



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

February 07, 2005

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

**First National Bank
Charter Number 8673**

**200 E. Broadway
Lenoir City, TN 37771**

**Comptroller of the Currency
Nashville
5200 Maryland Way Suite 104
Brentwood, TN 37027**

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

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Description of Institution

First National Bank (FNB) is a \$328 million institution located in Lenoir City, Tennessee. Lenoir City is located approximately 20 miles west of Knoxville, Tennessee, along the I-75 East Tennessee corridor. The bank operates seven intrastate offices including its main office. The main office and three branches are located in Lenoir City, Tennessee (Loudon County), two branches located in Loudon, Tennessee (Loudon County), one branch in West Knoxville, Tennessee (Knox County), and one branch in Maryville, Tennessee (Blount County). The county seat is located in Loudon.

FNB is an independent bank with no affiliates or operating subsidiaries. The main office and branches are full-service offices that include drive-up facilities. Automatic Teller Machines (ATMs) are also available at each location.

As of March 31, 2005, FNB reported total assets of \$328 million, Tier 1 capital of \$39 million, and a loan-to-deposit ratio of 83 percent. Gross loans were reported to be \$223 million or 68 percent of total assets. These loans consisted of \$172 million in real estate, (77 percent), \$41 million in commercial loans, (18 percent), \$8 million in individual loans, (4 percent) and \$280 thousand in miscellaneous loan types (1 percent).

There are no financial or legal impediments that would impair the bank's ability in meeting the credit needs of its AA. Also, there have been no merger or acquisition activities during this evaluation period. The bank received a "Satisfactory" rating at the last CRA examination dated January 18, 2000.

The bank's primary focus is to serve commercial and consumer customers in its AA. FNB meets these needs by providing various types of loan and deposit products and services. FNB offers several loan products with flexible terms to make credit more readily available to lower-income applicants.

The bank's Assessment Area (AA) includes all census tracts (CTs) in Loudon County, twenty-seven CTs in Knox County, seven CTs in Blount County, two CTs in Roane County, and three CTs in Monroe County. Selection of these tracts is based on the location of banking offices and proximity to branches. While the bank does not have any offices located in Roane or Monroe counties, these counties are in close proximity to branches. Knox, Blount, Roane, and Monroe counties adjoin Loudon County. The AA meets the requirements of the regulation and does not arbitrarily exclude any low-or moderate-income areas. There are no natural boundaries within the AA that hinder accessibility.

Evaluation Period

FNB's mortgage and small business lending was evaluated using data for the period between January 1, 2003 through December 31, 2004. However, the tables in Appendix B do not include 2003 mortgage originations. Home mortgage lending for 2003 is consistent with 2004 performance. For community development loans, investments and services, the evaluation period was January 18, 2000 through February 7, 2005.

Overall CRA Rating

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

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

Performance Levels	First National Bank, Lenoir City Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Lending levels reflect a good responsiveness by FNB to the credit needs of the AA. Seventy-two percent of FNB’s reportable loans were originated inside its AA, which represents a high percentage.
- An excellent distribution of loans throughout the AA among borrowers of different income levels and an adequate distribution of loans among geographies of different income levels in light of performance context issues
- Readily accessibility of FNB’s offices to geographies and individuals of different income levels.
- Investments that reflect an adequate responsiveness by FNB to the needs of its AA in light of the limited investment opportunities.
- Good performance in providing community development services.

Lending

Please refer to *Tables 1 through 9* in *Appendix B* for facts and data used to evaluate the bank's lending.

Performance under the Lending Test is rated **“High Satisfactory”**

FNB's lending performance is good in the Partial Knoxville MSA AA. The volume of both small business and home mortgage lending activity is good. During 2004, FNB originated over 315 mortgage loans totaling \$35 million in their AA. For the years 2003 and 2004, FNB originated 490 small business loans totaling \$59 million in their AA. At March 31, 2005, FNB had a loan-to-deposit ratio of 83 percent. This performance is favorable compared to local banks and indicates FNB's willingness to meet the credit needs of its community.

FNB's AA, consisting of 46 CTs, has only two low-income CTs and three moderate-income CTs. Opportunities to originate home mortgage loans and small business loans in these tracts is limited due to the low number of low- and moderate-income tracts in the bank's AA and the low level of owner occupied housing and the low number of small businesses in these tracts. The percentage of owner occupied housing in low- and moderate-income tracts is only 1.24 percent and 2.15 percent, respectively. The percentage of small businesses in the low- and moderate-income tracts is low at 2.79 percent and 2.81 percent, respectively. These areas mainly consist of retail and service businesses. Housing in these areas is primarily rental units. Due to these performance context issues, more weight is given to the borrower distribution of loans than the geographic distribution of loans in assessing lending performance.

FNB's distribution of small business loans in low- and moderate-income areas is marginally adequate. The percentage of small business loans made in low- and moderate-income tracts was 2.04 percent, which is lower than the percentage of businesses in low- and moderate-income tracts at 5.60 percent. FNB's distribution of home mortgage loans in low- and moderate-income areas is satisfactory. The percentage of home purchase loans originated in low- and moderate-income tracts exceeded the percentage of owner occupied units in these tracts. The percentage of home improvement and home refinance loans originated in low- and moderate-income tracts was lower than the percentage of owner occupied units in these tracts. This is due to the performance context issues discussed above.

Seventy-two percent of FNB's reportable loans were made inside its AA, which represents a high percentage.

FNB's distribution of small loans to businesses is excellent. Loans to businesses with revenues of \$1 million or less represented 92 percent of the bank's reportable loans, which was greater than the 62 percent of area businesses that had revenues of less than \$1 million. FNB's distribution of home mortgage loans to low- and moderate-income individuals is excellent. Eleven percent of home purchase, 26 percent of home improvement, and 17 percent of home refinance loans were made to low-income individuals, which substantially exceeds the percentage of families within the income

levels for home improvement and refinance loans, and is slightly below for home purchase loans. Sixteen percent of home purchase, 41 percent of home improvement, and 17 percent of home-refinance loans were made to moderate-income individuals, which exceeds the percentage of families of those income levels at 15 percent.

Community development lending positively affected the bank's rating. FNB originated 2 qualified loans totaling \$5.1 million, consisting of a \$5 million loan providing affordable housing and a \$100 thousand loan to a local nonprofit organization that provides services to needy children. Affordable housing is an identified credit need in the community.

Investments

Please refer to *Table 10* in *Appendix B* for facts and data used to evaluate the bank's level of qualified investments.

Performance under the Investment Test is rated "**Low Satisfactory**"

In evaluating the bank's qualified investments, community development investment opportunities in the AA were considered. Opportunities for qualified investments are very limited in the Knoxville Partial MSA AA due to local economic conditions and limited local infrastructure to create qualified investments. Community contacts were conducted which confirmed the lack of investment opportunities. In addition, FNB lacks the expertise to create these opportunities.

In the Partial Knoxville MSA AA, performance is adequate. During the evaluation period FNB made over 87 donations totaling \$36 thousand. Donations targeted local nonprofit organizations that provide services to low- and moderate-income individuals or provide affordable housing. FNB has committed another \$20 thousand over the next four years to a local nonprofit organization that provides services to needy children.

Services

Please refer to *Table 11* in *Appendix B* for facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Performance under the Service Test is rated "**High Satisfactory**"

FNB's offices and retail services are readily accessible to geographies and individuals of different income levels throughout the AA. FNB's AA includes only two low-income tracts and three moderate-income tracts. While the FNB has no branches in low- and moderate-income tracts, the population in low- and moderate-income tracts is low at 2.25 percent and 3.29 percent, respectively. One of FNB's branches is located adjacent to a moderate-income tract.

FNB is a full service commercial bank offering a wide variety of loan and deposit products. The same products are offered at all branch locations. Alternative delivery systems include ATMs, Internet banking, banking by mail and 24-hour telephone banking. Extended banking hours are offered at all branch and drive-up locations. FNB had no branch closings during the evaluation period. A branch was opened May 1, 2003, in a middle-income tract located in Loudon County.

FNB has several Spanish speaking employees that help provide translation to the Hispanic community. In addition, one of the Spanish speaking employees aids members of the Hispanic community in finding homes, setting up utility services, and purchasing homeowner's insurance by translating and explaining the home buying process.

FNB's community development services are considered good. These services include a bank officer's membership on the Allocation Committee for the local United Way. Another bank officer is a board member for the Lenoir City Adult Literacy Council. This organization promotes literacy among adults and primarily serves low- to-moderate-income individuals. Bank officers have also volunteered their time to provide financial awareness to school children from low- and moderate-income families. A bank employee serves as Treasurer for Highland Park Ruritan, a nonprofit agency that provides funds to local nonprofit organizations that provide services to low- and moderate-income individuals. A bank officer serves as Chairman of the Board of the Loudon County Education Foundation. This is a nonprofit organization that serves local middle schools by providing scholarships, leadership skills, and job skills to low- and moderate-income children. The Foundation also provides grants to schools to help teach low-income Hispanic children the English language. The Foundation teaches these children the skills needed to get out of poverty. Bank employees are involved with other church and civic organizations that provide services to under privileged people.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of illegal discrimination or other illegal credit practices.

Appendix A: Market Profiles for Full-Scope Areas

Demographic Information for Full Scope Area: Partial Knoxville MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	436	4.35	6.52	47.83	39.13	2.17
Population by Geography	274,381	2.25	3.29	51.31	43.07	0.09
Owner-Occupied Housing by Geography	81,241	1.24	2.15	51.06	45.54	0.00
Business by Geography	19,395	2.78	2.89	41.55	47.72	0.006
Farms by Geography	529	1.13	3.59	52.55	42.72	0.00
Family Distribution by Income Level	76,936	14.42	14.89	20.60	50.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	22,555	4.62	5.40	64.03	25.95	0.00
Median Family Income HUD Adjusted Median Family Income for 2004 Households Below Poverty Level		57,321 51,615 10.00%	Median Housing Value Unemployment Rate (2000 US Census)		114,519 1.95%	

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

Source: 2000 US Census and 2004 HUD updated MFI

Appendix B: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration. 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 Metropolitan Statistical Area/Assessment Area (MSA/AA). 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 MSA/AA. 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 MSA/AA column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- 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 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 6. 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 MSA/AA. The table also presents market share information based on the most recent aggregate market data available.

Table 7. Borrower Distribution of Home Improvement Loans - See Table 6.

Table 8. Borrower Distribution of Refinance Loans - See Table 6.

Table 9. Borrower Distribution of Small Loans to Businesses - Compares the percentage distribution of the number of small loans (equal to \$1 million or less) 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 10. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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 MSA/AA column and record the corresponding numbers and amounts in the "Qualified Investments" column.

Table 11. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Institution ID: **First National Bank, Lenoir City**

Table 1. Lending Volume

LENDING VOLUME		STATE: TENNESSEE						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2004				
MSA/Assessment Area :	% of Rated Area Loans (#) in MSA/AA [*]	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans ^{**}		Total Reported Loans		% of Rated Area Deposits in MSA/AA ^{***}
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
Partial Knoxville MSA	100.00	315	35,366	490	58,836	0	0	2	5,100	416807	99,302	100.00

^{*} Loan Data as of December 31, 2004. Rated area refers to either the state or multi-state MSA rating area.

^{**} The evaluation period for Community Development Loans is from January 18, 2000 to February 07, 2005.

^{***} Deposit Data as of February 7, 2005. Rated Area refers to either the state, multi-state MSA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		STATE: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004							
MSA/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 Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upper
Full Review:															
Partial Knoxville MSA	21	100.00	1.24	4.20	2.15	2.52	51.06	66.38	45.54	26.89	0.86	0.00	2.02	1.46	0.44

^{*} Based on 2003 Peer Mortgage Data (Eastern)

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

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			STATE: TENNESSEE				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004								
MSA/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 Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upper
Full Review:															
Partial Knoxville MSA	7629	100.00	1.24	0.00	2.15	0.00	51.06	86.21	45.54	13.79	6.38	0.00	0.00	0.00	4.88

^{*} Based on 2003 Peer Mortgage Data (Eastern)

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

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			STATE: TENNESSEE				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004								
MSA/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 Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	% Owner Occupied Units ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upper
Full Review:															
Partial Knoxville MSA	167	100.00	1.24	0.60	2.15	1.20	51.06	68.86	45.54	29.34	1.77	2.04	1.82	2.18	0.79

^{*} Based on 2003 Peer Mortgage Data (Eastern)

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

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				STATE: TENNESSEE				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2004							
MSA/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	Upper
Full Review:															
Partial Knoxville MSA	490	100.00	2.79	1.02	2.81	1.02	43.80	61.63	50.54	36.33	1.75	0.91	0.98	2.02	1.94

^{*} Based on 2003 Peer Small Business Data - US and PR

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

^{***} Source Data - Dun and Bradstreet (2003).

Table 6. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE				STATE: TENNESSEE				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004							
MSA/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 ^{****}	Overall	Low	Mod	Mid	Upper
Full Review:															
Partial Knoxville MSA	2119	100.00	14.42	10.62	14.89	15.93	20.60	17.70	50.08	55.75	1.02	1.08	1.55	0.84	0.92

^{*} Based on 2003 Peer Mortgage Data (Eastern)

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

^{***} Percentage of Families is based on the 2000 Census information.

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

Table 7. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			STATE: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004						
MSA/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 ^{****}	Overall	Low	Mod	Mid	Upper
Full Review:															
Partial Knoxville MSA	29	100.00	14.42	25.93	14.89	40.74	20.60	11.11	50.08	22.22	6.53	14.67	11.82	5.45	3.54

^{*} Based on 2003 Peer Mortgage Data (Eastern)

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

^{***} Percentage of Families is based on the 2000 Census information.

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

Table 8. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			STATE: TENNESSEE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004						
MSA/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 ^{****}	Overall	Low	Mod	Mid	Upper
Full Review:															
Partial Knoxville MSA	167	100.00	14.42	16.67	14.89	17.31	20.60	30.13	50.08	35.90	1.73	2.33	1.64	2.25	1.51

^{*} Based on 2003 Peer Mortgage Data (Eastern)

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

^{***} Percentage of Families is based on the 2000 Census information.

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

Table 9. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					STATE: TENNESSEE			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2004	
MSA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share [*]	
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans ^{****}	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Partial Knoxville MSA	490	100.00	62.12	91.84	71.84	14.49	13.67	1.75	3.57

^{*} Based on 2003 Peer Small Business Data -- US and PR

^{**} Small loans to businesses originated and purchased in the MSA/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 2003).

^{****} Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table 10. Qualified Investments

QUALIFIED INVESTMENTS				STATE: TENNESSEE			Evaluation Period: JANUARY 10, 1999 TO APRIL 25, 2005		
MSA/Assessment Area:	Prior Period Investments [*]		Current Period Investments		Total Investments			Unfunded Commitments ^{**}	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Partial Knoxville MSA	0	0	87	36	87	36	100.00	1	0

^{*} 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

^{**} 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 11. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																		
Geography: TENNESSEE																		
Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2004																		
MSA/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	Upper			Low	Mod	Mid	Upper	Low	Mod	Mid	Upper	
Full Review:																		
Partial Knoxville MSA	100.00	7	100.00	0.00	0.00	71.43	28.57	01	0	0	0	01	0	2.25	3.29	51.31	43.16	