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Comptroller of the Currency  
Administrator of National Banks

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## PUBLIC DISCLOSURE

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

August 9, 1996

SouthTrust Bank of Florida, National Association  
Charter Number 23021  
1301 Riverplace Boulevard  
Jacksonville, Florida 32207

by

Office of the Comptroller of the Currency  
Southeastern District  
Marquis One Tower, Suite 600  
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Note: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Federal Financial Supervisory Agency concerning the safety and soundness of this financial institution.



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## General Information

This document is an evaluation of the Community Reinvestment Act (CRA) performance of SouthTrust Bank of Florida, National Association, Jacksonville, Florida (STBF) prepared by the Office of the Comptroller of the Currency, the institution's supervisory agency.

The evaluation represents the agency's current assessment and rating of the institution's CRA performance based on an examination conducted as of August 9, 1996. It does not reflect any CRA related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. §2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with the examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve the application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the agencies to make public certain portions of their CRA performance assessments of financial institutions.

### Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based upon a review of twelve assessment factors, which are grouped together under five performance categories, as detailed in the following section of this evaluation.



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## Assignment of Rating

### Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.



## Institution & Community Profile

### Corporate Profile

SouthTrust Corporation (STC) is a multibank holding company which operates 438 offices throughout Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee. Most of these offices are located in Alabama, Georgia, and Florida. At December 31, 1995, STC was the 32nd largest holding company in the nation and the 6th largest in the Southeast with total assets of \$20.8 billion. For the year ending 1995, STC reported net profits of \$199 million which represented a 15% increase from the \$173 million reported during the same period in 1994. Also for the year ending 1995, STC reported total capital of \$1.4 billion which represented a 27% increase from the \$1.1 billion reported at year end 1994.

### Bank Profile

SouthTrust Bank of Florida (STBF) is a wholly owned subsidiary of STC. STBF was formed December 15, 1995 when the six STC subsidiary banks in Florida merged into one bank headquartered in Jacksonville, Florida. At June 30, 1996, SouthTrust Bank of Florida had total assets of \$4.2 billion. STBF operates 119 branches and 88 automated teller machines (ATM) in 24 of Florida's 67 counties. The table below shows the bank's distribution of assets and branches by region.

REGIONAL MARKETS				
Florida Region	Head Office City	At June 30, 1996		
		Total Assets	Loans/Deposits	Branches
West	St. Petersburg	\$ 1,470 million	99%	28
Central	DeLand	918 million	91%	25
Southwest	Fort Myers	501 million	108%	14
Sun coast	Sarasota	511 million	80%	17
Northeast	Jacksonville	457 million	84%	19
Orlando	Orlando	388 million	117%	16
Total Florida	Jacksonville	\$ 4,245 million	95%	119



## Community Profile

The bank's community consists of six regions in the state of Florida with 1,251 census tracts and a population of approximately 6.4 million. The table below shows the breakdown of census tracts within delineated communities by income levels.

DELINEATED COMMUNITIES BY CENSUS TRACT		
Income Level	Number of Tracts	% of Delineated Community
Low	52	4%
Moderate	254	20%
Middle	673	54%
Upper	272	22%
Total	1,251	100%

This is the first Community Reinvestment Act examination for SouthTrust Bank of Florida. The six separately chartered banks that merged to form STBF previously received individual CRA examinations. The last CRA examinations for the six banks had closing dates ranging from December 31, 1993 to August 17, 1995. These examinations were performed by three different regulatory agencies because four banks had state charters and two had national charters. This combined examination was conducted by the Office of the Comptroller of the Currency because the new bank has a national charter. This Public Evaluation of the bank's CRA performance primarily covers the two-year period from January 1, 1994 to December 31, 1995. Information from the first half of 1996 was included for comparison to loan activity in earlier years.

### Reasonableness of Delineated Community

SouthTrust Bank of Florida is represented in the major growth markets and population centers throughout the state, excluding the Miami/Dade County area. The bank's delineated communities cover various geographies concentrated primarily in northeast, central, west and southwest Florida. The method used by the bank to determine and validate delineated communities is reasonable, does not arbitrarily exclude any low- and moderate-income census tracts and meets the purpose of the CRA. The bank's delineated communities include the following counties: Alachua, Baker, Brevard, Charlotte, Citrus, Clay, Collier, Duval, Flagler, Hernando, Hillsborough, Lake, Lee, Manatee, Marion, Nassau, Orange, Osceola, Pasco, Pinellas, Sarasota, Seminole, St. Johns and Volusia.



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## Discussion of Institution's Performance

Institution Rating:

Based upon the findings presented below, this institution is rated: Satisfactory Record of Meeting Community Credit Needs.

### I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A – Activities conducted by the institution to ascertain the credit needs of its communities including the extent of the institution's efforts to communicate with members of its community regarding the credit services provided by the institution.

- STBF has established several effective methods of ascertaining the credit needs of delineated communities. This has allowed management to maintain an ongoing dialogue with various community groups, leaders, governmental officials, private sector individuals and business organizations so that identified needs can receive timely attention.

Bank Management ascertains the credit needs of the community through a formal call program, Outreach Programs, directors, officers and employees community involvement, and seminars. Through these methods, affordable housing, flexible loan terms, down payment assistance, small business loans, and home improvement loans were identified as needed throughout the community. The following briefly summarizes management's ascertainment efforts:

#### Formal Call Program

STBF administers this program by market area. Officers in the six market areas are required to make contact with various civic, social, religious, and business leaders throughout their lending territory. These calls are designed to both ascertain the credit needs of the community and solicit business for the bank. The results of these calls are summarized by senior management and presented quarterly to the CRA committees in each local community.

#### Community Involvement by Directors, Officers, Employees

Board members, management and employees are actively involved in organizations in their local communities. This involvement allows management to identify any unmet needs as well as remain abreast of changing needs. In addition, management can gauge the communities' perception of how the bank is responding to community credit needs.

#### Church Outreach Program

In 1993, SouthTrust Corporation began its Church Outreach Program. Bank officers in each community coordinate and oversee the program. The program targets churches in low- and moderate-income areas. The program is designed to make a special effort in reaching out to churches and to take a more active role in addressing their financial concerns. Management



hopes this outreach also develops deposit and lending relationships with individual church members.

#### Seminars

STBF conducts several Home buyer and credit education seminars throughout the year in each of the local communities. One of the most highly attended seminars is related to the RightStart Mortgage Program developed by STC. The seminars help potential home buyers understand the responsibilities and challenges of buying a home. Prospective home buyers gain knowledge and develop a financial plan to assist them in qualifying for a mortgage loan.

Assessment Factor C – Extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

- The bank has a formal, written CRA program with goals, objectives and a methodology for self-assessment. The Board and senior management are integral parts of CRA activities. They exercise active policy oversight and conduct regular reviews of CRA activities and performance.

The Board's support for CRA is evident by the degree of oversight they provide for the bank's CRA program. CRA goals are an integral part of the bank's strategic planning process. The Board annually adopts and approves a written CRA action plan. The action plan has a mission statement, goals and objectives and strategies for achieving the goals and objectives.

On an annual basis, the bank does its own CRA self-assessment. Results are summarized and presented to the Board. Senior management and the Board are personally involved in activities designed to develop, improve and enhance the local community.

An expanded CRA Statement has been adopted describing the bank's CRA policies and programs and summarizing documentation of the bank's performance. Bank management and the Board also ensure that all CRA technical regulatory requirements are consistently met. Senior management and the Board have demonstrated that CRA compliance is a priority throughout the organization.

## II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B – The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- STBF's marketing and advertising programs inform all segments of its communities about credit products offered.



A variety of sources are used to market products and services in each local community. These sources include newspapers, television, radio, seminars, flyers, bill boards, direct mailings, and officer contact with potential and existing customers. Advertisements emphasizing affordable mortgage loans have regularly been placed in publications which reach all segments of the community. Several of the newspaper publications target residents of low- and moderate-income neighborhoods. Examples of these newspapers include the Florida Star, Florida Advocate, Daytona Times, and The Bulletin. In the West Florida area, door hangers were placed throughout low- and moderate-income areas informing residents of the Right Start affordable housing program.

Bank personnel routinely provide assistance to individuals and groups in understanding and applying for credit. A substantial portion of this assistance was provided to participants of the Right Start Seminars. STBF maintains complete marketing and advertising records and regularly reviews compliance with applicable laws.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase of such loans originated in its community.

- STBF offers a full range of residential mortgage and other types of loans. The bank has demonstrated that it is responsive in meeting the credit needs of its communities.

The bank had a 95% loan to deposit ratio on June 30, 1996, which indicated that funds generated from deposits are being largely reinvested in loans. Twenty-eight percent (28%) of the loan portfolio is comprised of 1-4 family residential loans. Home equity and multi-family loans comprise another 5%. These percentages are indicators of the bank's commitment to provide housing related credits.

The CRA Statement correctly lists the types of loans STBF is making throughout its delineated communities. The following table reflects the number and dollar volume of housing-related originations reportable under the Home Mortgage Disclosure Act (HMDA) during the last two calendar years. Eighty-five percent (85%) of all HMDA loans originated during both 1994 and 1995 were within the bank's delineated communities.

HMDA ORIGINATIONS						
Loan Type	1994		1995		Change	
	#	\$(000)	#	\$(000)	#	%
Purchase/Refinance	2,437	230,124	1,976	168,069	(461)	(19%)
Home Improvement	349	6,475	574	10,074	225	64%
Total	2,786	236,599	2,550	178,143	(236)	(8%)





There were several reasons for the decreased number of home purchase/refinance loans from 1994 to 1995. The 1994 total included loans that were purchased from SouthTrust Mortgage Company. However, fewer loans were purchased from the mortgage company during 1995 because of asset/liability management considerations. Another factor contributing to the decrease in home purchase loans during 1995 was the substitution of a modified affordable housing program product (RightStart) for the existing affordable housing product (BluePrint). During the six month transition period between the old and new affordable home loan products, the number of affordable housing loans decreased significantly. During the first half of 1996, the number of RightStart originations has picked up and is on pace to exceed the numbers for both 1994 and 1995.

During 1994, 154 loans totaling \$7,931,167 were closed under the “BluePrint” program. In 1995, 83 loans totaling \$4,806,205 were closed under the “BluePrint” program. Under the “RightStart” program, 53 loans totaling \$3,056,487 were closed in 1995. For the first six months of 1996, 89 loans totaling \$5,132,231 were closed under the “RightStart” program. The numbers and dollars for 1994 and 1995 are included in the preceding table.

As part of the bank’s RightStart first time home buyers package, each applicant is required to attend a one day session covering the basics of buying and maintaining a home. Volunteer speakers representing all facets of the mortgage process are featured at the training sessions including credit bureaus, title companies, attorneys, accountants, Realtors, bankers and contractors. A certificate is issued at the completion of the program which is transferable to any related first time home buyer mortgage program. Seminar training materials are currently being translated into Spanish to accommodate the Hispanic population of Florida.

The significant increase in home improvement loans between 1994 and 1995 was due primarily to a successful marketing campaign launched in early 1995 for Home Equity Lines. Terms of this special Home Equity program included no closing costs and below market interest rates.

SouthTrust Bank of Florida has also been involved in several housing programs for low- and moderate-income individuals. Some of these projects are listed below:

- O Central Florida Community Reinvestment Corporation (CFCRC) - The CFCRC utilizes a loan pool of \$50 million funded by the various bank members to fund multi-family affordable housing projects in Orange County. The bank is currently involved in acquisition, development and construction financing with nine local development corporations constructing ten single-family, affordable housing projects. Between January 1, 1994 and June 30, 1996, the bank committed \$14.4 million with \$4.6 million outstanding as of June 30, 1996. During 1994 the bank committed \$4.5 million, the majority of which has been funded. During 1995 the bank committed \$7.3 million, the majority of which has been funded. During the first six months of 1996, the bank committed \$2.6 million with \$419 thousand outstanding at June 30, 1996, .



- O Tampa Bay Community Reinvestment Corporation (CRC) - The Tampa Bay CRC is a lending consortium to finance low and moderate income housing in Pinellas, Hillsborough and Pasco Counties. In 1994, the bank made three loans totaling \$48,723. In 1995, four loans were made totaling \$52,565. For the first six months of 1996, one loan for \$25,773 was made.
- O Tampa Hillsborough Action Plan, Inc. - The bank provided a \$200,000 line of credit and construction financing for 23 low-income residences at Highland Estates East in Tampa. Additionally, SouthTrust Bank funded a \$90,000 instalment loan to a non-profit medical facility in a low-income tract.
- O County Lake Apartments - In July 1994, the bank funded \$2 million dollars to construct a 132-unit multifamily complex located in a low- and moderate-income tract in Sanford, FL.
- O Lemon Avenue Apartments - In March 1995, SouthTrust Bank funded \$400 thousand for the purchase of a 30-unit multifamily complex located in Ocala, FL. The project will provide affordable housing to low- and moderate-income individuals/families.
- O Wedgewood Apartments - In February 1996, the bank funded \$5.8 million for the construction of a 300-unit multifamily complex in Daytona Beach, FL. The project will provide affordable housing to low- and moderate-income individuals and families.
- O West Volusia Habitat for Humanity - In March 1994, SouthTrust Bank funded \$75 thousand for the organization to purchase fifteen residential building lots. The organization provides affordable housing to low-income families. All fifteen lots are located in low- and moderate-income tracts.
- O St. Petersburg WIN Program and the Tampa Challenge Fund - These programs furnish reduced cost funds to homeowners to repair and/or renovate low- and moderate-income housing. In 1994, SouthTrust Bank funded six loans totaling \$248,460 under the WIN Program. In 1995, SouthTrust Bank originated twelve loans totaling \$800,482 through the Tampa Challenge Fund.

The bank is also an active lender to small businesses. A small business is defined as one with gross annual revenues not exceeding \$1 million. The table below shows small business loan production for three of the six market banks during 1994 and 1995. Small business lending was not tracked at the other three market banks and was not available. The three market banks in the table represented 55% of STBF's assets at June 30, 1996.

SMALL BUSINESS LOANS FOR THREE OF SIX REGIONS						
Region	1994		1995		% Change for	
	#	\$(000)	#	\$(000)	#	%
West	330	35,733	572	85,699	242	73%
Sun coast	181	20,991	246	28,809	65	36%



Orlando	NRA	NRA	126	26,635	NRA	NRA
<p>NRA: Not readily available</p> <p>The increase in small business lending in the West and Sun coast markets can be attributed to increases in commercial lending staffs and successful officer call and business development programs.</p>						

For the first six months of 1996, the bank extended 1,275 small business loans totaling \$158 million. This represented 21% of total loan originations by number and 64% of total originations by dollar volume. At June 30, 1996 the bank had 7,262 outstanding small business loans totaling \$844 million, which represented 50% of the bank's commercial loan portfolio.

Assessment Factor J—The institution's participation in government-insured, guaranteed or subsidized loan programs for housing, small businesses, or small firms.

- The bank participates in governmentally-insured, guaranteed and subsidized loan programs for housing and small businesses.

The bank makes loans guaranteed by the Small Business Administration (SBA). During 1994, 38 SBA loans were made totaling \$4.5 million. During 1995, 32 SBA loans were made totaling \$4.4 million.

Loans guaranteed by the Federal Housing Administration (FHA) and the Veterans Administration (VA) are originated by the six market banks but closed by the affiliated SouthTrust Mortgage Corporation. FHA and VA loans are booked and serviced by the mortgage company. However, the six market banks play an integral role in facilitating the origination of FHA and VA loans within their communities because of their affiliation with the mortgage company. During 1995, the six market banks originated 157 FHA and VA loans totaling \$11,930,000.

The bank also participates in low- and moderate-income housing programs sponsored or subsidized by local governmental agencies. Several of these government sponsored programs are listed under Performance Category V titled COMMUNITY DEVELOPMENT.

### III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Assessment Factor E—The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

- Analysis of the geographic distribution of the bank's loans shows reasonable distribution of credit extensions, applications and denials. The review of Home Mortgage Disclosure Act (HMDA) related data shows that the bank is effectively reaching all income segments of its communities, including low- and moderate-income individuals.



For HMDA related originations, SouthTrust Bank of Florida has demonstrated the ability to reach low- and moderate-income applicants throughout its communities. The table below illustrates the extent to which the bank has made HMDA loans to low- and moderate-income individuals within its communities. The table shows the distribution of HMDA related originations by income level for the bank's six markets during 1995. The table shows that approximately one-third of HMDA loans made during 1995 were to low- and moderate-income persons. The level of penetration for LMI individuals in the six combined markets approached the average level of LMI families in those markets. Two of the markets, West and Sun coast, have low penetration levels for LMI persons. However, this is not considered a negative because of intense competition among local financial institutions for home loans to LMI persons. STBF also has smaller market shares and less name recognition in those markets.

1995 HMDA ORIGINATIONS BY INCOME								
Income Level	Florida Market Area (Total Number of Loans)							% of Total Loans Made
	West	Central	SW	NE	Orlando	Sun coast	Total	
Low/Moderate	70	375	97	35	38	35	650	30%
Middle	74	204	84	25	18	30	435	20%
Upper	282	353	199	86	36	137	1,093	50%
Totals	426	932	380	146	92	202	2,178	100%

Since the beginning of 1996, efforts to increase the percent of loans to LMI persons has been successful. In the six months ending June 30, 1996, the percent of total HMDA loans made to LMI persons has increased significantly in the West and Northeast regions. The percent in of HMDA loans to LMI persons in the West region increased from 16% to 27%. The percent in of HMDA loans to LMI persons in the Northeast region increased from 24% to 35%. For all six markets combined, the percent in of HMDA loans to LMI persons increased from 30% to 35%.

The next table shows the family distribution by income level for all six markets. The last column of the table shows the average income distribution. At June 30, 1996, the bank's distribution of HMDA originations was comparable to the community distribution of family income. Thirty-five percent (35%) of HMDA originations were to LMI individuals compared to 37% of families having low- and moderate-income salaries.

DISTRIBUTION OF FAMILIES BY INCOME LEVEL		
Income Level	Market Area	Average



	West	Central	SW	NE	Orlando	Sun coast	
Low/Mod.	37%	40%	36%	37%	36%	36%	37%
Middle	23%	23%	25%	24%	24%	24%	24%
Upper	40%	37%	39%	39%	40%	40%	39%
Total	100%	100%	100%	100%	100%	100%	-----

Each market bank performs a quarterly analysis of the geographic distribution of its credit extensions, applications and denials. These analyses focus on both non-HMDA and HMDA purpose credits (home purchase, home improvement and mortgage refinancings). The analyses are used by STBF's Board of Directors and management to establish marketing strategies and address low penetration levels in LMI census tracts. While the bank analyzed overall penetration of HMDA lending in LMI tracts during 1994 and 1995, HMDA penetration in individual census tracts was not analyzed. Systems and procedures are being developed to analyze HMDA penetration in individual census tracts beginning in 1996. Results of individual census tract analysis will be used to further refine strategies to improve HMDA lending in LMI census tracts.

Between 1994 and 1995, the number of HMDA originations in LMI census tracts within the bank's delineated communities increased from 274 to 354. The percent of total HMDA originations in LMI census tracts also increased from 13% to 16% during the same time period. On an annualized basis, the 217 HMDA originations in LMI census tracts during the first six months of 1996 showed continued improvement over 1995. This improvement can be attributed to successful efforts to increase the number of affordable home loans under the bank's RightStart program. The RightStart program is discussed in greater detail under Assessment Factor I.

The percent of total HMDA originations in LMI census tracts within delineated communities was 13% during the first six months of 1996. While the 13% penetration for the first six months or 1996 is lower than the 16% in 1995, this is not considered a negative for several reasons. One reason the lower number is not a negative is that the bank is doing a more effective job of reaching LMI persons throughout the community. This is indicated by the increased percent of HMDA loans to LMI persons from year end 1995 (30%) to June 30, 1996 (35%). Another reason is the intense competition throughout Florida for home loans to LMI individuals. At year end 1995, STBF ranked eighth (8th) in deposit market share among commercial banks. In each of its six markets, STBF ranks no lower than seventh (7th) in terms of market share of HMDA loans in LMI census tracts. These rankings indicate that STBF's market share of loans in LMI census tracts in each market, and as a combined bank, is representative of its overall size and deposit ranking.

Assessment Factor G—The institution's record of opening and closing offices and providing services at offices.

- The bank's branch network effectively serves its delineated communities, including low- and moderate-income areas.



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Forty percent (40%) of STBF's 119 full service offices are located in or near low- and moderate-income census tracts. Business hours and services are tailored to meet the needs of each community. Some offices are open on Saturdays. A large portion of the branches also have extended hours one day during the week. A regular review of branch hours and services is conducted by the CRA Committee.

The bank's record of opening and closing offices has not adversely impacted its delineated communities. The bank closed two offices during 1994, one of which was located in a moderate income area. Before the office was closed, a formal survey was conducted which revealed no opposition from the affected community. The bank closed four offices in 1995. One office was in Downtown Jacksonville, Florida which is in a low- and moderate-income census tract. This office

reopened in a more visible location near Downtown Jacksonville approximately one-quarter mile southeast of the old location in the same LMI census tract. Customers were notified of the relocation and were not inconvenienced. Three branches opened in 1994, one of which (Leesburg) was in a low- and moderate-income neighborhood. Seven more branches were added during 1995, five of which were acquired through bank mergers and acquisitions. The bank has adopted a formal branch closing policy.

#### IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D—Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- We did not identify any practices intended to discourage applications for the types of credit listed in the bank's CRA Statement.

Through ongoing outreach and calling efforts, the bank actively solicits credit applications from its entire community. The Board of Directors and Senior Management have established an effective system to ensure compliance with Fair Lending legislation. Bank policies and procedures require consistent treatment of all credit applicants. The system includes a comparative file analysis of certain HMDA reportable loan applications to test for possible disparate treatment. Training is also provided to applicable bank employees to ensure they are knowledgeable pertaining to Fair Lending laws and regulations. Additionally, a second review process has been established for intended denied credit applications to ensure fair and consistent treatment.

Assessment Factor F—Evidence of prohibited discriminatory or other illegal credit practices.

- No evidence of prohibited discriminatory or other illegal credit practices was noted during our examination.

The bank was in compliance with the substantive provisions of fair lending laws and regulations. We analyzed a sample of conventional home purchase mortgage applications from January 1996 through June 1996 as reported on the bank's HMDA Loan Application Register (LAR). We compared all approved and denied African-American applicants during the six month period of



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1996 to Caucasian applicants approved within that same time period. Our total sample size was 51. We compared 15 African-American applicants (6 denials and 9 approvals) to 36 Caucasian approvals. Based on our residential loan sample, we found no evidence of differential treatment based on race.

## V. COMMUNITY DEVELOPMENT

Assessment Factor H—The institution's participation, including investment, in local community development and redevelopment projects or programs.

- STBF participates in community development and redevelopment projects that promote economic revitalization and growth.

Since 1994, SouthTrust Bank of Florida has been involved in several community development activities. Some of these projects were as follows:

- Springfield Neighborhood Housing Services Bank Consortium - The bank participates in a consortium with three other local banks to provide affordable housing in the Springfield community located near Downtown Jacksonville, Florida. The Springfield community is a historic district that has deteriorated over the years. The consortium's goal is to assist in the revitalization of this area. In 1994, the bank made six loans totaling \$435,751. In 1995, the bank originated eleven loans totaling \$516,800. For the first six months of 1996, the bank originated eleven loans totaling \$1,179,792.
- Ybor City - In December 1995, SouthTrust Bank funded \$731,700 for the redevelopment of Ybor City Business District in Tampa. This section of Ybor City has been classified as an "Enterprise Zone". The Tampa Bay Economic Development Corporation (TBEDC) encourages loans in this deteriorated section of Ybor City. This loan was used to renovate a historic building and bring employment into the area.
- The Community Housing Corporation of Sarasota (CHC) is a non-profit organization that provides affordable housing for low-to-moderate-income families. They develop and rehabilitate low income housing and provide prequalifying and counseling services to families throughout the home buying process. In February 1996, SouthTrust Bank participated to the extent of \$25,000 in a \$125,000 loan to the corporation. The entire loan relationship is three loans totaling \$795,000 between five participating banks. SouthTrust Bank's portion of these loans totals \$200,000.
- Investments - In March 1994, the bank invested \$420 thousand in the Manatee County Housing Authority Revenue bond. Bond proceeds were used to subsidize housing for low- and moderate-income families. In May 1995, the bank invested \$300 thousand in



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a water and sewer revenue bond for South Daytona which is a low income area within one of the bank's delineated communities.

- O Orange County Bond Program - The bank agreed to a \$1,000,000 commitment in April with \$500,000 allocated for spot loans and the other \$500,000 for builder loans. These funds are targeted for low- and moderate-income families. Borrowers must be first time home buyers and income must be less than 115% of the median family income for the area.
- O In 1994, SouthTrust Bank extended a \$1.5 million loan to construct a local family health care center in Fort Myers, Florida. This facility is located in a low- and moderate-income census tract near downtown Fort Myers and has served a vital role in meeting the medical needs of low income individuals.
- O In January 1995, SouthTrust Bank funded a \$350,000 loan to construct the office facility for the Ocala Housing Authority (OHA). The Ocala Housing Authority assist low-income families with housing. The OHA manages approximately 1200 units for lease and rent.
- O In July 1996, SouthTrust Bank funded \$175 thousand to the Bellview Playland Learning Center. This community center provides day care services to low-income families for Title 9 Children.

Assessment Factor K—The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

- STBF supports the development and implementation of specific projects that promote economic revitalization and growth consistent with its size, financial capacity, location and current local economic conditions.

The bank faces no major impediments to keep it from effectively serving the identified credit needs of its delineated communities. See comments under “Institution & Community Profile” at the beginning of this Public Performance Evaluation for a profile of the bank and its communities.

Assessment Factor L—Any other factors that in the regulatory authority's judgement, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

- STBF has demonstrated a willingness to explore other activities contributing to efforts to help meet community credit needs which are not covered in other performance categories.

STBF started a Church Outreach Program in response to needs expressed primarily to churches located in low- and moderate-income communities. Presentations are usually made to pastors and church elders that encompass all types of financing possibilities. Bank management feels outreach activities to churches in LMI census tracts is an effective way to both assess the credit needs of LMI families and meet those needs with standard or tailored bank loan products.





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ADDITIONAL INFORMATION

The bank makes periodic monetary contributions to various community organizations.