

LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

August 7, 2000

Community Reinvestment Act Performance Evaluation

The Old Point National Bank of Phoebus
Charter Number: 12267

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Hampton, VA 23663

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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.

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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 CRA performance of **The Old Point National Bank of Phoebus** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **August 7, 2000**. 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 the 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 refinancing 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 Old Point National Bank of Phoebus** (OPNB) with respect to the Lending, Investment, and Service Tests:

Performance Levels	The Old Point National Bank of Phoebus Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	x	x	x
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- y Lending levels reflect a good responsiveness to the credit needs of the Assessment Area (AA).
- y Overall geographic distribution of loans is good. The geographic distribution of HMDA loans is adequate. The geographic distribution of small loans to businesses is excellent.
- y Overall distribution of loans by income level is good. The distribution of HMDA loans by borrower income level is adequate. The distribution of small loans to businesses by revenue size is excellent.
- y CD lending has a positive impact on the Lending Test conclusion.
- y OPNB's investment test performance is good, given the available community development opportunities and the amount of qualified investments.

- y OPNB's delivery systems are accessible to all geographies and individuals of different income levels throughout the AA. OPNB's performance in providing CD services is excellent.

Description of Institution

The Old Point National Bank of Phoebus (OPNB) is a community bank headquartered in Hampton, VA that is located in metropolitan area of Norfolk, VA. OPNB is a wholly owned subsidiary of Old Point Financial Corporation (OPFC), a one-bank holding company also headquartered in Hampton, VA. As of June 30, 2000, OPNB reported total assets of \$472 million. OPNB is an intrastate bank with 15 offices serving portions of the Norfolk, VA MSA.

On June 7, 1999, OPNB opened a new full service branch in the Chesapeake area of the Norfolk VA MSA that is approximately 30 miles from the Main Office in Hampton, VA. This was a new area within the Norfolk MSA for OPNB. During the evaluation period, the bank also opened two non-deposit-taking facilities - one offering mortgage services in Hampton, VA and one offering financial and trust services in Newport News, VA.

OPNB is a full-service lender offering various loan and deposit products. OPNB offers conventional home mortgage loans, home improvement loans, and a full range of business loans. As of June 30, 2000, net loans represent 65% of total assets and consist of residential real estate loans (29%), commercial and commercial real estate loans (41%), and consumer loans (26%). Construction loans and obligations of state and political subdivisions makeup the remaining 4% of the portfolio. The volume of residential real estate loans includes small business loans secured by residential real estate.

Historically, OPNB has been primarily a retail bank making small business and consumer loans. More recently, OPNB's strategy has included home mortgage loans. Agricultural lending is not a primary business line of the bank.

There are no legal, financial or other factors impeding OPNB's ability to help meet the credit needs of the communities it serves. As of June 30, 2000, OPNB reported Tier 1 capital of \$40 million.

OPNB was rated "Satisfactory" at its last CRA evaluation dated December 22, 1997.

Scope of the Evaluation

Evaluation Period/Products Evaluated

With the exception of community development (CD) loans, the evaluation period for the Lending Test is January 1, 1998 through December 31, 1999. For CD loans, the Investment Test and the Service Test, the evaluation period is December 22, 1997 through August 7, 2000.

For the Lending Test, OPNB's origination/purchase of home mortgage loans, small loans to businesses, and CD loans were evaluated. The volume of OPNB's small loans to farms was insignificant, therefore not evaluated.

OPNB did not have optionally collected consumer loan data considered in this evaluation. Management requested that Letters of Credit and Loans secured by 1-4 Family Dwelling (that are not home mortgage loans) be considered.

Data Integrity

As part of this CRA evaluation, OPNB's publicly filed information on home mortgage loans (HMDA) and small loans to businesses was tested for accuracy. The test included an evaluation of OPNB's processes to ensure that data is reliable.

Errors were found in the home mortgage data and the small loans to businesses loan data reported for 1998. OPNB reviewed all home mortgage and business loans and corrected the errors. OPNB also reviewed all 1999 data for potential errors prior to submission. As a result, this evaluation is based on corrected, accurate data. However, the market share information for 1998 was not recalculated using the corrected data.

CD loans, investments and services submitted by OPNB management were verified to ensure that they met the regulatory definition for CD. Some items submitted by OPNB for consideration were excluded from this evaluation because they did not meet the definition or purpose of CD.

Selection of Area for Full-Scope Review

OPNB has one assessment area that includes portions of the Norfolk Virginia MSA. Approximately 91% of its loans are within the AA. See Appendix B for more information. There are no limited scope areas.

Ratings

The bank's overall rating is based on the area that received the full-scope review.

When determining conclusions for the Lending Test, small loans to businesses were weighted more heavily than home mortgage products. Within home mortgage lending, home mortgage refinance products were weighted more heavily than home improvement or home purchase products. This weighting is reflective of OPNB's loan volume by product type over the evaluation period as well as the bank's business strategy. Home mortgage refinance products were also given more weight than other home mortgage products because the bank offered a 100% home equity line product that was properly reported as a refinance. The offering of the products was in direct response to community need identified by the bank to offer low- and moderate-income borrowers a means to consolidate debt and make needed home improvements at lower interest rates.

Other

Three community contacts were made during the evaluation. The three were made in the Virginia cities of Williamsburg, Hampton, and Newport News. The contacts included city government and business development agencies. All contacts were made in the Norfolk MSA and included the areas delineated with the OPNB's AA. Refer to the Market Profiles in Appendix B of this Evaluation for more information.

The needs for business development, affordable housing, and reclamation of deteriorating property were identified by the community contacts and were considered in our evaluation of OPNB's performance under the Lending, Investment and Service Tests.

Fair Lending Review

An analysis using the OPNB's internal review of home improvement loans was performed January 2000, to determine compliance with antidiscrimination laws. We reviewed and verified the comparative testing of denied and approved loans performed by bank personnel. The analysis consisted of comparing loan terms of approved black applicants to approved white applicants and covered a twelve-month time period. Underwriting terms were evaluated to determine whether the black applicants were treated similarly to the white applicants.

No violations of the substantive provisions of the antidiscrimination laws and regulations were identified. The bank's fair lending policies, procedures, training programs, and internal assessment efforts are satisfactory.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the Lending Test is rated "High Satisfactory". The bank's overall lending performance is good.

Lending Activity

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

Lending levels reflect good responsiveness to meeting the credit needs of the AA.

In the full-scope AA, approximately 67% of the loans originated during the evaluation period were small loans to businesses, with home mortgage loans comprising the majority of the remainder. Among home mortgage loan originations/purchases, approximately 47% were for home mortgage refinance, 30% were for home improvement, and 23% were for home purchase. At less than 1%, the volume of OPNB's small farm loan is not material. Agricultural lending is not a primary business line of OPNB.

OPNB's lending activity is good in the bank's AA. Based on 1998 CRA aggregate data, OPNB ranks second in small loans to businesses (13%) in the MSA which equals deposit market share. OPNB's market shares of home purchase loans (1%) and home mortgage refinance loans (1%) are significantly lower than its deposit market share because the bank has historically focused on business and consumer lending. Also, the large number of mortgage lenders (356) within the AA, provides for strong competition for home mortgage loans. The largest market share for the any HMDA lender is 8%, which is significantly lower than OPNB's deposit market share of 13%. OPNB's market share of home improvement loans (10%) is somewhat lower than its deposit market share (13%). (Refer to the Market Profile in Appendix B for more information regarding market share and lending barriers within the AA.)

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is good. The geographic distribution of HMDA loans is adequate. The geographic distribution of small loans to businesses

is excellent. The volume of OPNB's small loans to farms was not significant enough to perform a meaningful analysis.

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 and purchases.

The overall geographic distribution of home mortgage loans is adequate. In the evaluation of the distribution of OPNB's home mortgage loans, the bank's emphasis on business lending and the fact that the bank recently opened a mortgage lending office was considered. Also considered was the fact that all of the low-income tracts within the AA are located in Newport News VA and represent 6% of the total number of tracts. The poverty level within those low-income tracts is 48%, and less than 23% of the housing is owner-occupied in the low-income tracts within the AA. (Refer to the Market Profile in Appendix B of this Evaluation for more information regarding the overall AA.)

Home purchase loan geographic distribution is adequate considering the high percentage of families below the poverty level and low percentage of home ownership in the low-income tracts. The bank made no home purchase loans and therefore, has no market share in low-income geographies. The portion of home purchase loans made in moderate-income geographies is somewhat lower than the portion of owner-occupied housing units that are within those geographies. The market share for loans made in moderate-income geographies is lower than OPNB's overall market share (1%) for home purchase loans.

Home improvement loan geographic distribution is adequate considering the high percentage of families below the poverty level and low percentage of home ownership in the low-income tracts. The bank made no home improvement loans and therefore, has no market share in low-income geographies. The portion of home improvement loans made in moderate-income geographies is lower than the portion of owner-occupied housing units that are within those geographies. The market share for loans in moderate-income geographies exceeds OPNB's overall market share for home improvement loans.

Refinance loan geographic distribution is adequate. The portion of refinance loans made in both the low- and moderate-income geographies is lower than the portion of owner-occupied housing units that are within those geographies. The market shares for loans in both the low- and moderate-income geographies equal OPNB's overall market share for refinance loans.

Small Loans to Businesses

Refer to Table 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses made in low-income geographies is near the percentage of businesses located within the low-income geographies. The percentage of small loans to businesses made to businesses within moderate-income geographies exceeds the portion of businesses that are within the moderate-income geographies. The market share for small loans to businesses in low-income geographies is significantly lower than OPNB's overall market share for small loans to businesses, however OPNB's market share in moderate-income geographies exceeds their overall market share.

Small Loans to Farms

Refer to Table 6 in Appendix C for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

Lending Gap Analysis

Maps and reports detailing OPNB's lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps and no significant clusters of geographies with low penetration of lending were identified.

Inside/Outside Ratio

A substantial majority of OPNB's loan originations were within the AA. Overall, 91% of OPNB's loan originations were within the AA. By loan product, 91% of HMDA loans, 91% of small loans to businesses, and 100% of the CD loans were within the AA. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level is good. The distribution of HMDA loans by borrower income level is adequate. The distribution of loans to small businesses by revenue size is excellent.

When evaluating of the borrower distribution of OPNB's home mortgage loans, the difficulty in home mortgage lending to low- and moderate-income borrowers because of significant property costs was considered. Refer to the Market Profiles in Appendix B of this Evaluation for more information.

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 and purchases.

The overall borrower distribution of home mortgage loans is adequate.

Home purchase loan borrower distribution is adequate considering the percentage of households below the poverty level and the high cost of land in the area. The portion of home purchase loans made to low-income borrowers is significantly lower than the portion of families defined as such. The portion to moderate-income-borrowers is somewhat lower than the portion of families that are defined as such. In addition, the market share for loans made to low-income borrowers is lower than OPNB's overall market share for home purchase loans. Home purchase lending to moderate-income borrowers equals OPNB's overall market share for home purchase loans.

Home improvement loan borrower distribution is good. While the portion of home improvement loans made to low-income borrowers is somewhat lower than the portion of families that are defined as such, the portion of loans made to moderate-income borrowers exceeds the comparable demographic. In addition, the market share for loans to both low-income and moderate-income borrowers each exceed OPNB's overall market share for home improvement loans.

Refinance loan borrower distribution is adequate. While the portion of refinance loans made to low-income borrowers is significantly lower than the portion of families that are defined as such, the portion of loans made to moderate-income borrowers exceeds the comparable demographic. In addition, the market share for loans to both low-income and moderate-income borrowers each exceed OPNB's overall market share for home improvement loans.

Small loans to Businesses

Refer to Table 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The overall distribution of small loans to businesses is excellent. OPNB's percentage of small loans to small businesses (businesses with annual revenues \$1 million or less) exceeds the percentage of small businesses. OPNB's market share of small loans to small businesses exceeds their overall market share of small loans to all businesses. The majority of OPNB's small loans to businesses are for amounts \$100 thousand or less.

Small loans to Farms

Refer to Table 11 in the Appendix C for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

Community Development Lending

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

CD lending had positive impact on the Lending Test conclusions for the AA. During the evaluation period, OPNB originated six CD loans totaling \$2.1 million. This is approximately 5% of Tier I Capital. Given limited opportunities to engage in CD lending (refer to the Market Profile in Appendix B), the number and the dollar amount of CD loans is significant.

The major dollars (\$1.775 million) in the CD lending are focused on redevelopment of low- and moderate-income areas in the Newport News Enterprise Zone within the Norfolk MSA. This loan is considered both complex and innovative. The loan is complex because it involved public and private entities working together to provide multiple funding sources for one community development program. The lending was innovative because this was the first time such a multifaceted program was undertaken in the area.

In order to advance industry in the Norfolk MSA and bring approximately 400 jobs to the area, the City of Newport News donated their office complex (in a low-income census tract) to a shipyard and had a bond offering for the renovations of the shipyard complex. However, this left the city without a facility to house the government office complex. Through the \$1.775 million loans with OPNB, the city purchased and renovated a deteriorated property in a moderate-income census tract. The building was an abandoned warehouse that previously housed a manufacturing concern. The building required environmental cleanup as well as renovation. This \$1.775 million dollar loan served a multi-purpose community development effort because not only was a moderate-income area revitalized, but the loan provided a conduit to create new jobs of varying income levels within an Enterprise Zone. This loan met a need identified in a community contact for

revitalization in an Enterprise Zone.

OPNB originated five additional loans totaling approximately \$359 thousand to provide necessary working capital and equipment for three not-for-profit organizations that provide food, shelter, and a multitude of services for low- and moderate-income individuals. Over 90% of the individuals served are low- or moderate-income. None of these loans are considered complex or innovative.

OPNB has a legally binding commitment of \$1 million to provide owner financing for affordable housing in the high cost area of Williamsburg. This commitment is not reflected in the number or dollar amount of community development loans since the project is not completed. Housing was an identified need in the area, but restrictions apply to direct financing related to the City of Williamsburg (Refer to the Market Profiles in Appendix B of this Evaluation for more information.) OPNB worked with the City of Williamsburg to develop this means of participating in serving the housing needs for the area.

Five loans totaling \$851 thousand that meet the definition of business loans had community development characteristics. These loans are not included in the \$2.1 million total for community development because of their business loan classification.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test conclusions for the AA.

Bank-wide, OPNB offers flexible mortgage-related lending programs serving low- and moderate-income borrowers including an affordable home ownership program ("AHOP") and the "Bi-Weekly" Mortgage. These programs are considered flexible, but not innovative.

The "AHOP" Mortgage is a program, initiated by OPNB in 1998, which offers financing up to 97% and the possibility of financing closing costs. The loan program is only for low- and moderate-income borrowers (family income cannot exceed \$40,000). For low- and moderate-income families, the rate for closing costs is at the same rate as the mortgage loan. The standard interest rate for closing costs is usually considerably higher than the mortgage loan interest rate. For the period 1998 and 1999, the bank originated 28 loans totaling \$1.7 million with approximately 39% of the lending volume to low-income borrowers. All other borrowers were moderate-income.

The "Bi-Weekly" Mortgage, initiated by OPNB in September 1999, is designed to

meet the needs of borrowers on a budget and provides a means to reduce the amount of interest paid on a mortgage loan. Since most of the employers in the area have bi-weekly payrolls, the bank provides borrowers a means to pay the same amount each pay period for mortgage payments. Instead of one monthly payment as typically required in the secondary market, the borrower pays half of the monthly payment each pay period. For a traditional 30-year mortgage, it reduces the length of the mortgage to 23 years (based on one-half the regular monthly payment). However, the bank could not provide specific information on how the product impacts low- and moderate-income individuals and geographies, therefore, significant weight was not placed on the flexibility.

INVESTMENT TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the Investment Test is rated "High Satisfactory."

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

OPNB's performance is good, given the available community development opportunities and the amount of qualified investments. OPNB took advantage of the one identified investment opportunity that served OPNB's AA. Our research indicated that most of the CD opportunities targeting the Norfolk VA MSA that were not in OPNB's AA.

During the evaluation period, OPNB made 19 investments totaling \$1.3 million which represents 3.25% of Tier I capital. None of the investments are considered innovative or complex, but are responsive to identified needs in the community. The bank had one prior period investment still outstanding, it was \$50 thousand for a SBIC that makes direct equity investments and loans to finance the growth, development, and modernization of small businesses within the AA.

One of the investments is considered significant at \$1.25 million. The bond is to finance the construction and permanent funding of 40 units of rental housing in an Enterprise Zone within Newport News. The occupants of the project must be at or below 60% of the area's median family income. According to the community contact, this project was a needed replacement for affordable low- and moderate-income housing that was deteriorating.

Grants/Donations - OPNB provided 18 grants totaling \$136 thousand to local not-for-profit organizations for various projects and CD initiatives throughout the Norfolk AA.

SERVICE TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the Service Test is rated "High Satisfactory." The bank's performance is good.

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 delivery system and branch openings and closings.

OPNB's delivery systems are accessible to geographies and individuals of different income levels throughout the AA. The majority of the low- and moderate-income families reside in middle- and moderate-income geographies. In middle-income geographies, the percentage of bank's branches is less than the percentage of population living in these areas. The distribution of OPNB's offices throughout moderate-income geographies exceeds the distribution of the population living in such geographies. There are no offices in the low-income in Newport News. There were no branch closures. The bank made an offer to purchase a branch from another financial institution in the low-income areas of Newport News, however the offer was rejected.

OPNB's hours and range of services offered throughout the AA are adequate. Office hours and services throughout the AA, including the availability of loan officers for all loan products, are comparable among locations regardless of the income level of the geography. Banking hours and services provided Monday through Friday are supplemented by Saturday drive-up services at all locations except the Chambrel Office in Williamsburg (located in a upper-income tract). Although lobby and drive-up service hours are specific, loan officers are available on an appointment basis to meet with customers during non-traditional hours. This service is available throughout the AA.

The bank has 14 deposit taking ATMs throughout the AA. There are also cash dispensing ATMs at 5 locations. The bank could not provide specific information on how the ATMs increased the effectiveness of delivering retail services to low- and moderate geographies or to low- and moderate-income individuals.

Community Development Services

OPNB's performance in providing CD services is excellent. According to the community contacts, the bank assumes a leadership role in community development services by organizing and initiating CD activities particularly with the initiation of CD services for financing small businesses. None of these services are innovative or complex. Major highlights of CD service activities in OPNB's AA during the evaluation period include the following:

CD Services Targeted to Low-or-Moderate-Income Individuals

Eight bank's officers and employees were actively involved in five local organizations that provide services to low- or moderate-income individuals. OPNB's officers and employees provided financial expertise by serving in various financial capacities including Finance Committee Chairman, Treasurer, and active Board Members. One bank officer served as chairman and organizer of the local fund-raising activities.

CD Services Providing Affordable Housing to Low-or Moderate-Income Individuals

Five officers and two employees have provided financial expertise to three affordable housing organizations by serving on finance committees. In one instance, the officer showed a leadership role by working as the financial liaison to obtain and monitor governmental funding. The three organizations target affordable housing for low- or moderate-income individuals. OPNB has also participated in three affordable housing events where bank officers served in an educational capacity.

CD Services Promoting Economic Development by Financing Small Business

Eight of OPNB's officers have provided financial expertise to five economic development organizations by serving on the finance committee or serving as a financial advisor or credit counselor for these organizations. One bank officer recommended and helped initiate a micro-loan (less than \$10,000) program for new businesses through one of the organizations. The bank officer proposed the program to the organization.

Bank representatives have spoken and participated in seminars that provide educational services to start-up small businesses. The five organizations have as their primary purpose the promotion of economic development by financing businesses that have gross annual revenues of less than \$1 million.

CD Services That Revitalize or Stabilize Low-or Moderate-Income Areas

One bank officer has served as treasurer and fundraiser, in addition to ten other senior bank officers that served as members, of one organization that assists in the revitalization of the Phoebus area of Hampton. The organization offers loans and provides technical assistance to businesses within the moderate-income tract of downtown Phoebus. The bank assumed a leadership role by working with the organization to initiate, prepare, and implement the organization's business loan program. The organization's mission is to revitalize and stabilize the Phoebus area by attracting businesses and making loans for refurbishing existing buildings that currently have small businesses occupying the properties.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities reviewed, and loan products considered. The table also reflects the metropolitan area that received comprehensive examination review (designated by the term "Full Scope") and those receiving a less comprehensive review (designated by the term "Limited Scope").

Time Period Reviewed	Lending Test (excludes CD Loans): 1/1/1998 to 12/31/1999 Investment and Service Tests and CD Loans: 12/22/1997 to 8/7/2000	
Financial Institution	Products Reviewed	
The Old Point National Bank of Phoebus (OPNB) Hampton VA 23663	Home Mortgage Loans (HMDA) Small Loans to Businesses Community Development Loans CD Investments Bank Services Community Development Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	N/A	N/A
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Part of the Norfolk VA MSA #5720	Full-Scope	Only a portion of the MSA considered in the AA. This includes all the census tracts in the designated Virginia counties of Poquoson, Williamsburg, York, James City, Newport News, and Hampton plus one census tract in Chesapeake.

Appendix B: Market Profiles for Full-Scope Areas

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Market Profile for Area Receiving Full-Scope Review	
Norfolk VA MSA	B-2

NORFOLK VA MSA

Demographic Information for Full-Scope Area: Norfolk VA MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	90	6%	20%	38%	23%	13%
Population by Geography	414,262	4%	18%	51%	27%	0%
Owner-Occupied Housing by Geography	88,762	2%	13%	49%	36%	0%
Businesses by Geography	13,074	1%	16%	54%	28%	0%
Farms by Geography	266	2%	10%	52%	37%	0%
Family Distribution by Income Level	110,367	18%	18%	24%	40%	0%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	40,124	8%	27%	50%	14%	0%
Median Family Income = \$34,688						Median Housing Value = \$86,151
HUD Adjusted Median Family Income for 1999 = \$48,000						Unemployment Rate = 3.6%
Households Below the Poverty Level = 11%						

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

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

OPNB's AA includes only a portion (27%) of the Norfolk VA MSA and is comprised of 90 census tracts. OPNB's AA includes all the census tracts in the designated Virginia cities and counties of Poquoson, Williamsburg, York, James City, Newport News, and Hampton (collectively referred to as the peninsula) plus one census tract in Chesapeake. Natural water barriers in the area severely restrict easy access to all areas of the Norfolk MSA. The bank opened the office in Chesapeake in late 1999. The June 1999 market share analysis done by the FDIC was prepared prior to the branch opening. Since OPNB was new to the Chesapeake area, the census tracts being served by the bank was limited to the tract where the branch was located. Middle and upper income tracts surround the area around the branch. The bank did not arbitrarily exclude any low- or moderate-income areas.

The port, shipbuilding, military, seafood, service industry, and tourism are the anchors of the region's economy. The Norfolk MSA is home to the world's largest Navy base and to the NASA Langley Research Center. The MSA has one of the largest concentrations of military operations outside the Pentagon. The area relies on tourism from the Williamsburg area. Outside the military, the service industry is the largest economic factor that accounts for 30% of all civilian jobs. Newport News Shipbuilders is the largest private employer with over 10,000 permanent employees. The unemployment rate in the AA is 3.6% compared to 2.5% for the state of Virginia.

The only low-income census tracts within the AA are in Newport News, VA. The number of households below poverty level in the low-income tracts is 48%, compared to 11% for the AA. Owner occupied housing in the low-income tracts is only 23%, compared to 53% for the entire AA. Housing costs are very expensive in the area. According to the National Association of Realtors, the Norfolk MSA had a median selling price of \$147 thousand for single family dwellings, however in the Williamsburg area, that figure is \$182 thousand. These three factors make home mortgage lending very difficult in the low-income census tracts.

All of the bank's deposits and 91% of its loans are within the AA. The bank has a 13% market share of deposits, with the largest percentage in Hampton (33%). OPNB's competition includes banks and credit unions. OPNB ranks 4th in market share in deposits amongst the 17 banks in the AA. The top three banks with market shares greater than OPNB each have total assets exceeding \$18 billion. OPNB ranks 2nd in small business lending market share out of 49 lenders reporting business loans. OPNB ranks 24th out of 356 mortgage lenders in the AA. The home mortgage market is very competitive and is dominated by mortgage companies and credit unions.

OPNB operates 15 branches and 14 full service ATMs in its AA. The branches are located in the counties of York, James City, Newport News, Hampton, and Chesapeake. There is one additional bank offices (a mortgage department) that are not branches that have non-deposit taking ATMs plus 11 cash dispensing ATMs at convenient stores.

Each county within the AA has needs individual to the area. Not all areas of the AA had the same identified needs. The three community contacts emphasized the needs applicable to their individual areas.

In the Williamsburg area, the contacts stated the primary credit need is lending for affordable housing. The need for affordable housing is significant, due to high land costs resulting from the limited supply of vacant land available for housing development. The contact stated that opportunities in Williamsburg are limited since participation in most city housing activities are limited to businesses within the city limits of Williamsburg. OPNB does not have a branch physically within the city limits. The contact also stated that OPNB had actively sought out opportunities with the City of Williamsburg.

There is a consolidated plan for the city of Hampton, VA. The consolidated plan makes note of the extensive supply of affordable housing in Hampton and comments that there is no strategy to address the issue. The city plan focus is on intervention for deteriorating properties and housing improvement. Community contacts in both Hampton and Newport News confirm the abundance of low- and

moderate-income housing and the objective to rehabilitate housing stock without additional building in both Hampton and Newport News.

The contact in Hampton focused on the need for small business development and the need to keep the business community of Phoebus a viable business area. The contact indicated the need for small loans to businesses to support this effort, particularly loans to upgrade the buildings in the area while maintaining the architecture currently in place. The contact in Hampton described OPNB as a leader in the community and commented regarding the bank's responsiveness to the needs of the area businesses.

In Newport News, the contact identified the need for economic development. There are three Enterprise Zones in Newport News. The South Enterprise Zone is where all the low-income census tracts are located within the bank's AA. According to the contact, parts of Newport News have been identified as having real or potential environmental issues. The contact stated that OPNB had assumed a leadership position in working with the organization, oftentimes taking the initiative to refer and accept loans within the AA. The contact also commented regarding OPNB's flexibility in working with the organization to make complex business proposals come to fruition.

There are limited community development opportunities to address the community credit needs of this area. OPNB has taken advantage of one of the largest investment opportunity through Virginia Housing Development Authority. There are also several community-based organizations that address affordable housing needs within OPNB's AA. Economic development opportunities that promote job creation and small business development are available through the Governor's Virginia Enterprise Zone and Virginia Enterprise Initiative.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the Δ bank include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: purchased loans are treated as originations/purchases; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/assessment area; 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 MSA/assessment area.

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/assessment area.
- 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 rank and 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 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 rank and market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies compared to the

percentage distribution of farms (regardless of revenue size) throughout

those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.

- Table 7. 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/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 Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of Refinance Loans** - See Table 7.
- Table 10. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 11. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 12. 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.

Table 13. 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.

Table 14. Geographic and Borrower Distribution of Consumer Loans (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: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999	
MSA/Assessment Area:	% of Rated Area Deposits in MSA/AA*	Home Mortgage**		Small Loans to Businesses**		Small Loans to Farms**		Community Development***		Total Reported Loans		% of Rated Area Loans(#) in MSA/AA				
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)					
Full-Scope:																
MSA 5720 - Norfolk VA	100%	374	\$27,839	760	\$60,747	2	\$80	6	\$2,134	1,142	\$90,800	100%				

(*) Deposit data as of June 30, 2000.

(**) The evaluation period for Home Mortgage Loans, Small Loans to Businesses and Small Loans to Farms is January 1, 1998 to December 31, 1999.

(***) The evaluation period for Community Development Loans is December 22, 1997 to August 7, 2000.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE																	State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999	
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:																				
MSA 5720 - Norfolk VA	2%	0%	13%	7%	49%	32%	36%	61%	40	1	0	< 1	< 1	1	85	100%				

(*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(**) 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 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT																	State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999				
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:																							
MSA 5720 - Norfolk VA	2%	0%	13%	10%	49%	57%	36%	33%	3	10	0	12	11	9	114	100%							

(*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(**) 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 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE																	State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999				
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:																							
MSA 5720 - Norfolk VA	2%	1%	13%	10%	49%	52%	36%	37%	25	1	1	1	1	1	175	100%							

(*) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES										State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999					
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:																	
MSA 5720 - Norfolk VA	2%	1%	16%	24%	54%	50%	28%	25%	2	13	2	21	15	10	760	100%	

(*) Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

(**) 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.

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS										State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999					
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:																	
MSA 5720 - Norfolk VA	1%	0%	10%	0%	52%	100%	37%	0%	49	< 1	0	0	< 1	0	2	100%	

(*) Based on 1998 Aggregate Small Farm Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE																	State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999				
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:																							
MSA 5720 - Norfolk VA	18%	3%	18%	11%	24%	21%	40%	65%	40	1	< 1	1	1	1	85	100%							

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

(**) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(***) 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 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT																	State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999				
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:																							
MSA 5720 - Norfolk VA	18%	10%	18%	32%	24%	32%	40%	26%	3	10	12	16	13	6	114	100%							

(*) As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by the bank.

(**) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

(***) 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 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				State: VIRGINIA				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999								
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:																
MSA 5720 - Norfolk VA	18%	8%	18%	20%	24%	22%	40%	50%	25	1	2	2	2	1	175	100%

(*) As a percentage of loans with borrower income information available. No information was available for 8% of loans originated and purchased by the bank.
 (**) Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.
 (***) Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				State: VIRGINIA				Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999			
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share***		Total Small Loans to Businesses			
	% 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	#	% of Total****		
Full-Scope:											
MSA 5720 - Norfolk VA	70%	71%	80%	13%	7%	13	18	760	100%		

(*) Businesses with revenues of \$1 million or less as a percentage of all businesses.
 (**) 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 15% of small loans to businesses originated and purchased by the bank.
 (***) Based on 1998 Aggregate Small Business Data only.
 (****) 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.

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		State: VIRGINIA		Evaluation Period: JANUARY 1, 1998 TO DECEMBER 31, 1999					
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**	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total****
Full-Scope:									
MSA 5720 - Norfolk VA	95%	100%	100%	0%	0%	< 1	< 1	2	100%

(*) Farms with revenues of \$1 million or less as a percentage of all farms.

(**) Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0% of small loans to farms originated and purchased by the bank.

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

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: VIRGINIA		Evaluation Period: DECEMBER 22, 1997 TO AUGUST 7, 2000					
MSA/Assessment Areas:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of Total \$≈s	#	\$ (000's)
Full-Scope:									
MSA 5720 - Norfolk VA	1	\$50	19	\$1,336	20	\$1,386	100%	0	\$0

(*) Δ Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

(**) Δ Unfunded Commitments means legally binding investment commitments that are tacked and reported by the bank's financial reporting system.

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
										State: VIRGINIA				Evaluation Period: DECEMBER 22, 1997 TO AUGUST 7, 2000			
MSA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in MSA/AA	# of BANK Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies				# of Branch Closings	# of Branch Openings	Net Change in Location of Branches (+ or -)				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
MSA 5720 - Norfolk VA	100%	15	100%	0%	20%	47%	33%	0	3	0	0	+2	+1	4%	18%	51%	27%