



## **INTERMEDIATE SMALL BANK**

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Comptroller of the Currency  
Administrator of National Banks  
Washington, DC 20219

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### **PUBLIC DISCLOSURE**

**October 6, 2009**

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

**Florida Capital Bank, N.A.  
Charter Number 20214  
10151 Deerwood Park Blvd.  
Building 300, Suite 110  
Jacksonville, FL 32256**

**Comptroller of the Currency  
North Florida Field Office  
8375 Dix Ellis Trail, Suite 403  
Jacksonville, FL 32256**

**NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

**INSTITUTION'S CRA RATING: This institution is rated Satisfactory**  
**The Lending Test is rated Satisfactory.**  
**The Community Development Test is rated Satisfactory.**

**The major factors to support this rating include:**

- The bank's average loan-to-deposit ratio is reasonable and comparable to peer averages.
- The bank's lending activities show reasonable penetration among businesses of different sizes and to borrowers of different income levels.
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas (AAs) and meets the standard for satisfactory performance.
- Community development performance demonstrates satisfactory responsiveness to the community development needs of the bank's AAs.

## **SCOPE OF EXAMINATION**

This Performance Evaluation (PE) assesses Florida Capital Bank, N.A. (FLCB's) record of meeting the credit needs of the communities in which it operates. We evaluated the bank as an Intermediate Small Bank using the Community Reinvestment Act (CRA) procedures which includes a lending test and a community development test. The bank's lending performance is evaluated using the small bank lending test. The community development test evaluates a bank's community development lending, investments and service activities.

FLCB has seven AAs located throughout the State of Florida which include the following counties.

1. Duval and St. Johns Counties;
2. Hillsborough, Pinellas and Pasco Counties;
3. Orange County;
4. Alachua County;
5. Volusia County;
6. Broward County; and,
7. Palm Beach County

A substantial portion of loan and deposit activity during the evaluation period is centered in three AAs; the Duval and St. Johns; Hillsborough, Pinellas and Pasco, and Orange Counties AAs collectively represent approximately 70% and 66% of bank-wide lending and deposit activity, respectively. As such, full scope reviews were performed on these AAs. Likewise, limited scope reviews were performed on Alachua, Volusia, Broward and Palm Beach County AAs as presence in these markets is minimal. Combined lending and deposit volume for the four

limited-scope AAs represent only 30% and 34% of FLCB's total lending and deposit activities, respectively. However, the same scope and depth of the lending analysis was used for the limited scope AAs as were for the bank as a whole.

During the evaluation period of September 12, 2006 through October 6, 2009, FLCB's primary loan products were residential real estate and small business loans. As part of our examination, we conducted a data integrity review of the residential real estate loans the bank recorded on the Home Mortgage Disclosure Act-Loan Application Register (HMDA-LAR) for the period of October 1, 2006 through September 30, 2009, and found the data to be reliable. As such, we used the bank's HMDA data for our lending analysis of all home purchases and home refinance loans originated during this time period. FLCB did not originate enough home improvement loans (18) for a meaningful analysis, and therefore, we did not include these types of loans. To evaluate the bank's small business lending performance, we selected a sample of business loans originated in each of the AAs made during the evaluation period. To evaluate the bank's performance under the community development test, we reviewed qualified loans, investments and services activities during the same evaluation period.

Based on both the number and dollar amount of loan originations provided by the bank, Hillsborough, Pinellas and Pasco Counties, as well as the Orange County AAs, primary loan product is business lending, accounting for 74% and 61% of all business loans originations, respectively. As such, the lending test rating will weight small business lending heavier than home mortgage loans in these AAs. Lending patterns for the Duval and St. John's Counties AAs are similar for business and home mortgage lending and, therefore, the rating will reflect equal weighting of overall performance for both products.

## **DESCRIPTION OF INSTITUTION**

Florida Capital Bank, N.A (FLCB) is an intrastate bank wholly-owned by Florida Capital Group, Inc., a \$984,890 million one-bank holding company headquartered in Jacksonville, Florida. The bank was established in October 2004 with the purchase of First National Bank located in Tarpon Springs, Florida. The name was changed to FLCB in March 2005. The last CRA evaluation was in September 2006, and the bank received a "Satisfactory" rating.

FLCB's main office is located in Jacksonville, Florida. The bank has 13 other offices throughout Florida. The bank also operates a wholesale mortgage lending division based in Jacksonville, Florida.

<b>FLCB'S OFFICE LOCATIONS IN FLORIDA</b>	
<b>County/Assessment Area</b>	<b>Office</b>
Palm Beach	Boca Raton
Volusia	Daytona Beach
Broward	Fort Lauderdale
Alachua	Gainesville
Duval	Jacksonville
St. Johns	Saint Augustine Beach
Pinellas	St. Petersburg, Tarpon Springs, Pinellas Park
Hillsborough	Tampa-Downtown Tampa-Westshore
Orange	Orlando Winter Park

The bank offers many services to its customers including drive-up facilities and onsite automated teller machine (ATM) at most locations (see *Description of the Assessment Area* section below for specific services offered at the offices), debit card services, remote deposit capture, and free 24-hour internet, bill-paying and telephone banking. Customers are not charged for ATM transactions conducted at the bank offices. Customers are also allowed ten free ATM withdrawals a month conducted at any Cirrus or Star network ATMs. The bank offers business customers an array of leading-edge treasury management products and services including remote deposit capture and automated sweep services. The bank also offers a Small Business Checking Account with a minimum opening deposit of \$100, no minimum balance requirement and no charge for up to 750 transactions. As well, they also offer a personal free checking account, with a minimum opening deposit of \$100 and no monthly maintenance fee. These products are considered responsive to small businesses and to low- and moderate-income individuals.

FLCB provides a variety of lending programs but generally its primary focus has been in business and residential real estate lending. As noted in the table below, commercial and commercial real estate loans represent 77.28%, or \$453 million of the total loan portfolio. Residential real estate loans represent 17.03%, or \$111 million, which does not reflect the \$2.9 billion of residential real estate loans originated and subsequently sold in the secondary market during the evaluation period.

The composition of the loan portfolio as of September 30, 2009 is charted below, and is based on total assets of \$983,525M, total capital of \$63,244M, and total loans of \$651,765M.

<b>Composition of the Loan Portfolio as of 9/30/09</b>		
<b>Loan Type</b>	<b>Dollar Amount (\$000)</b>	<b>Percentage (%)</b>
<b>Consumer</b>	\$37,089	5.69%
<b>Commercial</b>	\$50,538	7.75%
<b>Residential RE</b>	\$110,964	17.03%
<b>Commercial RE</b>	\$453,174	69.53%

FLCB's wholesale mortgage division originates residential real estate loans for the bank. Because the bank sells the residential real estate loans it originates, the bank can offer more affordable and flexible home mortgage products. Affordable mortgage products the bank offers or offered during the evaluation period include Federal Housing Administration (FHA) loans and Fannie Mae's (FNMA) "My Community Loan Program. During the evaluation period, FLCB's wholesale lending division originated 84 FNMA's "My Community Loan Program" loans totaling \$15.7 million and 4,956 FHA loans totaling \$944 million. These two mortgage programs are geared toward low- and moderate-income individuals and families. Also, loans originated under these programs to borrowers that are located in one of the bank's AAs were included in the home purchase and home refinance Lending Test tables and analysis, and subsequently included in the overall evaluation of lending performance.

FLCB is also a qualified U.S. Small Business Administration (SBA) lender which allows the bank to address the lending needs of small businesses throughout the bank's AAs. During the evaluation period, the bank originated 14 SBA loans totaling \$5.6 million. To assist small businesses in obtaining smaller dollar amount loans quickly, FLCB implemented a streamlined loan process in February 2008 whereby the underwriting process would not be quite burdensome.

As of September 30, 2009, the bank had total assets of \$984 million with net loans comprising 59% of total assets, or \$583 million.

The bank does have financial and legal impediments that would prevent the bank from meeting the credit needs of the communities it serves. The bank's ability to lend has been impacted by the terms of an agreement with our agency. Further, the State of Florida, and thus the bank's AAs, has been significantly impacted by the downturn in the economy.

- According to the U.S. Department of Labor, Bureau of Labor Statistics, as of October 2009, unemployment rates in Florida are much higher at 11.2% than the average national rate of 10.2% (seasonally adjusted).
- According to RealtyTrac.com., Florida continues to rank as one of the five top home foreclosures states. As of October 2009, the number of home foreclosures for the year totaled 536,546.
- The 2009 significant job losses continue the trend of annual declines that began in August 2007. The downturn started with declines in construction jobs, but has now spread to almost all other major industries. A significant slowdown in the two major industries in the State of Florida, tourism and construction, have forced many businesses to close.
- According to the United States Courts, Bankruptcy Statistics, for the period of October 1, 2008 through September 30, 2009, the number of businesses filing for bankruptcy in Florida jumped from 3,475 in 2008 to 4,805, or a 38% increase, within a year's time period. Additionally, the number of businesses filing for bankruptcy for the middle district exclusively, which covers the cities of Tampa, Jacksonville and Orlando, filings reported increased by over 1,000, or 52%, during this same time period.

As a result of the deteriorating economy and the negative impact it has had for all of FLCB's markets during the evaluation period, FLCB has had to change its business strategy in order

to continue operating profitably. As previously mentioned, the bank’s wholesale mortgage division generates income by originating residential real estate mortgages and then subsequently selling these mortgages in the secondary market. However, it is important to note the bank does not use core deposits in funding the mortgages. During the evaluation period, the wholesale lending division originated 13,694 loans totaling \$2.8 billion. Not only does this strategy benefit the bank by generating non-interest income to support operations, but also provides bank customers, including low- and moderate-income individuals and families, affordable mortgage products that otherwise would not be offered.

## DESCRIPTION OF THE ASSESSMENT AREAS

### FULL SCOPE ASSESSMENT AREAS

#### Description of the Tampa-St. Petersburg-Clearwater Assessment Area - Metropolitan Statistical Area (MSA) 45300

This assessment area (AA), which is located on the west coast of Florida, includes all of Hillsborough, Pasco and Pinellas Counties. FLCB has two branches in Tampa that were opened in 2005 and 2006, and a Tarpon Springs office which was acquired in 2004. There are also two branches in Pinellas County; one in Pinellas Park that opened in March 2007 and one in St. Petersburg that opened in July 2007. The Tampa Downtown branch does not have a drive-up teller window but does have an ATM. Tampa Westshore, Tarpon Springs, Pinellas Park and the St. Petersburg branches all have both a drive-up teller window and an ATM. One branch is located in an upper-income tract, two branches are located in middle-income tracts and two branches are located in moderate-income tracts. Specific 2009 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Hillsborough, Pinellas and Pasco Counties AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	2,265,195	Number of Census Tracts	522
Number of Households	954,336	% Low-Income Census Tracts (16)	3.07%
<b>Median Family Income (MFI)</b>	\$59,200	% Moderate-Income Census Tracts (128)	24.52%
<i>Based on MFI</i>		% Middle-Income Census Tracts (236)	45.21%
Low-Income individuals earn	<\$29,600	% Upper-Income Census Tracts (142)	27.20%
Moderate-Income individuals earn	\$29,600-\$47,359		
<b>Income Distribution</b>		<b>Businesses</b>	
Number of Families	601,155	Number of Businesses located in the AA	267,002
<b>Families residing in the AA by income category</b>		% of Small Businesses located in the AA	64.47%
% Low-Income Families	18.63%	% of Large Businesses	3.68%
% Moderate-Income Families	18.71%	% of Business with no revenues reported	31.85%
% Middle-Income Families	21.88%	% of Low-Income Census Tracts	1.77%
% Upper-Income Families	40.78%	% of Moderate-Income Census Tracts	23.30%
		% of Middle-Income Census Tracts	42.46%
		% of Upper-Income Census Tracts	32.46%

*Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data*

According to the 2000 Census Bureau economic data, the assessment area has a total population of 2,265,195. Approximately 81% of the population is under 65 years of age and 10.44% of households live below the poverty level. Housing units in the AA total 1,081,252, with 844,601, or 78%, classified as 1-4 family units. Multifamily housing represents 236,651, or 21.89% of total housing units in the AA. Additionally, the AA has a significant number of rental housing units representing 26.59% of all housing units. The remaining housing units are mainly owner-occupied at 61.64%. There are 267,002 non-farm businesses in the assessment area including 85,014 businesses that did not report business revenues. Small businesses make up 64.47% of the total, or 172,149.

The AA has always enjoyed a diversified economy and is not highly dependent on tourism, although it is a factor. Tampa is home to the U.S. Central Command, and the Tampa Bay region has been called the “Wall Street South” for the size and scope of its financial services industry. Worldwide organizations have a major presence and include Citigroup, JP Morgan Chase, Raymond James, MetLife, State Farm and Progressive Insurance, to name a few. In addition, the Tampa Bay region is a center known for its hospitals (H. Lee Moffitt Cancer Center and Research Center) and is part of the gateway to the Florida High Tech Corridor, a 23-county area that is home to more than 3,000 high-tech companies. There are also three seaports and it is a major entry point for domestic and international shipping. Finally, the AA ranks in the top 20 nationwide for the medical device manufacturing industry. Major employers include MacDill Air Force Base, Verizon Communications and the University of South Florida. Leading industries include state and local government, employment services, and full-service restaurants.

As with most Florida cities, the economy in the AA has been significantly impacted by the current national and local recession. Unemployment and home foreclosure rates are rising and home prices are declining. The October 2009 unemployment rate for Hillsborough and Pinellas Counties is 11.6% and 11.2%, respectively, much higher than the 10.2% national rate and significantly higher than the October 2008 unemployment rates of 7.1% and 7.3%, respectively. Home values have been on a decline. According to RealtyTrac, the estimated median housing value as of October 2009 for Hillsborough County was \$119,382, a 29.47% decline from the same period last year. The county is also reporting 15,232 foreclosures. For Pinellas County, the estimated median housing value was \$122,614, a decline of 27.52% from the same period last year. The county is also reporting 10,809 foreclosures.

The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank’s assessment area is intense. Approximately 71 financial institutions are operating in 775 offices within the AA. Our contact with a local community organization identified affordable housing programs for low- and moderate-income families as a continued credit need in the assessment area. According to the contact, the housing market is at a standstill. Unemployment and insurance costs are up and overall, the economy is stagnating. Expectations are that the conditions will remain the same for at least a year longer. However, there are a number of opportunities for financial institutions to assist in the AA through first-time home buyer programs, loan programs, customer education and customer counseling.

Description of the Jacksonville Assessment Area (MSA 27260)

This assessment area, which is located in northeast Florida, includes all of Duval and St. Johns Counties. Jacksonville is the county seat of Duval County and St. Augustine is the county seat for St. Johns County. The bank's headquarters are located in this AA in the city of Jacksonville. The bank operates a branch in Jacksonville and in St. Augustine Beach. The branches were opened in 2007 and 2005, respectively. Both branches have a drive-up teller window and an ATM. The Jacksonville branch is located in an upper-income census tract and the St. Augustine Beach branch is located in a middle-income tract. Specific 2009 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Duval and St. Johns Counties AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	902,014	Number of Census Tracts	169
Number of Households	353,492	% Low-Income Census Tracts (11)	6.51%
<b>Median Family Income (MFI)</b>	\$65,100	% Moderate-Income Census Tracts (49)	28.99%
<i>Based on MFI</i>		% Middle-Income Census Tracts (78)	46.15%
Low-Income individuals earn	<\$32,550	% Upper-Income Census Tracts (31)	18.35%
Moderate-Income individuals earn	\$32,550-\$52,079		
<b>Income Distribution</b>			
Number of Families	237,493	<b>Businesses</b>	
<b>Families residing in the AA by income category</b>		Number of Businesses located in the AA	106,899
% Low-Income Families	20.28%	% of Small Businesses located in the AA	64.07%
% Moderate-Income Families	18.59%	% of Large Businesses	3.86%
% Middle-Income Families	22.71%	% of Business with no revenues reported	32.07%
% Upper-Income Families	38.42%	% of Low-Income Census Tracts	5.51%
		% of Moderate-Income Census Tracts	25.16%
		% of Middle-Income Census Tracts	44.28%
		% of Upper-Income Census Tracts	25.05%
<i>Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data</i>			

According to the 2000 Census Bureau economic data, the assessment area has a total population of 902,014. Approximately 81% of the population is under 65 years of age and 11.09% of households live below the poverty level. Housing units in the AA total 387,786, with 314,893, or 81.20%, classified as 1-4 family units. Multifamily housing represents 72,893, or 18.80%, of total housing units in the AA. Additionally, the AA has a significant number of rental housing units representing 31.91% of all housing units. The remaining housing units are mainly owner-occupied at 59.21%. There are 106,899 non-farm businesses in the assessment area including 34,291 businesses that did not report business revenues. Small businesses make up 64% or 68,485 of the total.

Jacksonville has become a popular location for insurance, financial, health care, data processing and other back-office operations. However, the local economy continues to be strongly supported by the federal government, as the largest employers in the area continue to be Jacksonville Naval Air Station and Mayport Naval Station. Other major employers include Baptist Health System and Wal-Mart Stores, Inc. The local economy is not highly contingent on

tourism as are other cities in Florida but it does account for a good portion of the labor market. The leading industries in the AA are state and local government, military and employment services.

As with most Florida cities, the economy in the AA has been significantly impacted by the current national and local recession. Unemployment and home foreclosure rates are rising and home prices are declining. The October 2009 unemployment rate for Duval and St. Johns Counties is 11.2% and 9.1%, respectively, and Duval County is reporting a much higher rate than the 10.2% national rate. Both counties are reporting significantly higher rates than the October 2008 unemployment rates of 7.1% and 7.3%, respectively. According to RealtyTrac, the estimated median housing value as of October 2009 for Duval County was \$114,716, a 25.13% decline from the same period last year. The county is also reporting 11,452 foreclosures. For St. John's County, the estimated median housing value was \$197,051, a decline of 28.51% from the same period last year. The county is also reporting 2,383 foreclosures.

The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Competition for financial services within the bank's assessment area is intense. Approximately 41 financial institutions are operating in 272 offices within the AA. Our contact with a locally-based community organizations noted the primary needs for the AA for 2007 and mid-2008 included affordable housing for moderate-income borrowers, and financing for small and minority-owned businesses. In the latter part of 2008 and 2009, foreclosure prevention initiatives and modifications of mortgages were a great need in the market. Affordable rental housing is also in high demand with the increase in foreclosures. Additionally, financial institutions have tightened underwriting guidelines and so fewer people are qualifying for home loans. There is also a continued need for small business financing, particularly for minority businesses that often have less capital and liquidity. One community contact believed that financial institutions have ignored the needs of small businesses, particularly minority-owned small businesses, and their needs especially in the areas of technical assistance and investments.

*Description of the Orlando-Kissimmee Assessment Area (MSA 36740)*

This assessment area, which is located in central Florida, includes all of Orange County. The city of Orlando is the county seat of Orange County. There are two bank offices in Orange County. The office in Orlando opened in 2006 and is located in a moderate-income census tract. The office in Winter Park opened in 2007 and is located in an upper-income census tract. The offices do not have drive-up teller windows; however, the Winter Park location does have an ATM. Specific 2009 demographic data and economic data for the AA are listed below.

<b>Demographic and Economic Characteristics of the Orange County AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	896,344	Number of Census Tracts	193
Number of Households	336,366	% Low-Income Census Tracts (7)	3.63%
<b>Median Family Income (MFI)</b>	\$60,700	% Moderate-Income Census Tracts (47)	24.35%
<i>Based on MFI</i>		% Middle-Income Census Tracts (87)	45.08%
Low-Income individuals earn	<\$30,350	% Upper-Income Census Tracts (52)	26.94%
Moderate-Income individuals earn	\$30,350-\$48,559		
<b>Income Distribution</b>		<b>Businesses</b>	
Number of Families	222,495	Number of Businesses located in the AA	134,416
<b>Families residing in the AA by income category</b>		% of Small Businesses located in the AA	63.43%
% Low-Income Families	20.01%	% of Large Businesses	3.54%
% Moderate-Income Families	18.64%	% of Business with no revenues reported	33.03%
% Middle-Income Families	22.03%	% of Low-Income Census Tracts	2.32%
% Upper-Income Families	39.32%	% of Moderate-Income Census Tracts	25.05%
		% of Middle-Income Census Tracts	41.42%
		% of Upper-Income Census Tracts	31.21%
<i>Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data</i>			

According to the 2000 Census Bureau economic data, the assessment area has a total population of 896,344. Approximately 90% of the population is under 65 years of age with 10.91% of households living below the poverty level. Housing units in the AA total 361,349, with 204,320, or 56.52%, classified as 1-4 family units. Multifamily housing represents 85,881, or 23.77%, of total housing units in the AA. Additionally, the AA has a significant number of rental housing units representing 36.55% of all housing units. The remaining housing units are mainly owner-occupied at 56.52%. There are 134,416 non-farm businesses in the assessment area including 44,395 businesses that did not report business revenues. Small businesses make up 85,256, or 63% of the total.

Orlando is highly dependent upon tourism. Top employers are all directly connected to tourism with the largest employers being Walt Disney Company and Darden Restaurants, Inc. The leading industries are state and local government, full-service restaurants, traveler accommodations and amusement parks and arcades.

The Orange County AA remains in a deep recession. Unemployment and home foreclosures rates are rising and home prices are declining. The October 2009 unemployment rate for Orange County is 11.2% which is the same as the state's unemployment rate. According to RealtyTrac, the estimated median home value as of October 2009 for Orange County was \$144,045, a 27.86% decline from the same period last year. The county is reporting 20,661 foreclosures.

The assessment area meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. Competition for financial services within the bank's assessment area is intense. Approximately 39 financial institutions are operating in 307 offices within the AA.

The primary community development needs for the AA include small business loans, affordable

housing and financial literacy education. Our contact with a locally-based community organization identified assistance to small businesses as a continued need in the assessment area. Non-profits in the area have had set-backs or been delayed due to economic and other factors. Another contact noted the need for affordable housing. Many families making less than 80% of the median family income are unable to qualify for housing loans without substantial subsidies.

## LIMITED SCOPE ASSESSMENT AREAS

### Description of the Gainesville Assessment Area (MSA 23540)

This assessment area, which is located in north central Florida, includes the entire county of Alachua. Gainesville is the largest city and the county seat of Alachua County. The bank operates an office in the city of Gainesville, which opened in 2005 and is located in a middle-income census tract. The office has both a drive-up teller window and an ATM. As of October 2009, the home values in Alachua County had declined within the year as the estimated median home value was \$138,774, down 16.63% since the same period last year. The AA is also reporting 1,434 foreclosures. As of October 2009, the unemployment rate is low at 7.1% compared to state and national levels; however, it is significantly higher than the 4.6% rate reported last October. Specific 2009 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Alachua County AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	217,955	Number of Census Tracts	43
Number of Households	87,536	% Low-Income Census Tracts (7)	16.28%
<b>Median Family Income (MFI)</b>	\$59,800	% Moderate-Income Census Tracts (10)	23.26%
<i>Based on MFI</i>		% Middle-Income Census Tracts (16)	37.21%
Low-Income individuals earn	<\$29,900	% Upper-Income Census Tracts (10)	23.25%
Moderate-Income individuals earn	\$29,900-\$47,839		
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<b>Income Distribution</b>		<b>Businesses</b>	
Number of Families	48,100	Number of Businesses located in the AA	21,520
<b>Families residing in the AA by income category</b>		% of Small Businesses located in the AA	62.02%
% Low-Income Families	23.17%	% of Large Businesses	3.60%
% Moderate-Income Families	15.79%	% of Business with no revenues reported	34.38%
% Middle-Income Families	19.35%	% of Low-Income Census Tracts	9.21%
% Upper-Income Families	41.69%	% of Moderate-Income Census Tracts	26.76%
		% of Middle-Income Census Tracts	37.09%
		% of Upper-Income Census Tracts	26.94%
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<i>Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data</i>			

Description of the Deltona-Daytona Beach-Ormond Beach Assessment Area (MSA 19660)

This assessment area, which is located on the east coast of Florida, includes all of Volusia County. The bank operates an office in Daytona Beach, which opened in 2007, and is located in a middle-income census tract. The office has both a drive-up teller window and an ATM. As of October 2009, the home values in Volusia County had declined within the year as the estimated median home value is \$111,504, down 32.72% since the same period last year. The AA is reporting 8,168 foreclosures. As of October 2009, the unemployment rate of 11.7% in Volusia County is high compared to the state and national levels, and significantly higher than the 7.5% rate reported last October. Specific 2009 demographic data and economic data for the assessment area are listed below.

<b>Demographic and Economic Characteristics of the Volusia County AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	443,343	Number of Census Tracts	78
Number of Households	184,721	% Low-Income Census Tracts (2)	2.56%
<b>Median Family Income (MFI)</b>	\$55,200	% Moderate-Income Census Tracts (15)	19.23%
<i>Based on MFI</i>		% Middle-Income Census Tracts (52)	66.67%
Low-Income individuals earn	<\$27,600	% Upper-Income Census Tracts (9)	11.54%
Moderate-Income individuals earn	\$27,600-\$44,159		
<b>Income Distribution</b>			
Number of Families	120,720	<b>Businesses</b>	
<b>Families residing in the AA by income category</b>		Number of Businesses located in the AA	52,452
% Low-Income Families	17.44%	% of Small Businesses located in the AA	67.75%
% Moderate-Income Families	19.60%	% of Large Businesses	2.84%
% Middle-Income Families	23.44%	% of Business with no revenues reported	29.41%
% Upper-Income Families	39.52%	% of Low-Income Census Tracts	1.06%
		% of Moderate-Income Census Tracts	17.45%
		% of Middle-Income Census Tracts	65.44%
		% of Upper-Income Census Tracts	16.05%
<i>Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data</i>			

Description of the West Palm Beach-Boca Raton-Boynton Beach Assessment Area (MSA 48424)

This assessment area, which is located in South Florida, includes all of Palm Beach County. West Palm Beach is the county seat. The bank operates one office in Boca Raton which opened in 2006, and is located in an upper-income census tract. The office does not have a drive-up teller window, but it does have an ATM. As of October 2009, the home values in this area had declined within the year as the estimated median home value was \$145,827, down 36.45% since the same period last year. The AA is reporting 18,147 foreclosures. The unemployment rate in Palm Beach County is 11.4% which is slightly higher than the state's rate of 11.2% and significantly higher than last year's rate of 7.6%. Specific 2009 demographic data and economic data for the assessment area are listed on the next page.

<b>Demographic and Economic Characteristics of the Palm Beach County AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	1,131,184	Number of Census Tracts	265
Number of Households	474,295	% Low-Income Census Tracts (15)	5.66%
<b>Median Family Income (MFI)</b>	\$67,600	% Moderate-Income Census Tracts (70)	26.42%
<i>Based on MFI</i>		% Middle-Income Census Tracts (89)	33.58%
Low-Income individuals earn	<\$33,800	% Upper-Income Census Tracts (89)	33.58%
Moderate-Income individuals earn	\$33,800- \$54,079	% of NA Census Tracts (2)	0.76%
<b>Income Distribution</b>			
Number of Families	306,002	<b>Businesses</b>	
<b>Families residing in the AA by income category</b>		Number of Businesses located in the AA	185,936
% Low-Income Families	19.86%	% of Small Businesses located in the AA	65.34%
% Moderate-Income Families	18.56%	% of Large Businesses	3.36%
% Middle-Income Families	20.60%	% of Business with no revenues reported	31.30%
% Upper-Income Families	40.98%	% of Low-Income Census Tracts	3.42%
		% of Moderate-Income Census Tracts	21.29%
		% of Middle-Income Census Tracts	34.64%
		% of Upper-Income Census Tracts	40.49%
		% of NA Census Tracts	0.16%
<i>Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data</i>			

*Description of the Ft. Lauderdale-Pompano Beach-Deerfield Beach Assessment Area (MD 22744)*

This assessment area is located in South Florida and includes all of Broward County. The bank has one office in Fort Lauderdale that opened in 2007 and is located in a low-income census tract. The office does not have a drive-up teller window, but does have an ATM. Home values have significantly declined within the year. As of October 2009, the estimated median home value was \$132,264, a decline of 37.82% since the same period last year. The AA is reporting 45,611 foreclosures. The unemployment rate in Broward County is 9.7%, compared to the state rate of 11.2%; however, it is significantly higher than last year's unemployment rate of 6.1%. Specific 2009 demographic data and economic data for the assessment area are listed on the next page.

<b>Demographic and Economic Characteristics of the Broward County AA</b>			
<b>Population</b>		<b>Geographies</b>	
Total Persons	1,623,018	Number of Census Tracts	279
Number of Households	654,787	% Low-Income Census Tracts (13)	4.66%
<b>Median Family Income (MFI)</b>	\$65,400	% Moderate-Income Census Tracts (71)	25.45%
<i>Based on MFI</i>		% Middle-Income Census Tracts (117)	41.94%
Low-Income individuals earn	<\$32,700	% Upper-Income Census Tracts (78)	27.95%
Moderate-Income individuals earn	\$32,700-\$52,319		
<b>Income Distribution</b>			
Number of Families	413,958	<b>Businesses</b>	
<b>Families residing in the AA by income category</b>		Number of Businesses located in the AA	244,923
% Low-Income Families	20.85%	% of Small Businesses located in the AA	66.53%
% Moderate-Income Families	18.17%	% of Large Businesses	3.59%
% Middle-Income Families	20.48%	% of Business with no revenues reported	29.88%
% Upper-Income Families	40.50%	% of Low-Income Census Tracts	4.82%
		% of Moderate-Income Census Tracts	22.76%
		% of Middle-Income Census Tracts	42.53%
		% of Upper-Income Census Tracts	29.89%

*Source: 2000 Census, 2009 HUD updated income data, and 2008 Dunn and Bradstreet data.*

## CONCLUSIONS ABOUT PERFORMANCE CRITERIA

### Lending Test

- **Loan-to-Deposit Ratio - Meets the Standard for Satisfactory Performance**

*The bank's average loan-to-deposit (LTD) ratio is reasonable and comparable to peer averages.* The quarterly average LTD ratio was calculated and averaged for each quarter (through June 30, 2009) since the last CRA examination in September 2006. The peer group used for this analysis consists of banks with total assets ranging from \$500 million to \$1 billion and located throughout the counties in and surrounding the bank's seven AAs. The bank's average LTD ratio for the last 11 quarters was 98.66%, which is reasonable in comparison to peer banks' average of 98.76%.

- **Lending in Assessment Area - Does Meet the Standard for Satisfactory Performance**

*FLCB's lending in its assessment area is reasonable given its performance context.*

This conclusion is based primarily on the bank's business lending. As discussed in the *Scope of Examination* section, FLCB's lending to businesses was given the most weight due to the number of business loan originations exceeding residential real estate loans originations by 51%.

Based on reports provided by the bank, there were 1,545 business loans totaling \$972 million originated during the evaluation period. Further, lending to small businesses is the core business strategy for the bank.

The analysis depicted below includes all home mortgage loans reported on the HMDA (13,653) since the last examination in 2006. The business analysis is based on a random sample of 242 loans originated throughout its seven AAs. Lending to businesses within the AAs is strong as 86.78% by number and 80.73% by dollar amount were made to businesses during the evaluation period. As detailed in the table below, on an aggregate basis, 91.13% in number and 88.84% by dollar amount of both residential and business loans, originated during the evaluation period, were outside of the assessment area. The overall lending pattern is expected as it is reflective of the significant volume of mortgage loans generated from the FLCB's wholesale mortgage lending division in which originations usually occur outside of the AAs.

As discussed in the *Description of the Institution*, consideration was given to the bank's financial requirements as well as the hampered residential lending opportunities given the downturn in the economy, which is most readily reflected in the high level of home foreclosures. As such, the level of residential lending outside the bank's assessment area is considered to be resultant of economic factors, and the financial needs of the bank to sustain earning opportunities.

<b>Lending in the Combined Assessment Areas</b>										
Type of Loan	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
<b>*Business Loans</b>	<b>210</b>	<b>86.78</b>	<b>32</b>	<b>13.22</b>	<b>242</b>	<b>127,686</b>	<b>80.73</b>	<b>30,479</b>	<b>19.27</b>	<b>158,165</b>
Home Purchase	468	9.10	4,675	90.90	5,143	93,060	9.02	939,202	90.98	1,032,262
Home Refinance	537	6.46	7,772	93.54	8,309	117,685	6.39	1,723,452	93.61	1,841,137
Totals	1,215	8.87	12,479	91.13	13,694	338,431	11.16	2,693,133	88.84	3,031,564

Source: Data reported under HMDA October 1, 2006 through September 30, 2009. Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009.

- **Lending to Borrowers of Different Incomes and to Businesses of Different Sizes - Meets the Standard for Satisfactory Performance**

*FLCB's lending activities show reasonable penetration among businesses of different sizes and to borrowers of different income levels given the performance context.* As mentioned in the *Scope of Examination* section noted above, the lending analysis and a large portion of the overall rating is focused on small business lending rather than residential real estate mortgage lending due to the volume of business originations during the evaluation period. Our sample and analysis is based upon a random sample of 30 loans originated in each of the seven AAs totaling \$128 million during the period of September 12, 2006 through October 6, 2009. Our sample also included all home mortgage loans (1,005 totally \$211 million,) originated in the seven AAs and reported on the HMDA.

The following charts show a breakdown of those loans according to business and loan size for

each of the seven AAs.

## Lending to Businesses of Different Sizes

### FULL-SCOPE AAs

<b>Distribution of Loans to Businesses in Hillsborough, Pinellas and Pasco Counties</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	64.47%	3.68%	31.85%	100%
% of Bank Loans in AA by #	63.33%	36.67%	0.00%	100%
% of Bank Loans in AA by \$	66.71%	33.29%	0.00%	100%

*Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data*

<b>Borrower Distribution of Loans to Businesses by Loan Size in Hillsborough, Pinellas and Pasco Counties</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	6	20.00%	\$370,973	3.10%
\$100,001-\$250,000	7	23.33%	\$1,170,447	9.77%
\$250,001-\$500,000	10	33.33%	\$3,902,180	32.57%
\$500,001-\$1,000,000	4	13.33%	\$2,718,000	22.69%
\$1,000,001-\$3,000,000	3	10.00%	\$3,819,000	31.88%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$11,980,600</b>	<b>100.00%</b>

*Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data*

As shown in the above tables, the percentage of loans to small businesses in the Hillsborough, Pinellas and Pasco Counties' AA is similar to the percentage of such businesses operating in the assessment area. Based on our sample, the bank originated 63.33% of the total number of loans and 66.71% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (31.84% did not report revenues), 64.47% are considered small businesses. Additionally, the analysis noted a substantial majority of the loans originated in the AA had original amounts of \$1 million or less. The bank originated 23 loans in number or 77% of all loans sampled in the AA, and had original amounts of \$500,000 or less, and 27 loans, or 90% of all business loans in the AA, had original amounts of \$1,000,000 or less indicating that the bank is meeting the needs of smaller businesses.

<b>Distribution of Loans to Businesses in Duval and St. Johns Counties</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	64.07%	3.86%	32.07%	100%
% of Bank Loans in AA by #	53.33%	46.67%	0.00%	100%
% of Bank Loans in AA by \$	64.50%	35.50%	0.00%	100%

*Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data.*

<b>Borrower Distribution of Loans to Businesses by Loan Size in Duval and St. Johns Counties</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	5	16.67%	\$262,267	1.55%
\$100,001-\$250,000	9	30.00%	\$1,289,783	7.64%
\$250,001-\$500,000	4	13.33%	\$1,682,111	9.96%
\$500,001-\$1,000,000	9	30.00%	\$6,806,469	40.32%
\$1,000,001-\$3,000,000	3	10.00%	\$6,841,463	40.32%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$16,882,093</b>	<b>100.00%</b>

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

As shown in the above tables, the percentage of loans to small businesses is somewhat lower than the percentage of such businesses operating in the Duval and St. Johns Counties' AA. Based on our sample, the bank originated 53.33% of the total number of loans and 64.50% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (32.08% did not report revenues), 64.07% are considered small businesses. Additionally, the analysis noted a substantial majority of the loans originated in the AA had original amounts of \$1 million or less. The bank originated 18 loans in number, or 60% of all loans sampled in the AA, and with original amounts of \$500,000 or less, and 27 loans, or 90% of all business loans in the AA, had original amounts of \$1,000,000 or less indicating that the bank is meeting the needs of smaller businesses. Also, during the evaluation period, the Duval and St. Johns Counties' AA originated slightly more home mortgage loans than business loans, or 53% and 47%, by number respectively.

<b>Distribution of Loans to Businesses in Orange County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	63.43%	3.54%	33.03%	100%
% of Bank Loans in AA by #	60.00%	33.33%	6.67%	100%
% of Bank Loans in AA by \$	51.02%	46.81%	2.17%	100%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

<b>Borrower Distribution of Loans to Businesses by Loan Size in Orange County</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	12	40.00%	\$995,000	5.40%
\$100,001-\$250,000	3	10.00%	\$506,250	2.75%
\$250,001-\$500,000	4	13.33%	\$1,500,000	8.14%
\$500,001-\$1,000,000	4	13.33%	\$2,968,350	16.11%
\$1,000,001-\$3,000,000	7	23.33%	\$12,456,953	67.60%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$18,426,553</b>	<b>100.00%</b>

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

As shown in the above tables, the percentage of loans to small businesses is closely similar to the percentage of such businesses operating in the Orange County AA. Based on our sample, the bank originated 60.00% of the total number of loans and 51.02% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (33.03% did not report revenues), 63.43% are considered small businesses. Additionally, the analysis noted a significant majority of the loans originated in the AA had original amounts of \$1 million or less. The bank originated 19 loans or 63% of all loans sampled in the AA, with original amounts of \$500,000 or less, and 23 loans, or 77% of all business loans in the AA, had original amounts of \$1,000,000 or less indicating that the bank is meeting the needs of smaller businesses.

### LIMITED SCOPE AAs

<b>Distribution of Loans to Businesses in Alachua County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	62.02%	3.60%	34.38%	100%
% of Bank Loans in AA by #	53.33%	46.67%	0.00%	100%
% of Bank Loans in AA by \$	40.97%	59.03%	0.00%	100%

*Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data*

<b>Borrower Distribution of Loans to Businesses by Loan Size in Alachua County</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	9	30.00%	\$409,200	4.01%
\$100,001-\$250,000	4	13.33%	\$815,500	8.00%
\$250,001-\$500,000	10	33.33%	\$3,697,423	36.27%
\$500,001-\$1,000,000	7	23.33%	\$5,272,551	51.72%
\$1,000,001-\$3,000,000	0	0.00%	\$0	0.00%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$10,194,674</b>	<b>100.00%</b>

*Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data*

Based on a limited scope review, the bank's performance in the Alachua County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the above tables, the percentage of loans to small businesses is somewhat below the percentage of such businesses operating in the assessment area. Based on our sample, the bank originated 53.33% of the total number of loans and 40.97% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (34.38% did not report revenues), 62.02% are considered small businesses. The analysis noted all the loans originated in the AA had original amounts of \$1 million or less. The bank originated 30 in number, or 100% of total loans sampled, and was under \$1,000,000 or less, indicating that the bank is meeting the needs of smaller businesses.

<b>Distribution of Loans to Businesses in Volusia County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	67.75%	2.84%	29.41%	100%
% of Bank Loans in AA by #	55.17%	44.83%	0.00%	100%
% of Bank Loans in AA by \$	40.93%	59.07%	0.00%	100%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

<b>Borrower Distribution of Loans to Businesses by Loan Size in Volusia County</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	2	6.67%	\$145,000	0.63%
\$100,001-\$250,000	12	40.00%	\$1,898,859	8.30%
\$250,001-\$500,000	5	16.67%	\$1,706,250	7.46%
\$500,001-\$1,000,000	5	16.67%	\$3,573,672	15.62%
\$1,000,001-\$3,000,000	6	20.00%	\$15,551,525	67.98%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$22,875,306</b>	<b>100.00%</b>

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

Based on a limited scope review, the bank's performance in the Volusia County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the above tables, the percentage of loans to small businesses is somewhat below the percentage of such businesses operating in the assessment area. Based on our sample, the bank originated 55.17% of the total number of loans and 40.93% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (29.41% did not report revenues), 67.75% are considered small businesses. Additionally, the analysis noted a significant majority of the loans originated in the AA had original amounts of \$1 million or less. The bank originated 19 loans, or 63% of all loans sampled in the AA, with original amounts of \$500,000 or less, and 24 loans in number, or 80% of total business loans sampled, had original amounts of \$1,000,000 or less indicating that the bank is meeting the needs of smaller businesses.

<b>Distribution of Loans to Businesses in Palm Beach County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	65.34%	3.36%	31.30%	100%
% of Bank Loans in AA by #	56.67%	40.00%	3.33%	100%
% of Bank Loans in AA by \$	54.22%	45.23%	0.55%	100%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

<b>Borrower Distribution of Loans to Businesses by Loan Size in Palm Beach County</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	4	13.33%	\$167,435	0.62%
\$100,001-\$250,000	7	23.33%	\$1,496,470	5.56%
\$250,001-\$500,000	6	20.00%	\$2,441,273	9.08%
\$500,001-\$1,000,000	4	13.33%	\$3,102,500	11.54%
\$1,000,001-\$3,000,000	9	30.00%	\$19,685,200	73.20%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$26,892,878</b>	<b>100.00%</b>

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

Based on a limited scope review, the bank's performance in the Palm Beach AA is not inconsistent with the bank's performance under the Lending Test. As shown in the above tables, the percentage of loans to small businesses is slightly below the percentage of such businesses operating in the assessment area. Based on our sample, the bank originated 56.37% of the total number of loans and 54.22% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (31.30% did not report revenues), 65.34% are considered small businesses. Additionally, the analysis noted a significant majority of the loans originated in the AA had original amounts of \$1 million or less. The bank originated 17 loans or 57% of all loans sampled in the AA, with original amounts of \$500,000 or less, and 21 loans in number, or 70% of total business loans sampled, had original amounts of \$1,000,000 or less indicating that the bank is meeting the needs of smaller businesses.

<b>Distribution of Loans to Businesses in Broward County</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	66.53%	3.59%	29.88%	100%
% of Bank Loans in AA by #	63.33%	36.67%	0.00%	100%
% of Bank Loans in AA by \$	57.22%	42.78%	0.00%	100%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data.

<b>Borrower Distribution of Loans to Businesses by Loan Size in Broward County</b>				
Loan Size	Number of loans	Percent of Number	Dollar Volume of Loans	% of Dollars
\$0-\$100,000	7	23.33%	\$510,000	2.50%
\$100,001-\$250,000	5	16.67%	\$880,000	4.31%
\$250,001-\$500,000	7	23.33%	\$2,826,504	13.83%
\$500,001-\$1,000,000	7	23.33%	\$5,655,200	27.68%
\$1,000,001-\$3,000,000	4	13.33%	\$10,562,500	51.69%
<b>Total</b>	<b>30</b>	<b>100.00%</b>	<b>\$20,434,204</b>	<b>100.00%</b>

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data.

Based on a limited scope review, the bank's performance in the Broward County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the above tables, the percentage of loans to small businesses is similar to the percentage of such businesses operating in the assessment area. Based on our sample, the bank originated 63.33% of the total number of loans and 57.22% of total dollar volume of loans to small businesses (those with total revenues of \$1 million or less). In comparison, businesses in the assessment area that reported revenues (29.91% did not report revenues), 66.53% are considered small businesses. Additionally, the analysis noted a significant majority of the loans originated in the AA had original amounts of \$1 million or less. The bank originated 19 loans in number, or 63% of all loans sampled in the AA, had original amounts of \$500,000 or less, and 26 loans, or 87% of all business loans in the AA, had original amounts of \$1,000,000 or less indicating that the bank is meeting the needs of smaller businesses.

### **Lending to Borrowers of Different Incomes**

#### **FULL SCOPE AAs**

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Hillsborough, Pinellas and Pasco Counties	18.63%	3.39%	18.71%	27.12%	21.88%	22.03%	40.78%	47.46%

*Source: Data reported under HMDA October 1, 2006 through September 30, 2009.*

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Hillsborough, Pinellas and Pasco Counties	18.63%	4.69%	18.71%	12.50%	21.88%	18.75%	40.78%	64.06%

*Source: Data reported under HMDA October 1, 2006 through September 30, 2009.*

Loans made in the Hillsborough/Pinellas/Pasco Counties' AA showed a reasonable penetration among borrowers of different incomes. FLCB's lending to moderate-income borrowers significantly exceeds the demographic comparator (% of moderate-income families in the AA) for residential purchase loans and is near the demographic comparator for residential refinance loans. FLCB's lending to low-income borrowers is significantly lower than the demographic for both lending products, but is considered reasonable in the context of the AA. Through 2007,

home price escalation in the Tampa-St Pete MSA made affordable housing difficult to attain for low-income residents. In 2008 through 2009, rising unemployment had a significant impact on the AA. The AA has also experienced a rise in foreclosure activity. While home prices have begun to decline, they remain largely unaffordable for low-income borrowers.

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Duval and St. Johns Counties	20.28%	4.02%	18.59%	26.63%	22.71%	28.14%	38.42%	41.21%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Duval and St. Johns Counties	20.28%	5.42%	18.59%	20.42%	22.71%	27.08%	38.42%	47.08%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Loans made in the Duval and St. Johns Counties AA also showed a reasonable penetration among borrowers of different incomes. FLCB's lending to moderate-income borrowers significantly exceeds the demographic comparator (% of moderate-income families in the AA) for residential purchase and slightly exceeds the demographic comparator for refinance loans. FLCB's lending to low-income is significantly lower than the demographic, but is considered reasonable in the context of the AA. As with the Hillsborough/Pinellas/Pasco AA, issues of housing affordability, unemployment and foreclosures have impacted the Duval AA, making it difficult to meet the housing needs of low-income borrowers.

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Orange County	20.01%	3.03%	18.64%	18.18%	22.03%	34.85%	39.32%	43.94%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Orange County	20.01%	6.90%	18.64%	13.79%	22.03%	17.24%	39.32%	62.07%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Loans made in the Orange County AA also showed a reasonable penetration among borrowers of different incomes. FLCB's lending to moderate-income borrowers is near the demographic comparator (% of moderate-income families in the AA) for residential purchase and refinance loans. FLCB's lending to low-income is lower than the demographic, but is considered reasonable in the context of the AA. As with the AAs discussed above and most metropolitan areas in Florida, economic factors have impacted housing affordability, employment and housing opportunities in the state, particularly for low-income residents.

### **LIMITED SCOPE AAs**

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Alachua County	23.17%	6.25%	15.79%	12.50%	19.35%	18.75%	41.69%	62.50%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Alachua County	23.17%	0.00%	15.79%	13.64%	19.35%	9.09%	41.69%	77.27%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited-scope review, the bank's performance in the Alachua County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to moderate-income geographies is near the percentage of moderate-income families in the AA. The analysis does show no refinance loans made to low-income borrowers during the evaluation period. Business lending represented the majority of FCB lending in the Alachua County AA. The total volume

of residential mortgage loans made over the period was low compared to the total volume of business loans.

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Volusia County	17.44%	5.13%	19.60%	23.08%	23.44%	20.51%	39.52%	51.28%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Volusia County	17.44%	2.17%	19.60%	19.57%	23.44%	34.78%	39.52	43.48%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited-scope review, the bank's performance in the Volusia County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to moderate-income geographies exceeds or is near the percentage of moderate-income families in the AA.

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Palm Beach County	19.86%	9.62%	18.56%	23.08%	20.60%	32.69%	40.98%	34.62%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Palm Beach County	19.86%	2.94%	18.56%	23.53%	20.60%	35.29%	40.98%	38.24%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited-scope review, the bank's performance in the Palm Beach County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to moderate-income geographies exceeds the percentage of moderate-income families in the AA.

<b>Borrower Distribution of Residential Real Estate Purchase Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Broward County	20.85%	4.76%	18.17%	14.29%	20.48%	14.29%	40.50%	66.67%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Borrower Distribution of Residential Real Estate Refinance Loans from 10/1/06-9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Broward County	20.85%	0.00%	18.17%	18.75%	20.48%	25.00%	40.50%	56.25%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited-scope review, the bank's performance in the Broward County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to moderate-income geographies is near to the percentage of moderate-income families in the AA.

- **Geographic Distribution of Loans-Meets the Standard for Satisfactory Performance**

*The geographic distribution of loans reflects a reasonable dispersion throughout the AAs and meets the standard for satisfactory performance given the performance context.* Our analysis was based on the same sample of business and residential mortgage loans originated during the evaluation period.

### **Business Lending**

Based upon the same sample of 210 business loans, the geographic distribution of loans reflects reasonable dispersion throughout the three full-scope and four limited-scope AA's. The following table illustrates the geographic distribution of commercial loans within these income tracts in comparison to the percent of businesses in each tract.

#### **FULL-SCOPE AAs**

<b>Geographic Distribution of Commercial Loans</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans						
Hillsborough, Pinellas and Pasco Counties	1.77%	3.33%	23.30%	26.67%	42.46%	30.00%	32.46%	40.00%

*Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data*

As shown in the table above, the geographic distribution of loans to businesses is good in the Hillsborough, Pinellas and Pasco Counties AA as the percentage of loans extended to low- and moderate-income geographies exceeds the percentage of businesses in those income tracts. The business loan sample shows that the bank extends 3.33% and 26.67% of its business loans to businesses that report revenues and are located in low-income and moderate-income census tracts, respectively. By comparison, low-income and moderate-income census tracts account for 1.77% and 23.30% of all businesses within the AA, respectively. Likewise, lending to middle- and upper-income tracts shows a reasonable pattern of distribution.

<b>Geographic Distribution of Commercial Loans</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Duval and St. Johns Counties	5.51%	3.33%	25.16%	26.67%	44.28%	56.67%	25.05%	13.33%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

As shown in the table above, the geographic distribution of loans to businesses is good in the Duval and St. Johns Counties' AA as the percentage of loans extended to low- and moderate-income geographies exceeds or approximates the percentage of businesses in those income tracts. The business loan sample shows that the bank extends 3.33% and 26.67% of its business loans to businesses that report revenues and are located in low-income and moderate-income census tracts, respectively. By comparison, low-income and moderate-income census tracts account for 5.51% and 25.16% of all businesses within the AA, respectively. Likewise, lending to middle- and upper-income tracts shows a reasonable pattern of distribution.

<b>Geographic Distribution of Commercial Loans</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Orange County	2.32%	0.00%	25.05%	50.00%	41.42%	23.33%	31.21%	26.67%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

As shown in the table above, the geographic distribution of loans to businesses is good in the Orange County AA as the percentage of loans extended to low- and moderate-income geographies exceeds or is slightly lower than the percentage of businesses in those income tracts. The business loan sample shows that the bank extended 50% of its business loans to businesses that report revenues and are located in moderate-income census tracts. By comparison, moderate-income census tracts account for 25.05% of all businesses within the AA. The bank did not originate any business loans in low-income tracts which represent a minimal 2.32% of businesses located in low-income tracts. This was mainly due to the bank not having any offices located in low-income census tracts. Lending to middle- and upper-income tracts shows a reasonable pattern of distribution.

## LIMITED SCOPE AAs

Geographic Distribution of Commercial Loans								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Alachua County	9.21%	10.00%	26.76%	13.33%	37.09%	20.00%	26.94%	56.67%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

Based on our limited-scope analysis of the Alachua County AA, the bank's performance in this AA is consistent with the bank's performance under the Lending Test. As shown in the table above, the percentage of business loans extended to low-income geographies exceeds the percentage of businesses reporting revenues in the low-income tract. The number of business loans the bank extended to moderate-income businesses is lower than the number of businesses reporting revenues and located in this tract. The demand for business loans in moderate-income tracts is minimal and this outcome is expected and reflective of the demographics of the AA; one half of the economy is centered in the University of Florida and Shands Hospital, which are located in low- and moderate-income census tracts.

Geographic Distribution of Commercial Loans								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Volusia County	1.06%	0.00	17.45%	16.67%	65.44%	53.33%	16.05%	30.00%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

Based on our limited scope review, the bank's performance in the Volusia County AA is consistent with the bank's performance under the Lending Test. As shown in the table above, the percentage of business loans extended to moderate-income geographies approximates the percentage of businesses in the income tract. The bank did not extend any business loans in the low-income tract, which is expected due to the minimal number of small businesses operating in this tract within the AA.

<b>Geographic Distribution of Commercial Loans</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Palm Beach County	3.42%	6.67%	21.29%	30.00%	34.64%	30.00%	40.49%	33.33%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

Based on our limited-scope review, the bank’s performance in the Palm Beach County AA is not inconsistent with the bank’s performance under the Lending Test. As shown in the table above, the geographic distribution of loans to businesses is very good in the Palm Beach County as the percentage of loans extended to low-and moderate-income geographies exceeds the percentage of businesses in those income tracts.

<b>Geographic Distribution of Commercial Loans</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Broward County	3.93%	3.33%	23.54%	36.67%	42.65%	36.67%	29.88%	23.33%

Source: Loan sample for business loans for the time period of September 12, 2006 through October 6, 2009, and 2008 Dunn and Bradstreet data

Based on our limited-scope review, the bank’s performance in the Broward County AA is not inconsistent with the bank’s performance under the Lending Test. As shown in the table above, the geographic distribution of loans to businesses is good in the Broward County AA as the percentage of loans extended to low-and moderate-income geographies exceeds or approximates the percentage of businesses in those income tracts.

## Residential Lending

### FULL SCOPE AAs

Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Hillsborough, Pinellas and Pasco Counties	.82%	1.64%	20.14%	22.95%	47.94%	29.51%	31.10%	45.90%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Hillsborough, Pinellas and Pasco Counties	.82%	2.50%	20.14%	10.00%	47.94%	48.75%	31.10%	38.75%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

The geographic distribution of mortgage loans in the Hillsborough, Pinellas, and Pasco Counties' AA showed a reasonable penetration among geographies. FLCB's lending in low-income geographies exceeds the demographic comparator (% of owner-occupied housing) for home purchases and refinances. The level of home purchase lending in moderate-income geographies exceeds the comparator as well. Refinances in moderate-income geographies is lower, but considered reasonable given the performance context of the institution.

Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Duval and St. Johns Counties	2.52%	0.00%	19.62%	19.21%	48.94%	47.29%	28.91%	33.50%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Duval and St. Johns Counties	2.52%	0.76%	19.62%	14.89%	48.94%	50.38%	28.91%	33.97%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

The geographic distribution of mortgage loans in the Duval and St Johns Counties' AA showed a reasonable penetration among geographies. FLCB's home purchase lending in moderate-income geographies is near to the demographic comparator (% of owner-occupied housing). Refinances in low-income geographies is low, but considered reasonable given the performance context of the institution.

<b>Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Orange County	1.10%	0.00%	18.70%	5.88%	46.78%	51.47%	33.42%	42.65%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Orange County	1.10%	0.00%	18.70%	9.38%	46.78%	48.44%	33.42%	42.19%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

The geographic distribution of mortgage loans in the Orange County AA showed an adequate penetration among geographies. The overall level of mortgage lending is low. However, the primary lending focus in this AA is small business lending, which showed a substantial level of lending in moderate-income geographies.

## LIMITED SCOPE AAs

<b>Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Alachua County	6.23%	5.26%	15.63%	15.79%	47.67%	31.58%	30.47%	47.37%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Alachua County	6.23%	0.00%	15.63%	20.83%	47.67%	37.50%	30.47%	41.67%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited scope review, the bank's performance in the Alachua County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to moderate-income geographies exceeds or is near to the percentage of owner-occupied housing in those moderate-income geographies. Home purchase lending to low-income geographies is near to the percentage of owner-occupied housing in those low-income geographies.

<b>Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Volusia County	.47%	0.00%	9.62%	0.00%	74.00%	69.23%	15.91%	30.77%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Volusia County	.47%	2.04%	9.62%	12.24%	74.00%	59.18%	15.91%	26.53%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited scope review, the bank's performance in the Volusia County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential refinance loans extended to low- and moderate-income geographies exceeds the percentage of owner-occupied housing in those geographies.

<b>Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Palm Beach County	1.53%	2.50%	24.63%	17.50%	36.35%	50.00%	37.50%	30.00%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Palm Beach County	1.53%	5.77%	24.63%	28.85%	36.35%	38.46%	37.50%	26.92%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited scope review, the bank's performance in the Palm Beach County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to low- and moderate-income geographies exceeds or is near to the percentage of owner-occupied housing in those geographies.

<b>Geographic Distribution of Home Purchase Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Broward County	1.16%	0.00%	23.67%	13.04%	45.93%	56.52%	29.24%	30.43%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

<b>Geographic Distribution of Home Mortgage Refinance Loans from 10/1/06 -9/30/09</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Broward County	1.16%	0.00%	23.67%	0.00%	45.93%	43.75%	29.24%	56.25%

Source: Data reported under HMDA October 1, 2006 through September 30, 2009.

Based on our limited scope review, the bank's performance in the Broward County AA is not inconsistent with the bank's performance under the Lending Test. As shown in the tables above, the percentage of residential purchase and refinance loans extended to low- or moderate-income geographies is low, but is considered adequate given the performance context of the institution.

### **Responses to Complaints**

There were no CRA related complaints received by the bank or our office since the last CRA examination in 2006.

### **Fair Lending or Other Illegal Credit Practices Review**

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

## COMMUNITY DEVELOPMENT TEST

**The bank's performance under the Community Development Test is rated "Satisfactory".**

The bank's community development (CD) performance demonstrates satisfactory responsiveness to the needs of its AAs through community development loans, qualified investments (QI) and community development services, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs.

We reviewed information provided by FLCB for community development activities within the AAs during the evaluation period. The information was reviewed to validate that the activities supported community development and were responsive to community needs.

### Community Development Loans

Number of Loans	\$ Volume of Loans
5	\$5,963,500

***FLCB has an adequate level of CD lending that showed responsiveness to community needs.***

CD lending for FLCB consists primarily of loans to construct affordable housing in the AAs. The bank made loans to builders to finance the construction of single-family homes and multi-family apartments. Most of these projects were done in conjunction with affordable housing programs through state, municipal and community organizations. Other CD loans included an accounts receivable line of credit for a non-profit that provides educational and leadership opportunities for low- and moderate-income youth. This level of loans equates to 9.56% of total capital, as of September 30, 2009.

### Community Development Investments

Number of QI	\$ Volume of QI
1	\$2,914,000

***FLCB has an adequate level of qualified investments in the AAs given its size and capacity to provide such investments.*** FLCB made no monetary donations to community organizations during the evaluation period. Management had refrained from donations and grants because, during the review period, the bank was not in an earnings position. The bank made one investment in a Ginnie Mae (GNMA) loan pool which is collateralized by twenty-two mortgages to low- and moderate-income borrowers in eight counties within their assessment area. This investment equates to 4.7% of the bank's total capital, as of September 30, 2009.

### Community Development Services

***FLCB has a less than Satisfactory level of service activity in their AAs.*** The bank is situated in seven AAs which all are located in MSAs that offer numerous service-related opportunities for the bank. The bank has for the examination period only served organizations that meet the definition of community development through the involvement of three officers. These officers have served as Board members of two separate affordable housing non-profits situated in the Tampa-St. Petersburg and Alachua AAs. Management is encouraged to increase their level of

involvement in these particular markets as well as the other market areas in which they operate.

The bank offers a Small Business Checking Account with a minimum opening deposit of \$100, no minimum balance requirement and no charge for up to 750 transactions. In addition, it offers personal free checking accounts, with a minimum opening deposit of \$100 and no monthly maintenance fee. These products are considered responsive to LMI and small businesses.