



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

May 19, 2003

Community Reinvestment Act Performance Evaluation

**West Georgia National Bank
Charter Number: 14599**

**201 Maple Street
Carrollton, GA 30117**

Office of the Comptroller of the Currency

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

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Overall CRA Rating

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

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

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

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

The major factors that support this rating include:

- The distribution of borrowers and the various product lines reflect excellent penetration among customers of different income levels and businesses of different sizes.
- Excellent distribution of small loans to businesses, particularly businesses with revenues of \$1 million or less.
- The bank achieved excellent geographic distribution to moderate-income census tracts in all reported loan products, and an evaluation of the geographic distribution of home mortgage loans and loans to small businesses revealed no unexplained or conspicuous gaps in lending.
- The bank is a leader in making Community Development (CD) loans. In addition to originating a high number and dollar volume of CD loans, these loans primarily addressed affordable housing credit needs within the full-scope Assessment Area (AA).
- The bank has a significant level of qualified community development investments, grants, and donations.
- The bank’s service delivery systems are accessible to essentially all portions of the AA, and the bank’s services and business hours do not vary in a way that inconveniences certain portions of the AA, particularly low- and moderate-income geographies and individuals.

Definitions and Common Abbreviations

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

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

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

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

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home Mortgage Loans: such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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

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

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

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

Metropolitan Area (MA): Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

Description of Institution

West Georgia National Bank (WGNB) is an intrastate commercial bank headquartered in Carrollton, Georgia. WGNB is a wholly owned subsidiary of WGNB Corp. (WGNBC), a one-bank holding company also headquartered in Carrollton. As of December 31, 2002, WGNBC reported total assets of \$385 million. The holding company conducts all of its operations through the bank. Although the bank has one subsidiary, this evaluation did not include data from this entity.

WGNB operates seven branches in Carroll and Douglas counties in western Georgia. Two branches are located in moderate-income geographies and five in middle-income geographies. The branches feature eight automated teller machines (ATM's). The bank also operates six stand-alone ATM's.

WGNB offers a full range of credit and deposit services throughout its AA. The bank's primary focus is commercial lending with a secondary focus in residential real estate lending. The March 31, 2003 Call Report shows total assets of \$388 million and Tier One Capital of \$33 million. Total loans account for 73 percent of total assets. Loan portfolio composition includes 65 percent commercial real estate and commercial loans, 25 percent HMDA-reportable loans, 7 percent other loans, and 3 percent agricultural loans. The loan to deposit ratio was 93 percent.

There were no legal, financial, or other impediments that hampered the bank's ability to help meet the credit needs of its community during the assessment period. No merger or acquisition activity of other banks occurred during the assessment period. In 1997, WGNBC formed a non-bank subsidiary named West Georgia Credit Services, Inc. However, as of December 31, 2002, West Georgia Credit Services ceased operations and the remaining assets were transferred to the bank. No data from this affiliate was considered in this evaluation.

WGNB's performance was rated "Outstanding" at its last CRA evaluation dated March 20, 1997.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The content of this Performance Evaluation reflects our assessment of the bank's performance under the Lending, Investment, and Service Tests. In evaluating the bank's lending performance, we reviewed WGNB's residential mortgage loans and small business loans. Consumer loans were not evaluated because bank management did not request us to review them. Therefore, Table 13 detailing Geographic and Borrower Distribution of Consumer Loans has been eliminated from the Public Evaluation.

The evaluation period for the lending test was January 1, 2000 through December 31, 2002. We utilized annual reporting data from HMDA/LARS for our analysis. HMDA data for the period 1997-1999 was not included in the analysis, as the information was not available in an electronic, usable format. The lending test evaluation period differs from the elapsed time since the last CRA examination (1997), however data for 2000 through 2002 is considered representative of the bank's lending performance for the entire performance period. Small business data was only available for 2001 and 2002 since the bank did not become subject to reporting requirements until 2001.

For community development (CD) loans and the Investment and Service Tests, the evaluation period is March 20, 1997 through May 19, 2003. The Investment Test conclusions are based on an evaluation of investments, grants, and donations made in the bank's AA that meet the definition of community development. The Service Test was evaluated based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial deposit and loan products and services, and community development services.

Data Integrity

Before this CRA examination, OCC personnel verified the accuracy of data made available to the public in accordance with the HMDA and CRA regulations. Public data includes home mortgage lending and small loans to businesses and farms. The first data integrity review in May 2002 found the public data to be unreliable. Management was cooperative and willing to make the corrections to the three years of data by November 2002. A follow-up review in December 2002 found the updated data to be accurate.

Selection of Areas for Full-Scope Review

The areas that were chosen for a full-scope review include WGNB's entire AA—Carroll and Douglas counties in western GA. Please see appendix A of this evaluation for more information on this area.

Ratings

The overall rating is based primarily on the bank's performance in the full-scope AA.

Other

During our review, we contacted one local organization that promotes business growth and economic development of Carroll County.

The organization indicated that Carroll County is in part a bedroom community for the Atlanta MSA. As such, the community is home to both a highly skilled workforce as well as a portion of the population that is unskilled and under-educated. The major needs of the community involve real life issues of education, work, and quality of life.

They also indicated that the banks in the area are concerned about the county and are committed to improving the quality of life issues through the funding of industry growth and housing developments.

Fair Lending Review

We performed a fair lending examination according to the OCC's risk-based fair lending approach. The prohibited basis group was black approvals and the control group was white approvals. To achieve our objectives we reviewed the bank's loan policy and met with senior lending officers to discuss the bank's lending practices and procedures. The examination also included sampling home improvement loans made from January 1, 2001 to December 31, 2001 for comparative evidence of disparate treatment.

No violations of the substantive provisions of anti-discrimination laws and regulations were identified. The bank has established adequate policies and procedures to prevent illegal treatment of applicants. The bank has also implemented a compliance management process that provides for training and includes an internal assessment to identify disparate treatment.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "**Outstanding.**" Based on full-scope reviews, the bank's performance in Carroll and Douglas counties, Georgia, is excellent.

Lending Activity

Refer to Table 1 - *Lending Volume* in appendix C for the facts and data used to evaluate the bank's lending activity. Tables for *Other Products* and *Consumer Loans* have been eliminated from the Public Evaluation since other lending products and consumer loans were not considered at this examination.

WGNB is primarily a commercial lender with commercial real estate and commercial loans accounting for approximately 65 percent of total loans according to Call Report data as of March 31, 2003. Twenty-five percent of the loan portfolio includes HMDA-reportable loans. Agricultural lending comprises a small percentage of the loan portfolio.

The conclusion about the bank's lending performance is based primarily on the level of small business lending. Community development lending had a positive impact on the Lending Test conclusion. At just over \$29 million, community development lending represents 90 percent of Tier 1 capital as of March 31, 2003. Secondary weight was given to home mortgage loans and small loans to farms, as the bank achieved excellent borrower and geographic distribution in making these loans. This level of responsiveness to the community development needs of the bank's AA is excellent and reflects the bank's active efforts to meet these needs. As of June 30, 2002, the bank ranked first among 9 area institutions in deposit market share with 27 percent of the AA's insured deposits.

During the evaluation period, 85 percent of the bank's reportable loans were made within the AA. For its primary product, small business lending, the bank ranked third among AA banks with a 12 percent share of the market according to 2001 small business lending data. WGNB competes against offices of large regional banks that have greater financial resources. For HMDA-related loans, the bank ranked ninth with a 3 percent share according to 2001 HMDA data. This data fits with management's business strategy of being more a commercial lender than a retail lender.

Distribution of Loans by Income Level of the Geography

With the absence of low- and upper-income CTs, our geographic distribution focused on moderate-income tracts in the AA, and the bank did achieve excellent geographic distribution to the moderate-income tracts in all reported loan products. Additionally, the bank's distribution of loans inside/outside of their AA is excellent.

Small Loans to Businesses

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

WGNB's distribution of loans to small businesses is excellent. The percentage of small loans to businesses in moderate-income CTs was twice the demographics. There were no low-income demographics. The bank's market share of small loans to businesses in LMI CTs exceeds their overall market share for small loans to businesses.

Home Mortgage Loans

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

The distribution of home purchase loans is excellent. The percentage of the bank's home purchase loans to moderate-income CTs is greater than twice the demographics. The bank's market share for home purchase loans in LMI CTs exceeds the overall market share.

The distribution of home improvement loans is excellent. The percentage of the bank's home improvement loans to moderate-income CTs is almost twice the demographics. The bank's market share for home improvement loans in LMI CTs exceeds the overall market share.

The distribution of home refinance loans is excellent. The percentage of the bank's home refinance loans to moderate-income CTs is twice the demographics. The bank's market share for home refinance loans in LMI CTs exceeds the overall market share.

The distribution of multifamily home loans is excellent. The percentage of the bank's multifamily home loans to moderate-income CTs is greater than three times the demographics. The bank's market share for multifamily home loans in LMI CTs exceeds the overall market share.

Small Loans to Farms

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

The distribution of small farm loans is excellent. The percentage of the bank's loans to small farms in moderate-income CTs is twice the demographics. The bank's market share for small loans to farms in LMI is slightly below the overall market share.

Lending Gap Analysis

Our review included an evaluation of WGNB's geographic distribution of home mortgage loans and small loans to businesses. This was done using maps and reports showing the bank's lending in each census tract. No unexplained, conspicuous gaps in lending were identified. This performance had a positive effect on the bank's overall analysis under the lending test.

Inside/Outside Ratio

The bank's distribution of loans inside/outside of their AA is excellent. A substantial majority of the home mortgage loans, small loans to businesses and farms, and community development (CD) loans originated/purchased by WGNB over the evaluation period were within its AA. Eighty-four percent of home mortgage loans and 85 percent of small business, and all small farm loans were within its AA. This performance had a positive impact on the Lending Test conclusion.

Distribution of Loans by Income Level of the Borrower

The distribution of borrowers and the various product lines reflect excellent penetration among customers of different income levels and businesses of different sizes.

Small Loans to Businesses

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

WGNB's distribution of loans to small businesses is excellent. Although 67 percent of businesses in the bank's AA have revenues under \$1 million, 88 percent of the bank's loans were made to these businesses. The bank also made 83 percent of its loans in denominations of \$100 thousand and less. These figures reflect the responsiveness of WGNB in meeting the needs of small businesses within its community.

The bank has captured 11 percent of the market share of small loans to businesses and 17 percent of the market share of small loans to businesses with revenues under \$1 million. The top three small business competitors for 2001 include: GE Capital Financial (13 percent share), CB&T of West GA (12 percent share), and Associates Capital Bank, Inc. (11 percent share).

Home Mortgage Loans

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

The overall distribution of HMDA loans by borrower income level is excellent.

The distribution of home purchase loans is good. The percentage of the bank's loans to low income borrowers is slightly below the percentage of families classified low income after accounting for the percentage of families below the poverty level. The percentage of the bank's loans to moderate-income borrowers matches the percentage of families classified moderate income. Competition for home purchase loans is intense in the bank's market as can be seen in the bank's 2001 home purchase market share of 2 percent. The bank operates a mortgage origination department, with the majority of loans being sold on the secondary

market. Local competition includes affiliates of large regional companies, regional banks, credit unions, non-bank financial service providers, and other community banks. The top three competitors in this market for HMDA-related loans in 2001 included: Homebanc Mortgage (6 percent share), CB&T of West GA (5 percent share), and BancMortgage Financial Corp (5 percent share).

The distribution of home improvement loans is excellent. The percentage of bank loans to low-income borrowers exceeds the percentage of families classified as low income. The percentage of bank loans to moderate-income borrowers exceeds the percentage of families classified as moderate income. These figures represent an excellent penetration among low- to moderate-income borrowers. The bank's market share for home improvement loans is 18 percent.

The distribution of home mortgage refinance loans is good. The percentage of the bank's loans to low income borrowers is slightly below the percentage of families classified low income after accounting for the percentage of families below the poverty level. The percentage of the bank's loans to moderate-income borrowers matches the percentage of families classified moderate income. Our conclusions on this performance mirror our discussion for the home purchase loans above. The bank's market share for home mortgage refinance loans is under 2 percent.

Small Loans to Farms

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

The distribution of small farm loans is excellent. The percentage of the bank's loans to small farms exceeds the percentage of farms with revenues less than \$1 million. Out of these small farm loans, 89 percent were made in denominations less than \$100 thousand. These figures represent an excellent penetration in meeting the needs of small farms. The bank's market share of small loans to farms is 41 percent. The market share for small loans to farms with revenues under \$1 million is 41 percent.

Community Development Lending

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

CD loan performance throughout the WGNB AA is outstanding. WGNB is a leader in making CD loans. In addition to originating a high number and dollar volume of CD loans, these loans primarily addressed affordable housing credit needs within the full-scope AA.

During the evaluation period, WGNB originated 27 CD loans totaling \$29.4 million in the AA. The majority of CD loans supported affordable housing loans for low- and moderate-income

families, a primary credit need in the AA. Proceeds from a substantial majority of the CD loans were used to purchase, refinance, or improve multi-or single-family units targeted for low- and moderate-income families. As of March 31, 2003, the dollar volume of CD loans represented 90 percent of Tier 1 capital, 10 percent of domestic deposits, and 8 percent of total assets.

The CD loans originated during the evaluation period are shown below:

- \$9.8 million in seven loans originated in 2001 and 2002 to purchase affordable multifamily housing units for low- to moderate-income families. The apartment complexes are located in moderate-income CTs.
- \$6.3 million in five loans originated in 2002 and 2003 to build affordable multifamily housing units for low- to moderate-income families in the city of Villa Rica. The City of Villa Rica has started the downtown revitalization project to develop the declining and often vacated area.
- \$4.5 million in two loans originated in 2001 to a Georgia economic development organization. These loans were used to finance working capital for small businesses.
- \$4.3 million in one loan was renewed in 2003 for affordable housing units for low- to moderate-income families.
- \$2.3 million in one loan was originated in 2001 and later refinanced in 2002 to finance the building of affordable multifamily housing units for low- to moderate-income families in downtown Atlanta.
- \$1.9 million in eight loans originated to the local Housing Authority to provide affordable housing for low-to-moderate income individuals. The loans provided for approximately 16 single-family residences, 4 duplexes, a quadraplex, and an apartment building renovation.
- Loans in amounts less than \$1 million were granted for: the infrastructure stabilization of a moderate-income tract in Villa Rica; and two loans to a local Food and Clothing Bank to provide funds for community development services to low-income families.

Product Innovation and Flexibility

WGNB makes use of innovative or flexible lending practices in serving assessment area credit needs. The bank offers flexible underwriting standards in two lending programs to assist low- to moderate-income families. The programs are not considered innovative. Production numbers cover the entire evaluation period and are included in the HMDA loan numbers in the Tables in the Appendix. The bank's flexible lending program had a positive impact on the lending test conclusions.

One of the flexible lending programs included nine loans to low-income families in Villa Rica under the Community Block Grant Housing Project from 1997 to 2003. The program requires a low down payment and allows a 45 percent debt-to-income ratio. The real estate loans

ranged from \$1,000 to \$28,823 with low interest rates of 3 percent to 5 percent and totaled \$125,163.

The other flexible lending program is for home improvement. Fifty-two loans were originated in 2002 for a total of \$121,674. The program permits a debt ratio of 45 percent, and a LTV of 85 percent on loans over \$3,000. For loan amounts of \$500 to \$3,000, the loans are either unsecured or automobile secured.

INVESTMENT TEST

The bank's performance under the investment test is rated "**High Satisfactory.**" Based on the full-scope review, the bank's performance in the AA is good. The bank has a significant level of qualified community development investments, grants, and donations, and is occasionally in a leadership position on issuances not routinely provided by private investors. The bank exhibits good responsiveness to community and credit development needs. Although innovative investment opportunities are limited, the bank currently plans to make use of innovative or complex investments, such as a low-income housing tax credit benefiting low- to moderate-income individuals in the AA.

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

The total dollar amount of qualified investments and contributions is \$1,148 million, which represents approximately 3.5 percent of capital. The bank has invested in one tax credit and plans to invest in other more complex or innovative tax credits to support community development initiatives.

As of our on-site examination, the bank has one qualified investment for \$500,000, which is a low-income housing tax credit in the Atlanta MSA. Additionally, the bank is scheduled to invest \$1 million in the Guilford Tax Credit Fund by the end of June 2003, which will benefit low- to moderate-income individuals partially within the bank's assessment area (Villa Rica, GA). The bank plans to invest in another tax credit that closes on June 16, 2003 for \$1.3 million. The bank will create a limited liability company in order to invest in the tax credit for a low- to moderate-income apartment development in Magnolia Lake. These planned investments will bring the total dollar amount of qualified investments to a level approximating 10 percent of capital.

The bank also contributes to local organizations that benefit low- and moderate-income individuals or areas. While limited opportunities are available, senior management is diligent in the search for qualified community development investments.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "**High Satisfactory.**" Based on the full-scope review, the bank's performance in the AA is good. Service delivery systems are accessible to essentially all portions of the AA. The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and individuals. The bank's services and business hours do not vary in a way that inconveniences certain portions of the AA, particularly low- and moderate-income geographies and individuals. The bank is a leader in providing community development services.

Retail Banking Services

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

The bank's service delivery systems are readily accessible to geographies and individuals of different income levels throughout the assessment area. The bank has seven branch offices and fourteen ATMs within the Atlanta MSA, specifically in Carroll and Douglas counties. Two branches are located in moderate-income geographies, and five branches are located in middle-income geographies. This distribution is consistent with the demographics of the bank's assessment area.

The institution's service-delivery systems are accessible to essentially all income geographies within the bank's assessment area. The branches have extended hours on Fridays and six of seven branches are open on Saturdays. The bank's ATMs are available twenty-four hours a day. Thirteen ATMs are full service and one is a cash dispenser only. The bank has also installed Spanish language captions on some of the ATMs to facilitate the growing Spanish-speaking segment of the population.

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

The accessibility and use of alternative systems for delivering retail-banking services to low and moderate-income geographies is adequate. The bank offers free Internet banking and telephone banking services to all customers. The services are available twenty-four hours a day seven days a week and include account inquiry and funds transfer capabilities. The Internet banking service also offers a bill pay feature. The telephone system averages approximately 30,000 calls per month and approximately 3,368 customers have signed up for Internet banking accounts. In addition, the bank has recently hired a bilingual marketer and Spanish-speaking loan officer to enhance service efforts to the growing Hispanic community. The presence of these services is tailored to meet the needs of the community, with extended service hours and bilingual services of particular benefit to low to moderate-income individuals.

Community Development Services

Bank employees and Directors have continually participated in community development services, such as providing technical assistance, educational assistance, and funding raising efforts to various local nonprofit and community development organizations. These efforts are responsive to the needs of the community and occasionally directly benefit low- and moderate-income individuals. The board is provided with information regarding the level and frequency of community development services provided by employees, which is also included as a performance element in senior management's evaluations.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD Loans): HMDA data: (01/01/2000 to 12/31/2002) Small business and small farm data: (01-01-2001 to 12-31-2002) Investment and Service Tests and CD Loans: (03/20/1997 to 05/19/2003)	
Financial Institution	Products Reviewed	
West Georgia National Bank (WGNB) Carrollton, GA 30117	HMDA Loans Small Business & Small Farm Loans CD Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
WGNB Corp.	Holding Company	None
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Atlanta MSA #520 (Carroll & Douglas Counties)	Full-Scope	

Appendix B: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

Atlanta MSA (Carroll & Douglas Counties)	2
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Atlanta MSA (Carroll & Douglas Counties)

Demographic Information for Full-Scope Area: Atlanta MSA (Carroll & Douglas Counties)							
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #	
Geographies (Census Tracts/BNAs)	23	0	39	57	0	4	
Population by Geography	142,542	0	34	66	0	0	
Owner-Occupied Housing by Geography	36,496	0	32	68	0	0	
Businesses by Geography	11,735	0	27	73	0	0	
Farms by Geography	251	0	36	64	0	0	
Family Distribution by Income Level	39,090	23	23	27	27	0	
Distribution of Low- and Moderate-Income Families throughout AA Geographies	17,937	0	43	57	0	0	
Median Family Income HUD Adjusted Median Family Income for 2002 Families Below the Poverty Level	= \$41,047 = \$71,200 = 8%	Median Housing Value Unemployment Rate			= \$66,204 = 5%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 2002 HUD updated MFI.

WGNB's AA includes Carroll and Douglas counties (West GA AA) located in western Georgia. These two counties are a part of the larger Atlanta MSA. The West GA AA comprises 85 percent of the reportable loans originated in the evaluation period. Local competition includes affiliates of large regional companies, regional banks, credit unions, non-bank financial service providers, and other community banks. The top three competitors in this market for HMDA-related loans in 2001 included: Homebanc Mortgage (6 percent share), CB&T of West GA (5 percent share), and BancMortgage Financial Corp (5 percent share). The top three small business competitors for 2001 include: GE Capital Financial (13 percent share), CB&T of West GA (12 percent share), and Associates Capital Bank, Inc. (11 percent share). WGNB operates 7 branches and 14 ATMs within its AA.

The population living in the West GA AA increased 25 percent from 1990 through 2000. Net migration into Carroll and Douglas counties accounted for 60 percent and 65 percent of the population growth respectively during the 1990's. Movement into these two counties has become increasingly popular, especially for new homeowners, because of the lower housing costs and recent low interest rate environment. Expansion in the metropolitan Atlanta area has traditionally been focused to the north and south of the city. With the growing congestion and crowding in these areas, people have sought Douglas and Carroll counties as alternative home sites.

Carroll County – Economic Conditions

According to the West Georgia Regional Outlook, total employment in Carroll County in 2000

consisted of wage and salary employment of 34,581 and 7,040 proprietors including 834 farm proprietors. Carroll's industrial and employment base remains heavily manufacturing with that sector accounting for 22 percent of total employment and 28 percent of earnings in 2000.

During the 1990s, employment in Carroll County grew at an average annual rate of 1 percent. Industries with the fastest employment growth were wholesale trade, which grew at an average annual rate of 4 percent, followed by local government at 3 percent, and services at 3 percent. Manufacturing employment fell at an average annual rate of 2 percent for the decade.

According to the Bureau of Labor Statistics, the 2002 unemployment rate for Carroll County was 5 percent, which is the same as the MSA and state rate. This is a 2 percent increase compared to 1990's unemployment rate of 3 percent. The steep decline in employment in Carroll County in the last few years can be mainly explained by large job losses in manufacturing. The loss of 1000+ jobs in this sector in 2001 represents a 12 percent contraction and is particularly significant since manufacturing accounts for almost 28 percent of covered employment in the county. Large manufacturing firms have discontinued or scaled back operations because of the recession and in favor of cheaper labor overseas.

Employment also fell in 2001 in retail trade, Carroll's second largest sector. Retail trade suffered a net job loss of 172 jobs, a 3 percent decline. Retail closings in Carrollton in 2001 included several large regional and local chains, including furniture and food stores.

Services are the third largest source of employment in Carroll with almost half of this sector's jobs in health services. Overall, covered employment in services rose slightly in 2001, up 2 percent. Employment in health services rose 5 percent while employment in business services fell 4 percent.

Douglas County – Economic Conditions

According to the West Georgia Regional Outlook, total employment in Douglas County in 2000 was 41,333 consisting of wage and salary employment of 33,381 and 7,952 proprietors including 139 farm proprietors. Relative to the other counties in the West Georgia Region, farming is less significant in Douglas County, contributing less than 1 percent of total employment in 2000. Services are the largest sector in Douglas with 31 percent of total employment and 27 percent of earnings in 2000. Retail trade was the next largest sector, with 25 percent of total employment and 18 percent of earnings. The service sector in Douglas County is concentrated in health services, which had 35 percent of service earnings in 2000. Business services are one of Douglas County's fastest growing sectors with earnings increasing at an average annual growth rate of 16 percent during the 1990s.

For the decade, total employment in Douglas County grew at an average annual rate of 5 percent. Manufacturing led with a 7 percent annual growth rate in the 1990s, followed by services (6 percent) and wholesale trade (5 percent). The growth rate of employment in retail trade (5 percent) in the county in the 1990s has been more than double the population growth rate (3 percent) reflecting Douglas County's rise as a regional retail center.

According to the Bureau of Labor Statistics, the 2002 unemployment rate for Douglas County was 5 percent, which is the same as the MSA and state rates. This is a 2 percent increase

compared to 1990's unemployment rate of 3 percent. The unemployment rate in Douglas County has risen steadily during the last year (2001-2002) as Georgia and Atlanta went into recession. Services, which make up the largest employment percentage in the county, accounted for a majority of the decline in employment.

Community Development

Community development opportunities for the bank are limited. Many large banks compete for community development investments, which reduce the opportunities available for WGNB.

Community Contact

During our review, we contacted one local organization that promotes business growth and economic development of Carroll County. The organization indicated that housing and small business loans are the primary credit needs of the community. They stated that the banks in the area are concerned about the county and are committed to improving the quality of life issues through funding industry growth and housing developments.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

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

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

also presents market share information based on the most recent aggregate market data available.

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

Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (Removed) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

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

Table 1. Lending Volume

LENDING VOLUME		Geography: Atlanta MSA (Carroll & Douglas)						Evaluation Period: January 1, 2000 to December 31, 2002				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA [*]	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans ^{**}		Total Reported Loans		% of Rated Area Deposits in MA/AA ^{***}
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Carroll & Douglas Counties	100	988	56,785	1,328	95,471	112	5,593	27	29,400	2,455	187,249	100

^{*} Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

^{**} The evaluation period for Community Development Loans is from March 20, 1997 to May 19, 2003.

^{***} Deposit Data as of March 31, 2003. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: Atlanta MSA (Carroll & Douglas)						Evaluation Period: January 1, 2000 to December 31, 2002							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	220	100.00	0.00	0.00	32.47	65.00	67.53	35.00	0.00	0.00	1.30	0.00	2.58	0.73	0.00

* Based on 2001 Peer Mortgage Data: Southeast Region 1.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: Atlanta MSA (Carroll & Douglas)						Evaluation Period: January 1, 2000 to December 31, 2002						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	394	100.00	0.00	0.00	32.47	57.84	67.53	42.13	0.00	0.00	17.41	0.00	22.47	12.94	0.00

* Based on 2001 Peer Mortgage Data: Southeast Region 1.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: Atlanta MSA (Carroll & Douglas)				Evaluation Period: January 1, 2000 to December 31, 2002								
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	367	100.00	0.00	0.00	32.47	63.49	67.53	36.51	0.00	0.00	1.11	0.00	2.60	0.55	0.00

* Based on 2001 Peer Mortgage Data: Southeast Region 1.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: Atlanta MSA (Carroll & Douglas)								Evaluation Period: January 1, 2000 to December 31, 2002					
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa II	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	7	100.00	0.00	0.00	28.43	85.71	71.57	14.29	0.00	0.00	28.57	0.00	85.71	0.00	0.00

* Based on 2001 Peer Mortgage Data: Southeast Region 1.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: Atlanta MSA (Carroll & Douglas)				Evaluation Period: January 1, 2001 to December 31, 2002								
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	1,328	100.00	0.00	0.00	26.77	52.33	73.23	47.67	0.00	0.00	11.37	0.00	18.40	8.53	0.00

* Based on 2001 Peer Small Business Data: US & PR.

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

*** Source Data - Dun and Bradstreet (2002).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: Atlanta MSA (Carroll & Douglas)						Evaluation Period: January 1, 2001 to December 31, 2002							
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	112	100.00	0.00	0.00	35.86	69.64	64.14	30.36	0.00	0.00	40.82	0.00	38.53	47.37	0.00

* Based on 2001 Peer Small Business Data: US & PR.

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

*** Source Data - Dun and Bradstreet (2002).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: Atlanta MSA (Carroll & Douglas)						Evaluation Period: January 1, 2000 to December 31, 2002							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	220	100.00	23.13	16.18	22.76	22.54	27.02	24.86	27.09	36.42	1.63	1.17	1.15	1.54	2.89

* Based on 2001 Peer Mortgage Data: Southeast Region 1.

** As a percentage of loans with borrower income information available. No information was available for 21.36% of loans originated and purchased by Bank.

*** Percentage of Families is based on the 1990 Census information.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: Atlanta MSA (Carroll & Douglas)							Evaluation Period: January 1, 2000 to December 31, 2002						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{**}	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{**}	% Families ^{**}	% BANK Loans ^{***}	% Families [*]	% BANK Loans ^{***}	Over all	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	394	100.00	23.13	31.95	22.76	28.05	27.02	24.42	27.09	15.58	17.77	21.26	15.32	17.14	18.31

^{*} Based on 2001 Peer Mortgage Data: Southeast Region 1.

^{**} As a percentage of loans with borrower income information available. No information was available for 2.28% of loans originated and purchased by Bank.

^{***} Percentage of Families is based on the 1990 Census information.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: Atlanta MSA (Carroll & Douglas)								Evaluation Period: January 1, 2000 to December 31, 2002					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Carroll & Douglas Counties	367	100.00	23.13	13.08	22.76	23.36	27.02	21.18	27.09	42.37	1.42	0.92	0.81	0.87	2.98

* Based on 2001 Peer Mortgage Data: Southeast Region 1.

** As a percentage of loans with borrower income information available. No information was available for 12.53% of loans originated and purchased by Bank.

*** Percentage of Families is based on the 1990 Census information.

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

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: Atlanta MSA (Carroll & Douglas)			Evaluation Period: January 1, 2001 to December 31, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Carroll & Douglas Counties	1,328	100.00	67.28	87.73	83.21	8.89	7.91	11.37	17.22

* Based on 2001 Peer Small Business Data: US & PR.

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.60% of small loans to businesses originated and purchased by the Bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: Atlanta MSA (Carroll & Douglas)			Evaluation Period: January 1, 2001 to December 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Carroll & Douglas Counties	112	100.00	92.43	100.00	89.29	6.25	4.46	40.82	41.10

* Based on 2001 Peer Small Business Data: US & PR.

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2002).

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

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Atlanta MSA (Carroll & Douglas)				Evaluation Period: March 20, 1997 to May 19, 2003			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Carroll & Douglas Counties	0	0	21	1,148	21	1,148	100.00	2	2,335

* '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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Atlanta MSA (Carroll & Douglas)																	
Evaluation Period: March 20, 1997 to May 19, 2003																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Carroll & Douglas Counties	100.00	7	100.00	0.0	28.5	71.4	0.0	2	0	0	0	2	0	0.00	33.75	66.25	0.00