0
Chattanooga MSA AA 2016	40	8,483	39.2	6,797	7.7	15.0	8.9	23.0	45.0	23.9	33.1	22.5	29.5	36.0	17.5	37.6	0.1	0.0	0.1
Dalton MSA AA 2016	10	1,885	9.8	1,441	5.9	0.0	5.9	25.9	50.0	22.8	39.4	30.0	40.5	28.7	20.0	30.8	0.0	0.0	0.0
Jefferson County MSA AA 2016	10	1,396	9.8	456	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Knoxville MSA AA 2016	14	2,864	13.7	7,588	3.1	0.0	2.8	19.3	42.9	16.0	33.2	7.1	31.0	43.9	50.0	50.1	0.6	0.0	0.2
<b>Total</b>	<b>102</b>	<b>25,938</b>	<b>100.0</b>	<b>74,761</b>	<b>5.6</b>	<b>6.9</b>	<b>5.0</b>	<b>17.0</b>	<b>36.3</b>	<b>14.9</b>	<b>23.2</b>	<b>29.4</b>	<b>21.3</b>	<b>54.1</b>	<b>27.5</b>	<b>58.8</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>

Source: 2016 D&B Data; 07/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																	<b>2017-18</b>		
	<b>Total Loans to Small Businesses</b>				<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</b>		
<b>Assess Area</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Atlanta MSA AA	165	71,901	85.9	54,826	4.2	1.8	3.2	13.5	10.3	14.1	14.8	15.8	14.1	65.8	67.9	67.7	1.6	4.2	0.9
Chatt AA	114	27,114	27.5	6,413	8.1	15.8	8.9	15.6	11.4	13.8	35.6	32.5	35.1	40.4	40.4	42.0	0.3	0.0	0.2
Dalton AA	54	12,898	13.0	1,280	0.0	0.0	0.0	19.3	25.9	19.4	51.4	61.1	52.0	29.3	13.0	28.7	0.0	0.0	0.0
Jeff AA	37	5,446	19.3	504	0.0	0.0	0.0	0.0	0.0	0.0	94.8	97.3	94.2	5.2	2.7	5.8	0.0	0.0	0.0
Knox AA	45	13,191	23.4	7,030	2.8	2.2	2.0	16.0	11.1	13.5	33.2	33.3	33.1	47.4	53.3	51.3	0.6	0.0	0.1
<b>Total</b>	<b>415</b>	<b>130,550</b>	<b>100.0</b>	<b>70,053</b>	<b>4.4</b>	<b>5.3</b>	<b>3.6</b>	<b>14.1</b>	<b>11.8</b>	<b>14.0</b>	<b>21.0</b>	<b>35.4</b>	<b>19.2</b>	<b>59.3</b>	<b>45.8</b>	<b>62.5</b>	<b>1.3</b>	<b>1.7</b>	<b>0.7</b>

Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2016	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Atlanta MSA AA	28	11,310	27.5	58,479	84.1	17.9	49.1	6.7	82.1	9.2	0.0	
Chattanooga AA	40	8,483	39.2	6,797	82.6	30.0	42.7	6.0	70.0	11.3	0.0	
Dalton AA	10	1,885	9.8	1,441	78.7	20.0	44.0	7.9	70.0	13.4	10.0	
Jefferson AA	10	1,396	9.8	456	83.0	60.0	46.9	4.2	20.0	12.8	20.0	
Knoxville AA	14	2,864	13.7	7,588	79.1	28.6	45.1	7.1	50.0	13.7	21.4	
<b>Total</b>	<b>102</b>	<b>25,938</b>	<b>100.0</b>	<b>74,761</b>	<b>83.2</b>	<b>28.4</b>	<b>48.0</b>	<b>6.7</b>	<b>65.7</b>	<b>10.1</b>	<b>5.9</b>	
<p><i>Source: 2016 D&amp;B Data; 07/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i></p>												

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017-18</b>	
	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
Atlanta MSA AA	165	71,901	39.8	54,826	84.7	18.8	52.9	6.4	74.5	8.9	6.7	
Chattanooga AA	114	27,114	27.5	6,413	82.8	40.4	46.4	5.9	54.4	11.3	5.3	
Dalton AA	54	12,898	13.0	1,280	77.9	24.1	44.5	8.1	66.7	14.0	9.3	
Jefferson County AA	37	5,446	8.9	504	82.7	54.1	54.4	4.1	35.1	13.3	10.8	
Knoxville AA	45	13,191	13.5	7,030	79.3	33.3	49.1	7.1	62.2	13.6	6.7	
<b>Total</b>	<b>415</b>	<b>130,550</b>	<b>100.0</b>	<b>70,053</b>	<b>83.7</b>	<b>30.1</b>	<b>51.8</b>	<b>6.4</b>	<b>63.1</b>	<b>9.9</b>	<b>6.7</b>	

Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0