



Intrastate Bank

Comptroller of the Currency
Administrator of National Banks

LARGE BANK

Public Disclosure

September 27, 1999

Community Reinvestment Act Performance Evaluation

**The National Bank of Walton County
Charter Number: 14046
140 East Washington Street
Monroe, Georgia 30655**

**Office of the Comptroller of the Currency
Mid-Size Banks' Supervisory Office
830 Morris Turnpike, Second Floor
Short Hills, New Jersey 07078-2600**

NOTE: 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.

Table of Contents

General Information	3
Definitions and Common Abbreviations	4-6
Overall CRA Rating	7
Description of Institution	8
Scope of Evaluation	9-10
Fair Lending Review	11
Conclusions with Respect to Performance Tests	
Lending Test	12-15
Investment Test	16
Service Test	17
Appendix A: Scope of Evaluation	18
Appendix B: Market Profiles for Areas Receiving Full-Scope Reviews	19
Appendix C: Tables of Performance Data	22-31

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 CRA performance of **The National Bank of Walton County** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **September 27, 1999**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include visits to some, but not necessarily all, of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

Community Development (CD) - Affordable 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.

Full-Scope Review - Performance under the Lending, Investment and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

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 statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

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

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

Low-Income - Income levels that are less than 50% of the median family income.

Median Family Income (MFI) - The median income determined by the United States 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 Statistical Area (MSA) - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80% and less than 120% of the MFI.

Moderate-Income - Income levels that are at least 50% and less than 80% of the MFI.

Small Business Loans - Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Farm Loans - Loans with original amounts of \$500 thousand or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

Tier 1 Capital - The total of common shareholders' equity, perpetual preferred shareholders' equity

with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income - Income levels that are 120% or more of the MFI.

Overall CRA Rating

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

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

Performance Levels	The National Bank of Walton County Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		
Low Satisfactory		X	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:

- C NBWC has demonstrated a good distribution of its small business loans throughout its AA and to businesses of different sizes. The distribution of HMDA loans by geography is good. NBWC’s distribution of HMDA loans to borrowers of different income levels is adequate.
- C NBWC’s level of qualified community development investments is adequate based on the bank’s asset size and available opportunities within the bank’s AA.
- C NBWC’s delivery systems are reasonably accessible to geographies and individuals of different income levels in its AA.

Charter Number: 14046

Description of Institution

The National Bank of Walton County (NBWC) is an intrastate bank located in Monroe, Georgia. As of June 30, 1999, NBWC had \$158 million in assets. Tier 1 Capital totaled \$11.6 million representing 7.59% of total assets. NBWC's percentage of total assets represented by net loans is 73%. The bank's business strategy is small business lending. As of June 30, 1999, the bank's \$116 million loan portfolio consisted of 56% commercial and commercial real estate, 33% residential real estate, 7% consumer, and 4% other loans.

NBWC is owned by Synovus Financial Corporation, a \$10.5 billion multi-bank holding company headquartered in Columbus, Georgia. Synovus operates 36 banks in Georgia, Florida, Alabama and South Carolina. The holding company owns 81% of Total System, Inc., one of the world's largest information technology processors. In addition, Synovus owns Synovus Trust Company, one of the largest Southeastern providers of trust services; Synovus Securities, Inc., a full-service brokerage firm; and Synovus Mortgage Corporation, which offers mortgage services across the Southeast. Synovus Mortgage Corporation originates mortgage loans in Walton County through a loan officer at NBWC. During this evaluation period, the holding company acquired three banks. The holding company's activities have not hindered NBWC's capacity for community reinvestment.

There are no known financial, legal, or other impediments that would impair the bank's ability to help meet the credit needs in its AA.

Scope of the Evaluation

Evaluation Period/Products Evaluated

During this evaluation, the lending test included a review of home mortgage (HMDA), small business, and community development loan data for the calendar years 1997 and 1998. The HMDA data included home purchase, home improvement, and refinancing loan data for this evaluation period. For the Service and Investment Tests, the evaluation period covered the time frame from June 30, 1997 to September 29, 1999.

Data Integrity

We verified the accuracy of the bank's 1997 and 1998 HMDA, small business and small farm loan data. We identified significant errors and required the bank to refile its 1997 and 1998 HMDA and CRA loan data. We reviewed the refiled data and found no errors. Also, we verified the accuracy of the bank's qualified investments and community development services during this review. Accurate data was used in our analysis.

Selection of Areas for Full-Scope Review

The bank has only one AA which includes Walton County Georgia, a portion of the Atlanta Metropolitan MSA #520. A full scope review was conducted of the bank's AA. All ratings were based on the one AA. See Table 1 in Appendix A for more information.

Ratings

The bank's overall rating is based on its performance in Walton County. Home mortgage, small business, and community development loans were the primary areas of focus in assessing the bank's lending performance. The number and dollar amount of small farm loans were not significant and were not included in this analysis. Due to the business strategy of NBWC and the volume of commercial loans on the bank's books (56% of total loans), more weight was given to small business lending in arriving at the bank's overall lending test rating. In terms of HMDA products, more consideration was given to home purchase and home improvement loans as affordable housing and decent rental units were identified as credit needs in the bank's AA. Because there are no low or upper income census tracts in the bank's AA, more consideration was given to the distribution of loans by income level of the borrowers than to the income level of the geography.

Other

Two community leaders were contacted during the evaluation. One of the leaders was a representative from the Monroe Housing Authority which provides affordable housing to low- and moderate-income persons. The other leader was a representative from the City of Loganville. Our contacts identified affordable housing and decent (1-4 family) residential rental housing as the primary credit needs within the bank's AA. Also, our contacts with community leaders and discussion with bank management revealed that investment opportunities, community development lending and services are limited within the bank's AA. This can be attributed to the fact that there are not a lot of community groups or organizations in the bank's AA that promote economic development or activities that specifically target low- or moderate-income persons or geographies. Additionally, our review of prior community contact forms revealed investment opportunities in the bank's AA are very limited. Investment opportunities identified include the Georgia Affordable Housing Consortium and the Georgia Community Development Association (GCDA), a Community Development Corporation (CDC). NBWC is a member of both of these organizations. These organizations promote affordable housing and other community and economic development activities throughout the state of Georgia.

Fair Lending Review

We reviewed the bank's loan policy and selected a sample of different types of loan application approvals and denials from various loan officers and branches within the bank. We focused on determining if applicants were treated fairly as required by the Equal Credit Opportunity Act (ECOA). Based on our sample, we did not identify any unfair lending practices or substantive violations of antidiscrimination laws and regulations.

Conclusions with Respect to Performance Tests

The bank's performance under the lending test is rated High Satisfactory. Its performance under the Service and Investment Tests is rated Low Satisfactory.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Walton County Georgia MSA #520 AA is good.

Lending Activity

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's lending activity.

NBWC has demonstrated good responsiveness to credit needs in its assessment area based on its deposit market share and aggregate market share within its AA. As of June 30, 1998, NBWC's deposit market share in its AA was 35%. According to 1998 aggregate small business and HMDA data, NBWC's market share for small business and home mortgage (HMDA) loans were 33% and 2% respectively. During this evaluation period, the bank generated 204 home mortgage loans (HMDA) totaling \$8.9 million. In addition, NBWC originated 289 small business loans approximating \$18 million, 19 small farm loans totaling \$1.3 million and two community development loans totaling \$331 thousand. Approximately 94% and 82% respectively of the bank's HMDA and small business loans were made within its assessment area. We did not identify any unexplained conspicuous gaps in the bank's lending activities.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

There are no low income census tracts in the bank's AA. The geographical distribution of the bank's HMDA loans in moderate income geographies is good. The distribution of the bank's HMDA loans exceeds the percentage of owner occupied units in moderate income geographies. NBWC's moderate income market share for all HMDA products exceeds its overall market share.

Small Business Loans

Refer to Table 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's small business loan originations.

The geographical distribution of the bank's small business loans is good. Small business loans made in moderate income geographies exceed the percentage of businesses in moderate income geographies. NBWC's moderate income market share for small business loans exceeds its overall market share.

Small Farm Loans

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's small farm loan originations.

NBWC made only 19 small farm loans during this evaluation period. Small farm loan data was not material in number or dollar and was not analyzed. Tables were provided to show the number of farms in the area.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8 and 9 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

The overall distribution of NBWC's home mortgage (HMDA) loans is adequate. The distribution of home purchase loans to low income borrowers is below the percentage of low income families. NBWC's low income market share for home purchase loans exceeds its overall market share. Home purchase loans to moderate income borrowers is slightly below the percentage of moderate income families. NBWC's moderate income market share for home purchase loans equals its overall market share. The bank's low lending to low- and moderate-income borrowers can be attributed to the high cost of housing in Walton County. These prices make it difficult for low- and moderate-income borrowers to easily afford home ownership.

The distribution of home improvement loans to low income borrowers is below the percentage of low income families. NBWC's low income market share exceeds its overall market share for home improvement loans. Home improvement loans to moderate income borrowers is below the percentage

of moderate income families. The bank's moderate income market share exceeds its overall market share.

The distribution of the bank's refinanced loans to low income borrowers is well below the percentage of low income families. NBWC's low income market share for refinanced loans exceeds its overall market share. Refinanced loans to moderate income borrowers are below the percentage of moderate income families. The bank's moderate income market share for refinanced loans exceeds its overall market share.

Small Business Loans

Refer to Table 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's small business loan originations.

NBWC's lending to small businesses (businesses with gross revenues of \$ 1 million or less) is good. During this evaluation period, NBWC made 81% of their business loans to small businesses compared to the 79% of businesses in the AA that have revenues of \$1 million or less. Also, approximately 84% of the bank's small business loans were in the amount of \$100,000 or less. NBWC's market share to small businesses exceeds their overall market share to all businesses. NBWC's performance is good relative to other banks in the AA. During 1998, all other financial reporters in the market made 66% of their loans to businesses with revenues of \$1 million or less. The bank's performance reflects its overall emphasis on small business lending and indicates the bank's responsiveness to making small loans to businesses.

Small Farm Loans

Refer to Table 11 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's small farm loan originations.

Because the dollar amount and number of small farm loans were not significant, an analysis was not performed.

Community Development Lending

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's level of community development lending.

NBWC's level of community development lending is adequate based on the available community development opportunities within the bank's AA. NBWC made two community development loans totaling approximately \$331 thousand. These loans are not particularly flexible or innovative in nature, but do provide funding for affordable housing which was identified as a significant need within the bank's AA. Proceeds of these loans were used to purchase lots and construct four duplexes (eight rental units). Seven of the rental units are rented under the Department of HUD Section 8 Housing and are rented to low- and moderate-income persons.

Product Innovation and Flexibility

NBWC had one mortgage loan program which is considered flexible. This program is described below.

- < **Low- and Moderate-Income Housing Program.** In 1995, NBWC created a special home mortgage loan program that was targeted toward low- and moderate-income individuals. This program was created based on a need identified by the bank in 1995. This loan program includes home purchase and home improvement loans only. The requirements of the program include more flexible underwriting standards when compared to traditional mortgage products offered by the bank. The program requires a loan to value of 90%; allowable housing debt to income ratios of 33% and 40%; 30-year amortization; ½ of 1% loan origination fee; and an interest rate of NBWC's prime rate fixed at the time of closing. In addition, the maximum loan amount is \$75,000 and an applicant's income cannot exceed \$35,000 to qualify for this loan program. The bank's traditional underwriting guidelines for home purchase loans require a loan to value of 85%; housing debt to income ratios of 28% and 40%; 25-year amortization; and a current market rate at the time of closing. During this evaluation period, NBWC made 13 loans totaling \$461,904 under this loan program.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Walton County Georgia MSA #520 AA is adequate.

Refer to Table 12 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

NBWC has made an adequate level of qualified community development investments in its assessment area based on the asset size of the bank and limited opportunities within the bank's AA. During this evaluation period, NBWC made one qualified investment totaling \$161,906 that supports affordable housing. The qualifying investment made during this evaluation period includes:

- < **Fannie Mae Mortgage Back Security (MBS).** During this evaluation period, NBWC purchased a portion of a MBS. The bank's portion is secured by two loans to low- and moderate-income borrowers located in the bank's AA. This investment provides affordable housing for low- and moderate-income individuals.

NBWC also made several small grants totaling \$6,723 to organizations that support community activities targeted to low- and moderate-income persons. The funds were primarily allocated to youth programs and a homeless shelter.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Walton County Georgia MSA #520 AA is adequate.

Retail Banking Services

Refer to Table 13 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch and ATM delivery system.

NBWC's service delivery systems are reasonably accessible to geographies and individuals of different income levels in its AA. Given the demographics of the area, the bank has an adequate distribution of branches in geographies of different income levels. NBWC operates 2 full service branches in Monroe and 1 full service branch in Loganville. Two of the branches are located in moderate income census tracts and one is located in a middle income census tract. Also, there are two cash dispensing ATMs within the bank's AA. Of these, one is located at the main office (a moderate-income CT), and the other is located at the branch in Loganville (a middle-income CT). There are no low or upper income census tracts in the bank's AA. All branches are opened on Saturday with full lobby services except the Main Office. The hours of operation at these branches do not vary in a way that inconveniences the bank's AA. Services and hours are approximately the same at all branches. There were no branch openings or closings during this evaluation period.

Community Development Services

NBWC had provided a low level of community development services based on the number of organizations that services were provided to. Based on our contacts with local community leaders, available public information and discussions with bank management, community development services are limited in the bank's AA. There are not a lot of community groups or activities that promote economic development or provide community development services specifically targeted to low- and moderate-income persons or geographies in the bank's AA. During this evaluation period, two executive lending officers of the bank conducted two money management presentations on how to get and use credit to low- and moderate-income persons. These presentations were held at the local junior college as part of the New Connections to Work Program. This program is designed to train and provide meaningful employment to low- or moderate-income persons.

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 nonmetropolitan 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: January 1, 1997 to December 31, 1998 Investment Test: June 30, 1997 to September 27, 1999 Service Test: June 30, 1997 to September 27, 1999	
Financial Institution	Products Reviewed	
The National Bank of Walton County (NBWC), Monroe, Georgia	Home Mortgage Loans, Small Business and Community Development Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Walton County, GA MSA #520	Full-Scope	None

Appendix B: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews

Walton County, GA MSA #520	20-21
----------------------------------	-------

Walton County, GA MSA #520

Demographic Information for Full-Scope Area: Walton County, GA MSA #520						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	8	0	75	25	0	0
Population by Geography	38,586	0	60	40	0	0
Owner-Occupied Housing by Geography	9,490	0	55	45	0	0
Businesses by Geography	1,079	0	60	40	0	0
Farms by Geography	41	0	66	34	0	0
Family Distribution by Income Level	10,803	28	25	23	24	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	6,323	0	100	0	0	0
Median Family Income	=31,486	Median Housing Value				=65,893
HUD Adjusted Median Family Income for 1999	=59,900	Unemployment Rate (July 1999)				=3.70%
Households Below the Poverty Level	= 15.4%					

Source: 1990 U.S. Census and 1999 HUD updated MFI.

NBWC’s assessment area includes all of Walton County Georgia, which is a part of the Atlanta Metropolitan MSA #520. The AA is comprised of six moderate-income and two middle income census tracts. There are no low or upper income census tracts in the county. NBWC is one of seven banks in Walton County. Competition includes a branch of a multi-state regional company, three state banks and savings banks headquartered in Walton County. Also, Synovus Financial Corporation has two affiliates located in Walton County.

As of June 30, 1998, NBWC ranked first in deposit market share and asset size. NBWC operates 2 branches in Monroe and one branch in Loganville, within Walton County. There are two limited service ATMs in the bank’s AA. Of these, one is located at the main office and the other is located at the branch in Loganville.

Walton County is one of the fastest growing counties in the Atlanta MSA. Since 1990, the county's population has grown by one-third, much of it in the form of "urban migration" in search of the small-town lifestyle that Monroe offers. Many of the newcomers are residents of Walton County, but work in Atlanta. Since 1990, according to the local Chamber of Commerce and local real estate information, the average housing cost in Walton County has risen from \$65,893 to approximately \$120,000. Employment in Walton County consists primarily of manufacturing plants that are concentrated in apparel and plastic products. Major employers include Oxford Slacks and Leggett & Pratt, Inc., each employing 400 persons. Other employers include Avondale Mills, Crane Plumbing, and Standridge Color.

During this examination, we contacted two local city government representatives. Both contacts stated that there is a critical need for affordable 1-4 family residential housing and decent rental units within the bank's AA.

Appendix C: Tables of Performance Data

Content of Standardized Tables

The tables cover the entire CRA evaluation period. 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; market rank is based on the number of loans made by the bank as compared to all other lenders in the MSA/assessment area; and market share is the number of loans originated by the bank as a percentage of the aggregate number of reportable loans originated by all lenders in the MSA/assessment area. The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated by the bank over the evaluation period by MSA/assessment area.
- Table 2. Geographic Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated 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 rank and market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of HMDA Home Improvement Loan Originations** - See Table 2.
- Table 4. Geographic Distribution of HMDA Refinance Loan Originations** - See Table 2.
- Table 5. Geographic Distribution of Small Business Loan Originations** - The percentage distribution of the number of small loans (<\$1 million) to businesses originated 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 rank and market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Farm Loan Originations** - The percentage distribution of the number of small loans (<\$500,000) to farms originated 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 rank and market share information based on the most recent aggregate market data available.
- Table 7. Borrower Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage distribution of families by income level in each MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of HMDA Home Improvement Loan Originations** - See Table 7.
- Table 9. Borrower Distribution of HMDA Refinance Loan Originations** - See Table 7.
- Table 10. Borrower Distribution of Small Business Loan Originations** - Compares the percentage distribution of the number of small loans (<\$1 million) originated 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. The table also presents the percentage distribution of the number of loans originated 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 11. Borrower Distribution of Small Farm Loan Originations** - Compares the percentage distribution of the number of small loans (<\$500 thousand) originated 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. The table also presents the percentage distribution of the number of loans originated 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 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/assessment area.

Table 13. Distribution of Branch and ATM Delivery System - Compares the percentage distribution of the number of the bank's retail branches and ATMs in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each geography.

Table 14. Geographic and Borrower Distribution of Consumer Loan Originations (OPTIONAL) - 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 the population 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 MSA/assessment area.

Table 1. Lending Volume

LENDING VOLUME												State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998	
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)				
Full-Scope:															
Walton County, GA MSA #520	100%	204	\$8,947	289	\$17,625	19	\$1,319	2	\$331	514	\$28,222	100%			

Table 2. Geographic Distribution of Home Purchase Loan Originations

Geographic Distribution: HOME PURCHASE												State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998		
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Walton County, GA MSA #520	NA	NA	55%	82%	45%	18%	NA	NA	9	2	NA	3	2	NA	50	100%

(*) Based on 1998 Aggregate HMDA Data only.

Table 3. Geographic Distribution of Home Improvement Loan Originations

Geographic Distribution: HOME IMPROVEMENT																	State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans								
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	NA	NA	55%	79%	45%	21%	NA	NA	1	16	NA	19	11	NA	76	100%							

(*) Based on 1998 Aggregate HMDA Data only.

Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations

Geographic Distribution: HOME MORTGAGE REFINANCE																	State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans								
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	NA	NA	55%	87%	45%	13%	NA	NA	22	< 1	NA	1	< 1	NA	78	100%							

(*) Based on 1998 Aggregate HMDA Data only.

Table 5. Geographic Distribution of Small Business Loan Originations

Geographic Distribution: SMALL BUSINESS																	State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans								
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	NA	NA	60%	64%	40%	36%	NA	NA	1	33	NA	42	2	NA	289	100%							

(*) Based on 1998 Aggregate Small Business Data only.

Table 6. Geographic Distribution of Small Farm Loan Originations

Geographic Distribution: SMALL FARM																	State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans								
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	NA	NA	66%	79%	34%	21%	NA	NA	1	56	NA	11	7	NA	19	100%							

(*) Based on 1998 Aggregate Small Farm Data only.

Table 7. Borrower Distribution of Home Purchase Loan Originations

Borrower Distribution: HMDA HOME PURCHASE																	State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Purchase Loans								
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	28%	20%	25%	13%	23%	15%	24%	52%	9	2	4	2	2	5	50	100%							

(*) As a percentage of loans with borrower income information available. No information was available for 8% of loans originated by NBWC.

(**) Based on 1998 Aggregate HMDA Data only.

Table 8. Borrower Distribution of Home Improvement Loan Originations

Borrower Distribution: HOME IMPROVEMENT																	State: Georgia		Evaluation Period: January 1, 1998 to December 31, 1998				
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Improvement Loans								
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	28%	24%	25%	21%	23%	29%	24%	26%	1	16	19	27	18	16	76	100%							

(*) As a percentage of loans with borrower income information available. No information was available for 2% of loans originated by NBWC.

(**) Based on 1998 Aggregate HMDA Data only.

Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations

Borrower Distribution: HOME MORTGAGE REFINANCE																	State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998				
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans								
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total							
Full-Scope:																							
Walton County, GA MSA #520	28%	16%	25%	23%	23%	30%	24%	31%	22	< 1	1	1	1	< 1	78	100%							

(*) As a percentage of loans with borrower income information available. No information was available for 5% of loans originated by NBWC.

(**) Based on 1998 Aggregate HMDA Data only.

Table 10. Borrower Distribution of Small Business Loan Originations

Borrower Distribution: SMALL BUSINESS												State: Georgia		Evaluation Period: January 1, 1997 to December 31, 1998		
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans							
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size					
Full-Scope:																
Walton County, GA MSA #520	79%	81%	66%	84%	11%	5%	33	40	289	100%	\$64					

(*) As a percentage of businesses with known revenues.

(**) As a percentage of loans with revenue information available. No information was available for 3% of loans originated by NBWC.

(***) The market consists of all other Small Business reporters in NBWC's assessment area and is based on 1998 Aggregate Small Business Data only.

(****) Based on 1998 Aggregate Small Business Data only.

Table 11. Borrower Distribution of Small Farm Loan Originations

Borrower Distribution: SMALL FARM			State: Georgia			Evaluation Period: January 1, 1997 to December 31, 1998					
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of Farms*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Walton County, GA MSA #520	100%	68%	100%	74%	26%	0%	56	46	19	100%	\$69

(*) As a percentage of farms with known revenues.

(**) As a percentage of loans with revenue information available. No information was available for 16% of loans originated by NBWC.

(***) The market consists of all other Small Farm reporters in NBWC's assessment area and is based on 1998 Aggregate Small Farm Data only.

(****) Based on 1998 Aggregate Small Farm Data only.

Table 12. Qualified Investments

QUALIFIED INVESTMENTS			State: Georgia			Evaluation Period: June 30, 1997 to September 29, 1999					
MSA/Assessment Areas:	Prior Period Investments*			Current Period Investments			Total Investments				
	#	\$ (000's)	%**	#	\$ (000's)	%**	#	\$ (000's)	% of Total \$'s		
Full-Scope:											
Walton County, GA MSA #520	0	0	\$0	12	\$169	\$100	12	\$169	100%		

(*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.

(**) Percentage of the dollars invested in that MSA/Assessment Areas that are prior period investments or current period investments.

Table 13. Distribution of Branch and ATM Delivery Systems

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				State: Georgia				Evaluation Period: June 30, to September 29, 1999									
MSA/Assessment Area:	Deposits	Branches				ATMs				Population							
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATMs	% of Total BANK ATMs	Location of ATMs by Income of Geographies				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
Walton County, GA #520	100%	3	100%	0%	67%	33%	0%	0	0%	0%	0%	0%	0%	60%	40%	0%	