



## **PUBLIC DISCLOSURE**

January 23, 1997

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

**First Community Bank, NA  
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.**

## 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 **First Community Bank, N.A.**, prepared by Office of the Comptroller of the Currency, the institution's supervisory agency, as of January 23, 1997. 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 has made a substantial portion of loans within their assessment area. The loan-to-deposit ratio is adequate. In addition, the distribution of credit within the assessment area and across all income levels is reasonable. We found no evidence of discrimination or other illegal credit practices during our review.

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 since the prior examination.		

## **DESCRIPTION OF INSTITUTION**

First Community Bank, N.A., (FCB) is a relatively new \$32 million institution with the main office and one branch location. The bank is wholly owned by First Community Corporation, a one bank holding company. The bank is based in Lexington, South Carolina, approximately 10 miles west of Columbia, South Carolina. Lexington is within the Columbia, South Carolina, Metropolitan Statistical Area (MSA). The bank opened its main location for business on August 17, 1995 and its branch office on September 14, 1995. There are no financial or legal impediments that would impair the bank's performance under the Community Reinvestment Act.

FCB's primary business is real estate lending, primarily commercial. The bank's loan portfolio is comprised of commercial real estate (42%), residential real estate (27%), consumer loans (11%), and commercial loans and leases (20%). During the first nine months of 1996, the bank originated 394 loans totaling \$10,870,062.

## **DESCRIPTION OF ASSESSMENT AREA**

FCB has designated their assessment area to be specific census tracts located in Lexington and Richland Counties. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any low or moderate-income areas.

The assessment area for the bank includes 9 census tracts in Lexington County and 24 census tracts in Richland County. In Lexington County, 5 of the census tracts are middle income geographies. In Richland County, 7 census tracts are low-to-moderate income and 9 are middle income geographies. The 1990 census reported the Columbia MSA population at 453,331. The 1996 statewide MSA median family income is \$43,100. As of September 30, 1996, the MSA unemployment rate was 3.7% compared to the state and national levels of 5.9% and 5.2%, respectively. Major employers for the MSA include: State Government, Fort Jackson, public school districts, and the Baptist Medical Center.

The bank's main competition consists primarily of branches of large banks located throughout FCB's assessment area. There are also two community banks within FCB's assessment area.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA :**

- **FCB is rated satisfactory based on its volume of lending within the assessment area, a reasonable loan-to-deposit ratio, and a satisfactory record of lending to borrowers of different income levels.**

This performance assessment was based on information obtained from the bank's Consolidated Reports of Condition and Income, Home Mortgage Disclosure Act Reports, and 1990 census data for the Columbia MSA. In addition, other information was obtained from bank reports, two community contacts, and discussions with bank management.

### **Loan-to-Deposit Analysis**

- **The loan-to-deposit ratio is reasonable given FCB's newness, size, financial condition, and assessment area credit needs.**

The bank's loan-to-deposit ratio as of September 30, 1996 has grown to 52.61%. This ratio has grown each quarter since the bank opened for business in August 1995. While this ratio is low when compared to the average for all banks within the state (68.33%), they are in the middle for locally based banks.

### **Lending in the Assessment Area**

- **A majority of loans and other lending related activities are in FCB's assessment area.**

The following table indicates the volume of loans, both by dollar and number, made within and outside the bank's assessment area.

	# of Loans	% of Total Loans	\$ of Loans	% of Total Loans
Loans Within Assessment Area	280	71.07	7,013,789	64.52
Loans Outside Assessment Area	114	28.93	3,856,273	35.48
Total Loans	394	100	10,870,062	100

Management tracks their lending activities within and outside their assessment area by census tract. Management's analysis of new and renewed loans made between January 1, 1996 and September 30, 1996 revealed that 71% of the number and 65% of the dollar volume of loans made were within their assessment area. We obtained this data from management's tracking system which we tested and found to be accurate.

### **Lending to Borrowers of Different Incomes and Businesses of Different Sizes**

- **The distribution of credit reflects reasonable penetration among individuals of different income levels and businesses of different sizes.**

Management tracks the distribution of new consumer loans based on the borrower's income. Management then analyzes the number and dollar amount of loans made to borrowers in the low and moderate-income categories. The analysis through third quarter 1996 indicates that a reasonable amount of loans, both by number (14%) and dollar volume (5%), are made to low or moderate-income individuals. Low and moderate income families comprise 34% of the families within the assessment area.

During the first nine months of 1996, 56 new loans totaling \$2,780,732 were made to small businesses. Of the loans made to small businesses, 89% of the number and 31% of the dollar amount originated at \$100,000 or less.

## Geographic Distribution of Loans

- **The geographic distribution of loans reveals satisfactory dispersion throughout the assessment area.**

FCB's assessment area contains 33 census tracts within the Columbia MSA. Seven are low or moderate-income tracts, 14 are middle-income tracts, and 12 are upper-income tracts. The following breakdown of both the number and dollar volume of loans made show satisfactory penetration throughout the assessment area through the third quarter of 1996.

Census Tracts	\$ of loans	%	# of loans	%
Low or moderate-income	930,371	13.26	28	10.00
Middle Income	2,454,074	34.99	117	41.79
Upper Income	3,629,344	51.75	135	48.21
Totals	7,013,789	100.0	280	100.0

In addition to the information in the above chart, the bank has made loans in 28 of the 33 census tracts in the bank's assessment area.

## Review of Complaints

No complaints have been received since the bank opened for business.

## Institutions's Record of Complying with the Anti-discrimination Laws

- **We found no evidence of discrimination or other illegal credit practices. No violations of the substantive provisions of the anti-discrimination laws and regulations were identified.**

The bank is in compliance with the substantive provisions of anti-discrimination laws and regulations including the Equal Credit Opportunity Act and the Fair Housing Act. During our examination, we tested automobile loans to determine if similarly situated applicants received loans with substantially the same terms. This testing disclosed no evidence of disparate treatment on a prohibited basis.