

PUBLIC DISCLOSURE

August 18, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First Community Bank, N.A.
Charter # 22808
5455 Sunset Boulevard
Lexington, South Carolina 29072**

**Office of the Comptroller of the Currency
6100 Fairview Road, Suite 1154
Charlotte, North Carolina 28210**

NOTE: 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.

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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of the **First Community Bank, N.A.** prepared by **The Office of the Comptroller of the Currency**, as of August 18, 1999. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

The bank's performance was reviewed for the period of January 1, 1997 to June 30, 1999. The institution's average loan-to-deposit ratio is reasonable. A majority of the bank's loans and lending activities are within the bank's assessment areas. The distribution of borrowers reflects strong penetration among individuals of different income levels, including low-and moderate-income, and businesses of different sizes.

The following table indicates the performance level of First Community Bank, N.A. with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	FIRST COMMUNITY BANK, N.A. PERFORMANCE LEVELS		
	Exceeds Standards for Satisfactory Performance	Meets Standards for Satisfactory Performance	Does not meet Standards for Satisfactory Performance
Loan to Deposit Ratio		X	
Lending in Assessment Area		X	
Lending to Borrowers of Different Incomes and to Businesses of Different sizes	X		
Geographic Distribution of Loans		X	
Response to Complaints	No complaints were received.		

DESCRIPTION OF INSTITUTION

First Community Bank, N.A. (FCB) is a relatively new institution headquartered in Lexington, South Carolina with three offices, one in Richland County and two in Lexington County. The bank is wholly owned by First Community Corporation, a one bank holding company. Lexington is within the Columbia, South Carolina, Metropolitan Statistical Area (MSA). The bank began operations in August 1995 with the opening of its main office. Since then, it opened additional offices in September 1995 and March 1999. As of June 30, 1999 the bank had total assets of \$94 Million.

The bank's primary focus is small business lending including commercial real estate lending. As of June 30, 1999, the bank's loan portfolio was comprised of commercial real estate (45%), residential real estate (27%), consumer loans (7%) and commercial loans (21%).

DESCRIPTION OF ASSESSMENT AREAS

The bank has two assessment areas (AA) within the Columbia MSA, one each in Lexington and Richland counties. The Lexington County assessment area consists of the following census tracts:

103.02, 103.03, 103.04, 103.05, 205.06, 205.07, 210.04, 210.05, 210.06, 210.07, 210.08, 210.09, 211.02, 211.04, 211.05, 211.06, 212, 213.

The Richland County assessment area consists of the following census tracts:

11, 12, 13, 14, 15, 21, 22, 23, 24, 25, 26, 27, 111.01, 111.02, 112.01, 112.02, 113.01, 116.03, 116.04.

As of 1990, the population of the Columbia MSA was 453,331. The MSA has a widely diversified economy with major employment sectors consisting of government, wholesale and retail trade, and services. As of January 1999, the unemployment rate in the MSA was 2%. The following table depicts the demographic makeup of the MSA by income level as of the 1990 census:

Demographic Composition of the Columbia MSA by Income Level			
Low Income	Moderate Income	Middle Income	Upper Income
19.5%	17.8%	24.3%	38.4%

We contacted a community representative in Lexington County to obtain information concerning community credit needs. He stated that the primary community credit needs were affordable housing, small business and residential and commercial construction loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

Loan-to-Deposit Ratio

The average loan-to-deposit ratio for the period of January 1, 1997 to June 30, 1999 was 64%. In light of the bank's performance context, this ratio is reasonable. Also, at March 31, 1999, the bank's loan-to-deposit ratio was 58%. This is compared to the March 31, 1999 average for all banks in South Carolina less than \$500 Million in assets of 74%.

Lending in the Assessment Area

The bank has a satisfactory record of lending in its assessment area. Bank management performed an analysis of all of its lending for the period January 1, 1997 to June 30, 1999. We sampled a group of loans to ensure the accuracy of the analysis. The following table details the percent of loans that were originated within the bank's assessment area:

Percentage of Loans Originated within the Bank's Assessment Areas					
1997 %		1998 %		1999 %	
#	\$	#	\$	#	\$
61	57	73	57	74	73

As shown, a majority of the bank's loans are originated within its assessment area.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

The institution has a strong record of lending to borrowers of different incomes and businesses of different sizes. As previously mentioned, bank management performed an analysis of its lending activity for the assessment period. We sampled a group of loans to ensure data accuracy. The following table depicts the percentage of the bank's consumer loans by income level compared to their percentage makeup with the Columbia MSA:

Income Level	AA Family Composition %	Percentage of Consumer Loans Originated By Income Level Compared to AA Composition					
		1997 #	1997 \$	1998 #	1998 \$	1999 #	1999 \$
Low	19%	20%	3%	21%	8%	12%	2%
Moderate	18%	25%	7%	20%	7%	36%	10%
Mid/Upp	63%	55 %	90%	59%	85%	52%	88%
Total	100%	100%	100%	100%	100%	100%	100%

As shown, the bank's level of consumer lending to low and moderate-income borrowers is strong in relation to their demographic make-up within the community.

In addition to consumer loans, the bank has originated a significant amount of loans to business with revenues less than \$1 million. During 1997, 1998 and the first six months of 1999, 16%, 10% and 31% of the banks business loans were to businesses with revenues less than \$1 million respectively. The following table depicts the amount of small business loans with revenues less than \$1 million in dollars and numbers:

Small Business Loan by Revenue Size						
Revenue Level	1997 #	1997 \$ 000's	1998 #	1998 \$ 000's	1999 #	1999 \$ 000's
Revenues less than \$100M	16	768	15	525	26	890
Rev. between \$100M & \$500M	9	900	34	1,399	33	2,564
Rev. between \$500M & \$1MM	25	1,354	14	464	6	547
Totals	50	3,022	63	2,388	65	4,001

As shown, the bank has made a satisfactory amount of small business loans to customers with various size revenue levels.

Geographic Distribution of Loans

The bank's lending patterns within its assessment areas are satisfactory. Using the aforementioned bank management analysis, the bank is lending in essentially all of its census tracts including the low and moderate-income tracts within its assessment area.

Review of Complaints

The bank has received no CRA complaints since the previous examination.

Other

Our fair lending review disclosed no violations of the substantive provisions of anti-discrimination laws and regulations. During our examination, we sampled home equity loans originated during 1998 and 1999 to determine if similarly situated applicants received loans with substantially the same terms. Our testing revealed no evidence of disparate treatment on a prohibited basis.