



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

Public Disclosure

July 11, 2006

Community Reinvestment Act  
**Performance Evaluation**

**Trustmark National Bank**  
**Charter Number: 10523**

**248 East Capitol Street**  
**Jackson, MS 39201**

**Office of the Comptroller of the Currency**

**Mid-size Banks - Green**  
**440 South LaSalle Street 2700**  
**Chicago, IL 60605**

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, 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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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated Satisfactory.

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

Performance Levels	Trustmark National Bank (TNB) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			X
Low Satisfactory	X	X	
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Adequate geographic distribution of loans.
- Good distribution of loans by income level of the borrower or revenues of the business.
- Adequate level of investments based on the investment opportunities and dollar amount of investments made in the AAs.
- Good distribution of retail delivery systems.
- High level of CD services.

## Definitions and Common Abbreviations

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

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental 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.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract 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 applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited 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, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. 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 Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5

million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

## Description of Institution

Trustmark National Bank (TNB) is an \$8.1 billion interstate financial institution headquartered in Jackson, MS. Trustmark has 97 full-service banking offices throughout the states of Mississippi, Florida, Texas and Tennessee.

In addition to providing banking services, TNB also provides investment and insurance products and services to its customers through its wholly-owned subsidiaries, Trustmark Securities Inc., Trustmark Investment Advisors Inc., The Bottrell Insurance Agency Inc., and Fisher-Brown Inc. The activities of these subsidiaries have no CRA impact.

As of March 31, 2006, TNB's deposits totaled \$6.2 billion and net loans were \$6 billion and represent 85 percent of total assets. TNB is primarily a commercial lender. The bank's loan portfolio includes commercial loans (including commercial real estate) 43.28 percent, residential real estate 36.03 percent, consumer loans 14.69 percent, other loans 4.28 percent and agricultural loans 1.72 percent. Tier I capital was \$573 million.

In late 2001, TNB merged with Nashoba Bancshares, the holding company for the \$163 million Nashoba Bank, which served the Germantown, Tennessee area with 3 offices.

In August 2006, TNB received approval to open a branch in the Cayman Islands.

Trustmark is wholly owned by Trustmark Corporation (TMC). TMC is a multi-bank holding company also headquartered in Jackson, Mississippi. As of March 31, 2006, TMC total assets were \$8.4 billion. Through its subsidiaries, TMC operates as a financial services organization providing banking and financial services throughout its markets. TNB accounts for substantially all of the assets and revenues of the corporation.

In the second quarter of 2001, TMC purchased Barret Bancorp, the holding company for Peoples Bank in Barretville, Tennessee, and Somerville Bank and Trust Company in Somerville, Tennessee. These banks had \$508 million in total assets and operated 13 offices serving the greater Memphis area. TMC operates Somerville Bank and Trust Company (a \$181 million financial institution in Somerville, Tennessee), as a wholly-owned subsidiary, serving community locations in Somerville, Hickory Wythe and Rossville, Tennessee.

In August 2003, TMC expanded into the Florida market with the purchase of 7 branches in the Florida panhandle from The Banc Corporation of Birmingham, Alabama. These branches serve markets from Destin to Panama City, FL. This purchase added \$209 million in deposits to Trustmark's deposit base.

In March 2004, TMC purchased 5 branches from Allied Houston Bank in Houston, Texas, adding \$160 million in deposits. In August 2006, TMC finalized their purchase of Republic Bank, a \$500 million financial institution headquartered in Houston.

With the exception of Somerville Bank and Trust, TMC rolled all their acquisitions into TNB. The CRA activities of the acquired institutions were included in our analysis, except for Republic Bank whose acquisition date was outside our evaluation period.



In addition to its banking subsidiaries, TMC also owns all of the stock of F. S. Corporation and First Building Corporation, both inactive non-bank Mississippi corporations.

In January 2005, TMC established a de novo subsidiary, TRMK Risk Management Inc. TRMK engages in insurance agency activities as an agent for individual life, disability and long-term care insurance and also as an agent for the sale of fixed annuities. Bottrell Insurance Agency previously provided these services. In December 2004, TMC acquired Fisher-Brown Inc. located in Pensacola, Florida.

TNB received a Satisfactory rating on their last CRA examination dated November 2, 1998. There are no legal, financial or other factors which hamper the bank's ability to meet the credit needs in its AAs.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment and Service Tests. In evaluating the bank's lending performance, we reviewed residential mortgage loans subject to filing under the HMDA, small loans to businesses and farms subject to filing under the CRA, and community development loans. We also evaluated community development investment activity and community development services.

Our evaluation period for the Lending test (except CD loans) is October 1, 1998 through December 31, 2005. Our evaluation period for CD loans, investments and services is November 3, 1998 until July 4, 2006.

Factors impacting the evaluation period include the applicability of Census 2000 data, which became effective for CRA examination purposes with the 2003 data and the implementation of changes made by the Office of Management and Budget ("OMB") to Metropolitan Statistical Area ("MSA") designations, which became effective for 2004.

Because of the above factors, the overall evaluation period has been divided into three segments, each with its own applicable products, as follows:

October 1, 1998 - December 31, 2002: The analysis of performance activity for this period included HMDA loans, small loans to businesses and farms, community development loans, qualified investments, and community development services. Census 1990 data was used for the analysis during this time period.

January 1, 2003 - December 31, 2003: The analysis of performance activity for this period included HMDA loans, small loans to businesses and farms, community development loans, qualified investments, and community development services. Census 2000 data was used for the analysis during this time period.

January 1, 2004 - December 31, 2005: The analysis of performance activity for this period included HMDA loans, small loans to businesses and farms, community development loans, qualified investments, and community development services. Census 2000 data was used in the analysis. In addition, the new OMB MSA designations are used in this analysis. Therefore some assessment area definitions and demographics are different than those used in 2003. (See Selection of Areas for Full-Scope Review discussion below for additional details.)

Core tables for applicable products (see Appendix C) have been produced for each evaluation period. However, only the tables for the most recent period, January 1, 2004 through December 31, 2005, are included in this PE. Table 14 – Qualified Investments and Table 15 – Distribution of Branch Delivery System & Branch Openings/Closings – was produced once for the overall evaluation period and is included with the tables for 2004-2005.

## **Data Integrity**

This evaluation is based on accurate data. Prior to the start of the examination, we tested the accuracy of the bank's HMDA and CRA loan data and determined that it was accurate. We also determined during the previous data integrity review in 2002 that the bank's systems and controls were adequate. These systems and controls have not changed, therefore, data for the subsequent years is considered accurate and reliable.

## **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, a sample of assessment areas (AAs) within that state was selected for full-scope reviews. Refer to the "Scope" section under each State Rating for details regarding how the areas were selected. Every multistate metropolitan area in which the bank has branches in more than one state received a full-scope review.

## **Ratings**

The bank's overall rating is a blend of the multistate metropolitan area rating(s) and state ratings. The state of Mississippi carried more weight than the other two states. The majority of TNB's branches, deposits and lending activity are within the state of Mississippi.

The multistate metropolitan area rating(s) and state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

## **Fair Lending Review**

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## Memphis Mu Metropolitan Area Rating

### Memphis Multistate Metropolitan Area

#### CRA rating for the Memphis, TN and MS<sup>1</sup>:

The lending test is rated: **Low Satisfactory**

The investment test is rated: **Low Satisfactory**

The service test is rated: **Low Satisfactory**

The major factors that support this rating include:

- Poor geographic distribution of loans.
- Good distribution of loans by income level of the borrower or revenues of the business.
- Adequate level of CD investments.
- Adequate distribution of branches and an adequate level of CD services.

### Description of Institution's Operations in Memphis Multi-state Metropolitan Area

Up until April 2001, TNB had banking offices only in the MS portion of the AA. In 2001, TNB acquired assets from the Barrett Bancorp (with offices in the greater Memphis, TN area) and as a result, the AA became a multi-state AA. The Memphis AA represents 5.58 percent of TNB's lending activity during this evaluation period and 11.29 percent of their branching network.

TNB has 14 full-service and 4 limited-service banking offices in this AA with a deposit market share of 1.85 percent. There are 41 financial institutions in the AA with a total of 329 banking offices. Trustmark is ranked number 7. The most dominant institution in the AA is First Tennessee with 54 offices and a deposit market share of 58.44 percent. Other competitors in the area include Regions Bank, Suntrust, Bancorp South, Bank of America and AmSouth.

There are numerous opportunities to make CD loans and investments and provide CD services in this AA. We identified several CDCs and other CD organizations that provide affordable housing, community services or economic development activities that operate in the area. In conjunction with this examination, we performed one community contact with an affordable housing organization that operates in the AA. Based on our community contacts and reviewing other demographic and economic information, affordable housing was identified as a need in this AA.

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<sup>1</sup> This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

Refer to the market profile for the Memphis multistate metropolitan area in appendix C for detailed demographics and other performance context information.

## **LENDING TEST**

### **Lending Activity**

Refer to Table 1 in the Memphis Multi-state Metropolitan Area(s) section of appendix D for the facts and data used to evaluate the bank's lending activity.

During this evaluation period, TNB made 6,713 loans totaling \$804 million in the Memphis MSA. By number, 38 percent of the loans were small loans to businesses, 59 percent HMDA reportable loans and 3 percent small loans to farms. Therefore, we placed more weight on HMDA loans than small loans to businesses in our analysis. Small loans to farms received the least weight of the three products. In terms of individual HMDA products, equal weight was placed on home purchase and refinance loans. Home improvement loans received the least weight of the three products. This weighting is reflective of TNB's lending activity during the evaluation period.

Based on a comparison between deposit market share and loan market share, the bank's lending activity reflects a good responsiveness to the credit needs in the Memphis MSA. Trustmark ranked seventh for deposit market share out of 41 financial institutions in the MSA with 1.85 percent of total deposits, based on the June 30, 2005 FDIC data. TNB ranked number 15 (market share 1.65 percent) in making HMDA loans and number 15 (market share 2.06 percent) in making small loans to businesses. There are 41 financial institutions in the AA compared to 336 lenders reporting HMDA loans and 50 lenders reporting small loans to businesses in 2004.

### **Distribution of Loans by Income Level of the Geography**

The overall geographic distribution of loans in the Memphis MSA is poor. The geographic distribution of HMDA loans is poor. The distribution of small loans to businesses is adequate.

#### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the Memphis Multistate Metropolitan Area section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

TNB's geographic distribution of home purchase loans is poor.

For 2004-2005, TNB's distribution of home purchase loans is adequate. Their percentage of home purchase loans in low-income geographies is substantially lower than the percent of owner-occupied units in these geographies. Their percentage of loans in moderate-income geographies is significantly lower than the demographic comparator. TNB's market share in both low and moderate-income geographies is lower than their overall market share.

For 2003, TNB's distribution of home purchase loans is poor. TNB made no loans in low-income geographies during 2003. Their percentage of home purchase loans in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these tracts. Their market share in moderate-income geographies is lower than their overall market share.

For 1998-2002, TNB's distribution of home purchase loans is poor. Their percentage of lending in both low and moderate-income geographies is substantially lower than the percentage of owner-occupied units in these areas. TNB made no loans in 2002 in low-income geographies, therefore, their market share was zero. In moderate-income geographies, their market share was lower than their overall market share.

TNB's geographic distribution of home improvement loans is poor.

For 2004-2005, TNB's distribution of home improvement loans is adequate. Their percentage of home improvement loans in low-income geographies is substantially lower than the percent of owner-occupied units in the areas. TNB's percentage of home improvement loans in moderate-income geographies is lower than the percentage of owner-occupied units in these areas. TNB did not make any loans in low-income geographies in 2004. However, their market share in moderate-income geographies exceeds their overall market share.

For 2003, TNB's distribution of home improvement loans is poor. TNB made zero loans in low-income geographies. Their percentage of home improvement loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in these areas. Their market share in moderate-income geographies is lower than their overall market share.

For 1998-2002, TNB's distribution of home improvement loans is poor. Their percentage of home improvement loans in low and moderate-income geographies is substantially lower than the percentage of owner-occupied units in these areas. Their market share in low-income geographies is significantly below their overall market share. Whereas, their market share in moderate-income geographies is lower than their overall market share.

TNB's geographic distribution of refinance loans is poor.

For 2004-2005, TNB's distribution of refinance loans is poor. Their percentage of refinance loans in low-income tracts is substantially lower than the percent of owner-occupied units in these areas. Their percentage of loans in moderate-income tracts is significantly lower than the demographic comparator. TNB's market share in both low and moderate-income geographies is also significantly lower than their overall market share.

For 2003, TNB's distribution of refinance loans is also poor. Their percentage of refinance loans in both geographies is substantially lower than the percentage of owner-occupied units in these areas. Their market share in low-income geographies is substantially lower than their overall market share. Also, their market share in moderate-income geographies is significantly lower than their overall market share.

For 1998-2002, TNB's distribution of refinance loans is also poor. Their percentage of refinance loans in both low and moderate-income geographies is substantially lower than the demographic comparators. TNB made no loans in low-income geographies during 2002 and as a result their market share was zero. Their market share in moderate-income geographies is also substantially lower than their overall market share.

### ***Small Loans to Businesses***

Refer to Table 5 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Trustmark's geographic distribution of small loans to businesses in the Memphis MSA is adequate.

For 2004-2005, TNB's distribution of small loans to businesses in both low and moderate-income geographies is lower than the percentage of businesses located in those areas. Their market share in both geographies is also lower than their overall market share of loans in all geographies.

For 2003, TNB's distribution of small loans to businesses in low-income geographies is lower than the percentage of businesses located in those areas. Their distribution of loans in moderate-income geographies is significantly lower than the demographic comparator. Whereas, TNB's market share in both low and moderate-income geographies is lower than their overall market share.

For 1998-2002, TNB's distribution of small loans to businesses in low-income tracts is substantially lower than the demographic comparator. Their distribution of loans in moderate-income tracts is significantly lower than the comparator. However, their market share in both geographies is lower than their overall market share.

### **Distribution of Loans by Income Level of the Borrower**

The overall distribution of loans by income level in the Memphis MSA is good. The distribution of HMDA loans is good and the distribution of small loans to businesses is also good.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the State of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans in the Memphis MSA reflects good penetration among borrowers of different income levels, given the bank's market share of mortgage loans in the Memphis MSA.

The distribution of home purchase loans by borrower income level is good.

For 2004-2005, TNB's percent of home purchase loans to low-income borrowers is significantly lower than the percent of low-income families residing in the AA. The percent of home purchase loans to moderate-income borrowers near the percent of moderate-income families residing in the area. The bank's market share to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrowers is near their overall market share.

For 2003, TNB's percent of home purchase loans to low-income borrowers is significantly lower than the percent of low-income families residing in the AA. The percent of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families residing in the area. The bank's market share to low-income borrowers is lower than their overall market share. However, their market share to moderate-income borrowers is near their overall market share.

For 1998-2002, TNB's percentage of home purchase loans to low-income borrowers is significantly lower than the percent low-income families residing in the AA. The bank's percent of loans to moderate-income borrowers exceeds the demographic comparator. The bank's market share to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrowers is near the comparator.

The distribution of home improvement loans by borrower income level is excellent.

For 2004-2005, TNB's percentage of home improvement loans to low-income borrowers exceeds the percent of low-income families residing in the AA. The percentage of home improvement loans to moderate-income borrowers is lower than the percentage of families residing in the AA. The bank's market share to low-income borrowers exceeds their overall market share of loans to all borrowers. Their market share to moderate-income borrowers is lower than their overall market share.

For 2003, TNB's percentage of home improvement loans to both low and moderate-income borrowers exceeds the percentage of families residing in the AA. Additionally, their market share to both low and moderate-income borrowers also exceeds their overall market share to all borrowers.

For 1998-2002, TNB's percentage of home improvement loans to low-income borrowers is near the percentage of low-income families residing in the AA. The percentage of loans to moderate income-borrowers exceeds the demographic comparator. Their market share to both low and moderate-income borrowers exceeds their overall market share.

The distribution of refinance loans by borrower income level is adequate.

For 2004-2005, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families residing in the AA. Their percentage of refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families residing in the AA. TNB's market share to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrowers is near their overall market share.



For 2003, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families residing in the AA. Their percentage of refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. Their market share of loans to low-income borrowers is lower than their overall market share. However, their market share to moderate-income borrowers is near their overall market share.

For 1998-2002, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families in the AA. Their percentage of loans to moderate-income borrowers is near the demographic comparator. Their market share to both low and moderate-income borrowers is lower than their overall market share.

### ***Small Loans to Businesses***

Refer to Table 11 in the State of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of business loans in the Memphis MSA reflects good penetration among businesses of different sizes within the AA.

For the 2004-2005, 2003 and 1998-2002 analyses periods, TNB's percentage of small loans to small businesses (businesses with gross annual revenues less than \$1 million) in the AA is near the percentage of small businesses in the AA. In addition, TNB's market share of loans to small businesses exceeds their overall market share of loans to all businesses in the AA. A majority of their small loans to businesses in the AA were for \$100 thousand or less.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

#### Tennessee -Memphis Assessment Area

TNB made several loans in the Memphis AA for the purpose of revitalizing or stabilizing the area, which had a neutral impact on the Lending Test rating. During the evaluation period, the bank made 7 loans totaling \$8.995 million representing 1.5 percent of Tier 1 capital as of 3/31/06. Significant CD loans for the Memphis MSA include:

- Two loans totaling \$7.7 million were made to construct a hotel that is located in a moderate-income geography. The loan is part of the City of Memphis government plan to help revitalize and stabilize redevelopment areas in the Central Business Improvement District. The project will attract many new businesses and jobs to the area. Incentives to businesses involved in projects located in the Empowerment Zone

include eligibility to receive New Market tax credits. These loans are responsive to assessment area needs.

- TNB also funded an \$865,594 loan to an organization for the development of a 30-unit low-income apartment complex in Memphis, TN. The developer participated in the Low-Income Housing Tax Credits Program (LIHTC) which is designed to encourage businesses to provide a public benefit in the form of affordable housing. Projects must satisfy certain restrictions related to the income level of the tenants and the amount of rent charged. Affordable housing is a critical need in the assessment area. This loan is very responsive to assessment area needs.

### **Product Innovation and Flexibility**

The bank did not use any innovative and flexible loan products during the evaluation period. This had a neutral impact on the Lending Test rating.

## INVESTMENT TEST

Refer to Table 14 in the “Multistate Metropolitan Area(s)” section of appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

The bank’s performance under the Investment Test in the Memphis Multistate MA is rated Low Satisfactory. Based on our full-scope review, the bank’s performance is adequate.

Qualifying investments are investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation. Trustmark made no complex and innovative investments, but all of the qualified investments in Memphis are beneficial to and meet identified needs in the assessment area and larger regions including the assessment area.

Based on the available CD opportunities in the AA and TNB’s dollar amount of investments, the bank’s level of investments is adequate. During this evaluation period, TNB made three qualified investments and 37 grants and donations totaling \$5.9 million. This investment amount represents 1.04 percent of Tier I capital. The combined total in Memphis represents 7.6 percent of the bank’s total investments, which equals the percentage of bank deposits in the Memphis Multistate Metropolitan Area.

The bank’s largest investment in Memphis, at \$4.5 million, is in the Transcapital Beale Street Redevelopment Fund, LLC, which invests in projects eligible for new market tax credits. The Beale Street area, where a new hotel was constructed with the bank’s investment, is a qualified low-income zone for redevelopment designated by a government entity. TNB also purchased two Qualified Zone Academy Bonds targeting Tennessee school districts with significant low-income populations. This is a statewide investment that was allocated to the Memphis AA.

## **SERVICE TEST**

### **Retail Banking Services**

Refer to Table 15 in the “Multistate Metropolitan Area(s)” section of appendix D for the facts and data used to evaluate the distribution of the bank’s branch delivery system and branch openings and closings.

TNB’s delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment area. TNB has no banking offices in low-income census tracts. However, the percentage of the population in these tracts is relatively low at 9.34 percent. In moderate-income geographies, TNB’s percentage of branches is significantly lower than the percentage of the population residing in these areas. Most of the low and moderate-income census tracts are located near downtown Memphis. TNB has no branches in these tracts. However, the bank does have 3 branches located within 7-10 miles of these areas.

During this evaluation period, TNB closed no banking offices in the AA. However, the bank opened 11 banking offices; 1 in a moderate, 3 in a middle and 7 in upper-income census tracts. TNB’s record of opening and closing banking offices did not have an adverse impact on the accessibility of delivery systems, particularly in low or moderate-income geographies or on low or moderate-income families in the AA.

TNB offers a full-range of deposit services and loan products, which are accessible throughout the full-scope assessment area through its branch offices and ATM network. Office hours and services in the full-scope AA are comparable among locations regardless of the income level of the geography. There are no significant differences in banking hours provided by the branches in the different geographies.

### **Community Development Services**

Based on the CD opportunities in the AA and the number of services provided during this evaluation period, TNB’s level of CD services is adequate. TNB provided qualified CD services to 9 organizations that provide affordable housing, community services to low or moderate-income individuals or that provides economic development by financing small businesses. Also, TNB provided homebuyer education classes and seminars geared toward small businesses on the various governmental programs that are available. The types of services provided include serving on the board, executive committee or fundraising committee for these qualified CD organizations.

## State Rating

### State of Mississippi

#### CRA Rating for Mississippi<sup>2</sup>:

The lending test is rated: **Low Satisfactory**

The investment test is rated: **Low Satisfactory**

The service test is rated: **High Satisfactory**

The major factors that support this rating include:

- Adequate geographic distribution of loans.
- Good distribution of loans by income level.
- Adequate level of investments.
- Good distribution of retail delivery systems.
- High level of CD services.

### Description of Institution's Operations in Mississippi

Trustmark is headquartered in Jackson, MS. TNB's largest presence is within the state of MS. The state of MS represents approximately 78 percent of TNB's branching network with 97 full-service banking offices. TNB has 7 AAs in the state located both in metropolitan and non-metropolitan areas.

During this evaluation period, approximately 92 percent of TNB's loans and 83 percent of their deposits are within the state of MS. TNB is one of the largest financial institutions in the state with 131 banking offices and a deposit market share of 13.29 percent. There are 110 financial institutions operating in the state. Major competitors include several large regional institutions such as BancorpSouth Bank (12.87 percent market share), AmSouth (12.87 percent market share) and Regions Bank (7.66 percent market share).

Refer to the market profiles for the state of Mississippi in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>2</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## Scope of Evaluation in Mississippi

The Jackson and Hattiesburg MSAs received a full-scope review. Limited-scope reviews were performed on the remaining AAs. The ratings are based primarily on those areas receiving full-scope reviews. Refer to the table in appendix A for more information.

The Jackson MSA carried the most weight. Approximately 55 percent of TNB's lending activity within the state of MS is in the Jackson MSA. In terms of individual loan products, HMDA loans carried slightly more weight than small loans to businesses. Small loans to farms received the least weight of the three loan products. We did not evaluate multi-family loans nor did we analyze home improvement loans or small loans to farms in the Hattiesburg MSA. TNB made a nominal number of these type loans during this evaluation period.

Based on HMDA loan products, home purchase loans and refinance loans received equal weight. Home improvement loans received the least weight of the three products. This weighting is reflective of TNB's lending activity during the evaluation period.

Two community contacts were made in conjunction with this examination. The types of organizations contacted include an affordable housing organization and a small business development corporation. Based on the information received from these contacts and a review of other demographic and economic information on the areas, the most pressing needs is affordable housing (1-4 family as well as multi-family housing projects that involve tax credits).

The opportunity to make CD loans, investments and services in the Jackson MSA is good. We identified at least 20 CD organizations that operate in the area. The vast majority of these organizations provide affordable housing or economic development for the area. Also, there is a CDC and a qualified CD credit union that operate in the area.

In the Hattiesburg MSA, the opportunity to make CD loans, investments or provide CD services is somewhat limited. We identified 6 CD organizations that meet the community service and affordable housing needs of the area. There are no CDCs or CDFIs that operate in the area.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Mississippi is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Jackson MSA is adequate. TNB's performance in the Hattiesburg MSA is also adequate.

### Lending Activity

Refer to Tables 1 Lending Volume in the state of Mississippi section of appendix D for the facts and data used to evaluate the bank's lending activity.

Jackson MSA

The Jackson MSA represents 31 percent of the total number of loans originated over the evaluation period. During this evaluation period, TNB originated and/or purchased 52,596 loans totaling \$4.8 billion in the Jackson MSA. By number of originations, 43 percent were small loans to businesses, 54 percent were HMDA reportable loans and 3 percent were small loans to farms. For HMDA reportable loans, 41 percent were for home purchase, 48 percent were refinance and 11 percent were home improvement.

Based on a comparison between deposit market share and loan market share, the bank's lending activity reflects excellent responsiveness to the credit needs of its full-scope AA. In the Jackson MSA, Trustmark ranked first for deposit market share out of 24 financial institutions in the MSA with 36.9 percent of total deposits, based on the June 30, 2005 FDIC data. In 2004 Trustmark led the market in the Jackson MSA for HMDA loans and small loans to businesses with market shares of 8.25 percent and 16.50 percent, respectively. TNB also led the market for home purchase (market share 7.83 percent) and home improvement (market share 21.48 percent) loans and was ranked number 2 for refinance loans (market share 6.89 percent).

In the Jackson AA, there were 251 lenders reporting home purchase loans, 67 lenders reporting home improvement loans and 259 lenders reporting home refinance loans under HMDA in 2004. There were over 80 lenders originating small business loans in the MSA in 2004.

Hattiesburg MSA

The Hattiesburg MSA represented 4 percent of the total number of loans originated over the evaluation period. During this evaluation period, TNB originated and/or purchased 6,829 loans totaling \$584 million in the Hattiesburg MSA. By number of originations, 43 percent were small loans to businesses, 55 percent were HMDA reportable loans and 2 percent were small loans to farms. For HMDA reportable loans, 53 percent were for home purchase loans, 42 percent were refinance loans and 5 percent were home improvement loans.

Based on a comparison between deposit market share and loan market share, the bank's lending activity reflects a good responsiveness to the credit needs of its full-scope AA. Trustmark ranked third for deposit market share out of fifteen financial institutions the MSA with a 12.6 percent deposit market share, based on the June 30, 2005 FDIC data. In 2004, Trustmark ranked sixth for overall market share of home mortgage lending (market share 4.68 percent) and fifth in making small loans to businesses (market share 8.14 percent). There were 250 lenders reporting home mortgage loans and 46 lenders originating small business loans in the Hattiesburg MSA in 2004.

**Distribution of Loans by Income Level of the Geography**

The overall geographic distribution of loans in the Jackson MSA and Hattiesburg MSA is adequate. This is based on an adequate distribution of home mortgage loans and a good distribution of small loans to businesses in the AAs.

## ***Home Mortgage Loans***

Refer to Tables 2, 3, 4 and 5 in the State of Mississippi section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Trustmark's geographic distribution of home mortgage loans in the Jackson MSA and Hattiesburg MSA reflects an adequate penetration within the AAs.

### Jackson MSA

In reviewing the bank's performance in low-income geographies, we considered the fact that 37 percent of the families residing in the low-income census tracts live below the poverty level. This makes it difficult for them to purchase and/or maintain a home. It also hampers the bank's ability to make mortgage loans to these families that reside in these geographies. This factor was considered in assessing the bank's performance in low-income tracts for all home mortgage products.

### *Home Purchase Loans*

The geographic distribution of home purchase loans is adequate.

For 2004-2005, TNB's percentage of home purchase loans in low-income geographies is substantially lower than the percentage of owner-occupied units in these tracts. However, when the poverty level in these tracts is considered, the bank's performance is considered adequate. Their percentage of loans in moderate-income geographies is significantly lower than the demographic comparator. TNB's market share in low-income tracts is significantly lower than their overall market share. Their market share in moderate-income tracts is lower than their overall market share.

For the 2003, TNB's percentage of home purchase loans in both low and moderate-income geographies is substantially lower than the percentage of owner-occupied units in these tracts. Their market share in both and moderate-income geographies is significantly lower than their overall market share.

For 1998-2002, TNB's percentage of home purchase loans in low-income geographies is substantially lower than the demographic comparator. Their percentage of loans in moderate-income tracts is significantly lower than the demographic comparators. However, their market share in low-income tracts is near their overall market share. Their market share in moderate-income geographies is lower than their overall market share.

### *Home Improvement Loans*

The geographic distribution of home improvement loans is excellent.

For the 2003 and 2004-2005 analyses, TNB's percentage of home improvement loans in both geographies exceeds the percentage of owner-occupied units in these tracts. Furthermore, their market share in both geographies also exceeds their overall market share.



For 1998-2002, TNB's percentage of home improvement loans in both low and moderate-income tracts is near the demographic comparators. Their market share in both geographies exceeds their overall market share.

### *Refinance Loans*

The geographic distribution of refinance loans is adequate.

For 2004-2005, TNB's percentage of refinance loans in low-income geographies is significantly lower than the percentage of owner-occupied units in these tracts. However, when the poverty level is considered, their performance is adequate. Their percentage of lending in moderate-income tracts is lower than the percentage of owner-occupied units in these tracts. Their market share in low-income tracts is significantly lower than their overall market share. Their market share in moderate-income tracts is lower than their overall market share.

For 2003, TNB's percentage of refinance loans in both low and moderate-income geographies is significantly lower than the percentage of owner-occupied units in these tracts. Their market share in low-income geographies is significantly lower than their overall market share. Their market share in moderate-income geographies is lower than their overall market share.

For 1998-2002, TNB's percentage of refinance loans in low-income tracts is substantially lower than the demographic comparators. Their percentage of loans in moderate-income tracts is significantly lower than the comparator. Their market share in each of these geographies is lower than their overall market share.

### Hattiesburg MSA

Based on 2000 census data, the Hattiesburg MSA has 2 low-income census tracts. These tracts contain 1,063 owner-occupied units and 41 percent of the families that reside in these 2 census tracts live below the poverty level. In the moderate-income tracts, 26 percent of the families live below the poverty level. These factors hamper the bank's ability to make loans in these areas and as a result, they were considered in our analysis in assessing TNB's lending performance in these geographies.

### *Home Purchase Loans*

The geographic distribution of home purchase loans is adequate.

For 2004-2005, TNB's percentage of home purchase loans in low-income geographies is substantially lower than the percentage of owner-occupied units in these tracts. Their percentage of lending in moderate-income tracts is lower than the demographic comparator. Their market share in moderate-income tracts is lower than their overall market share. During 2004, TNB made no loans in low-income tracts therefore their market share is zero.

For 2003, TNB's percentage of home purchase loans in both low and moderate-income geographies is significantly lower than the demographic comparators. TNB's market share in low-income geographies is lower than their overall market share. Their market share in moderate-income geographies is significantly lower than their overall market share in all geographies.

For 1998-2002, TNB's percentage of home purchase loans in low-income geographies is substantially lower than the comparator. Their percentage of loans in moderate-income geographies is significantly lower than the comparator. TNB made no loans in low-income tracts during 2002. Their market share in moderate-income geographies is near their overall market share.

### *Home Improvement*

The geographic distribution of home improvement loans is good.

For 2004-2005, TNB's percentage of home improvement loans in both low and moderate-income tracts exceeds the percentage of owner-occupied units in these respective geographies. Their market share in both geographies exceeds their overall market share.

We did not analyze TNB's home improvement lending for 2003. TNB only made 28 home improvement loans in the Hattiesburg MSA. Based on the nominal number of loans made, any analysis performed would be meaningless.

For 1998-2002, TNB's percentage of home improvement loans in low-income geographies is lower than the percentage of owner-occupied units in low-income geographies. Their percentage of loans in moderate-income geographies is substantially lower than the demographic comparator. However, their market share in low-income geographies exceeds their overall market share. Their market share in moderate-income geographies is near their overall market share.

### *Refinance Loans*

The geographic distribution of refinance loans is adequate.

For 2004-2005, TNB's percentage of refinance loans in low-income geographies is significantly lower than the demographic comparators. Their percentage of loans in moderate-income geographies is lower than the comparator. Their market share in low-income geographies is significantly lower than their overall market share. Their market share in moderate-income geographies is near their overall market share.

For 2003, TNB's percentage of refinance loans in both low and moderate-income geographies is significantly lower than the demographic comparators. Their market share in both geographies is lower than their overall market share.

For 1998-2002, TNB's percentage of refinance loans in low-income geographies is substantially lower than the demographic comparator. Their percentage of lending in moderate-income geographies is significantly lower than the comparator. Their market share in both low and moderate-income geographies is lower than their overall market share.

### ***Small Loans to Businesses***

Refer to Table 6 in the State of Mississippi section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Trustmark's geographic distribution of small loans to businesses in the Jackson MSA and Hattiesburg MSA reflects a good penetration within the AAs.

#### Jackson MSA

The geographic distribution of small loans to businesses is good.

For 2004-2005, TNB's percentage of small loans to businesses in low-income geographies is lower than the percentage of businesses located in these tracts. Their percentage of loans in moderate-income tracts is near the percentage of businesses in these tracts. However, their market share in both low and moderate-income geographies exceeds their overall market share of loans in all tracts.

For 2003, TNB's percentage of small loans to businesses in both low- and moderate-income geographies is lower than the demographic comparators. However, their market share in both low and moderate-income geographies exceeds their overall market share.

For 1998-2002, TNB's percentage of loans in both low and moderate-income tracts is lower than the demographic comparators. Their market share in low-income geographies exceeds their overall market share. Their market share in moderate-income geographies is near their overall market share.

#### Hattiesburg MSA

The geographic distribution of small loans to businesses is good.

For 2004-2005, TNB's percentage of small loans to businesses in low-income geographies is lower than the percentage of businesses located in these tracts. Their percentage of loans in moderate-income geographies is near the comparator. Whereas, TNB's market share of loans in both tracts exceeds their overall market share.

For 2003, TNB's percentage of small loans to businesses in both low and moderate income geographies is near the demographic comparators. Their market share in both geographies exceeds their overall market share.

For 1998-2002, TNB's percentage of small loans to businesses in both low and moderate-income geographies is lower than the demographic comparators. However, their market share in the respective geographies exceeds their overall market share.

## ***Small Loans to Farms***

### Jackson MSA

The geographic distribution of small loans to farms is good.

For 2004-2005, TNB's percentage of small loans to farms in low-income geographies is significantly lower than the percentage of small farms in these areas. However, when you consider the fact that there are only 14 small farms located in low-income tracts, TNB's performance is adequate. TNB's percentage of loans in moderate-income geographies exceeds the demographics. Furthermore, their market share in both low and moderate-income geographies exceeds their overall market share.

For 2003, TNB's percentage of small loans to farms in both low and moderate-income geographies is lower than the demographic comparators. However, their market share in low-income tracts exceeds their overall market share. Their market share in moderate-income geographies is lower than their overall market share.

For 1998-2002, TNB's percentage of loans in low-income geographies exceeds the demographic comparator. Their percentage of loans in moderate-income geographies is lower than the comparator. However, their market share in both low and moderate-income geographies is near their overall market share.

## **Lending Gap Analysis**

We reviewed the geographic distribution of loans and did not detect any conspicuous or unexplained gaps in lending patterns.

## **Inside/Outside Ratio**

This portion of the evaluation was performed at the bank level. During the evaluation period, Trustmark originated a majority (72 percent) of its loans in the aggregate AAs. Trustmark originated 59 percent of its HMDA loans and 90 percent of its small loans to businesses in the AAs. This analysis included all reportable loans originated by Trustmark only, and does not include extensions of credit by affiliates.

## **Distribution of Loans by Income Level of the Borrower**

The overall distribution of loans by income level in the Jackson MSA is good. This is based on a good distribution of home mortgage lending and excellent distributions of small loans to businesses and farms within the Jackson MSA.

## ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the State of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans in the Jackson MSA is good and in the Hattiesburg MSA its' adequate among borrowers of different income levels.

### Jackson MSA

In performing our analysis we considered the fact that approximately 14 percent of the families that live in the AA live below the poverty level. In addition, the median housing value in the AA continues to rise from \$78,871 in 2000 to \$142,500 in 2005. This means that the average person would have to make at least \$44,400 to afford such a home. The median family income is \$37,680 for moderate-income families and low-income \$23,550 for low-income. This makes it difficult for these families to purchase and maintain a home. This also hampers the bank's ability to make home mortgage loans to these families. The factors were considered in assessing the bank's lending performance to low-income borrowers for all mortgage products.

#### *Home Purchase Loans*

The distribution of home purchase loans is good.

For 2004-2005, TNB's percentage of home purchase loans to low-income borrowers is substantially lower than the percentage of families residing in the AA. However, the bank's performance is considered adequate when the demographic factors are considered. TNB's percentage of loans to moderate-income borrowers exceeds the demographic comparator. Their market share to low-income borrowers exceeds their overall market share of home purchase loans to all borrowers. Their market share to moderate-income borrowers was near their overall market share.

For 2003 and the 1998-2002 analyses, TNB's percentage of home purchase loans to low-income borrowers is significantly lower than the demographic comparator. However, their percentage of loans to moderate-income borrowers exceeds the demographic comparator. Their market share to low-income borrowers is lower than their overall market share. Whereas, their market share to moderate-income borrowers is near their overall market share.

#### *Home Improvement Loans*

The distribution of home improvement loans is excellent.

For 2004-2005, TNB's percentage of home improvement loans to both low and moderate-income borrowers exceeds the percentage of low and moderate-income families in the AA, respectively. Also, their market share to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrowers is near their overall market share.

For 2003, TNB's percentage of home improvement loans to low-income borrowers is near the percentage of low-income families in the AA. Their percentage of loans to moderate-income borrowers exceeds the demographic comparator. Their market share to both low and moderate-income borrowers exceeds their overall market share.

For 1998-2002, TNB's percentage of home improvement loans to low-income borrowers is lower than the comparator. Their percentage of loans to moderate-income borrowers exceeds the comparator. TNB's market share to both low and moderate-income borrowers exceeds their overall market share.

### *Refinance Loans*

The distribution of refinance loans is good.

For 2004-2005, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families residing in the AA. However, their percentage of loans to moderate-income borrowers is near the demographic comparator. Their market share to low-income borrowers exceeds their overall market share of home purchase loans to all borrowers. Their market share to moderate-income borrowers was near their overall market share.

For 2003, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families in the AA. Their percentage of lending to moderate-income borrowers is near the demographic comparator. Their market share to both low and moderate-income borrowers is near their overall market share.

For 1998-2002, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the demographic comparator. Their percentage of lending to moderate-income borrowers is near the comparator. Their market share to low-income borrowers is lower than their overall market share. Their market share to moderate-income borrowers is near their overall market share.

### Hattiesburg MSA

In reviewing the bank's performance in this AA, we also considered the fact that 15 percent of the families live below the poverty level. In addition, the median housing value as of 2005 is \$102 thousand. This means that a person would have to earn at least \$33,240 to afford a home. The median family income for low and moderate-income families is \$20,650 and \$33,040, respectively. These factors could hamper the bank's ability to make loans to these families and for these families to qualify for a mortgage loan.

### *Home Purchase Loans*

The distribution of home purchase loans is adequate.

For 2004-2005, TNB's percentage of home purchase loans to low-income borrowers is substantially lower than the percentage of low-income families in the AA. However, their percentage of loans to moderate-income borrowers is near the demographic comparator. Additionally, their market share to both low and moderate-income borrowers is near their overall market share.

For 2003, TNB's percentage of loans to low-income borrowers is substantially lower than the demographic comparator. Their percentage of loans to moderate-income borrowers is near the demographic comparator. TNB's market share to both low and moderate-income borrowers is lower than their overall market share.

For 1998-2002, TNB's percentage of loans to low-income borrowers is substantially lower than the demographic comparator. Their percentage of loans to moderate-income borrowers is near the respective demographic comparator. TNB's market share to both low and moderate-income borrowers is lower than their overall market share.

### *Home Improvement Loans*

The distribution of home improvement loans is good.

For 2004-2005, TNB's percentage of home improvement loans to low-income borrowers is significantly lower than the demographic comparator. However, their market share of loans to moderate-income borrowers exceeds the comparator. Furthermore, their market share to low-income borrowers is near their overall market share. Their market share to moderate-income borrowers exceeds their overall market share.

For 2003, we did not analyze home improvement loans. TNB made 28 loans during 2003 because of the nominal number of loans made during this period any analysis performed would be meaningless.

For 1998-2002, TNB's percentage of home improvement loans to low-income borrowers is significantly lower than the demographic comparator. Their percentage of loans to moderate-income borrowers exceeds the demographic comparator. TNB made no home improvement loans to low-income borrowers in 2002; therefore their market share is zero. However, their market share to moderate-income borrowers exceeds their overall market share.

### *Refinance Loans*

The distribution of refinance loans is adequate.

For 2004-2005, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families in the AA. Their percentage of lending to moderate-income borrowers is near the respective demographic comparator. Their market share to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrowers is near their overall market share.

For 2003, TNB's percentage of loans to low-income borrowers is substantially lower than the demographic comparator. Their percentage of loans to moderate-income borrowers is lower than the respective demographic comparator. Their market share to both low and moderate-income borrowers is near their overall market share.

For 1998-2002, TNB's percentage of loans to low-income borrowers is substantially lower than the demographic comparator. Their percentage of loans to moderate-income borrowers is lower than the comparator. Their market share to low-income borrowers is lower than their overall market share. Their market share to moderate-income borrowers is near their overall market share.

### ***Small Loans to Businesses***

Refer to Table 11 in the State of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of business loans in the Jackson MSA and Hattiesburg MSA reflects excellent penetration among businesses of different sizes within the AAs.

#### Jackson MSA

For 2004-2005, 2003 and 1998-2002 analyses periods, TNB's percentage of small loans to small businesses (businesses with gross annual revenues less than \$1 million) exceeds the percentage of small businesses in the AA. The bank's market share of loans to small businesses also exceeds their overall market share. Furthermore, a substantial majority of their loans were for amounts less than \$100 thousand indicating that TNB is meeting the need for small dollar loans.

#### Hattiesburg MSA

For 2004-2004 and 2003 analyses periods, TNB's performance in Hattiesburg mirrors their performance in the Jackson MSA for the same time frame.

For 1998-2002 analyses periods, TNB's percentage of small loans to small businesses is near the demographic comparator. Their market share of loans to small businesses exceeds their overall market share of all loans to all businesses. In addition, a substantial majority of their loans were for amounts less than \$100 thousand.

### ***Small Loans to Farms***

#### Jackson MSA

For 2004-2005, TNB's percentage of small loans to small farms is near the percentage of small farms in the AA. However, their market share of loans to small farms exceeds their overall market share. Additionally, a substantial majority of their loans were for amounts less than \$100 thousand.

For 1998-2002 and the 2003 analyses periods, TNB's percentage of small loans to small farms exceeds the demographic comparator. Their market share of loans to small farms exceeds their overall market share. Furthermore, a substantial majority of their loans were for amounts less than \$100 thousand.



## Community Development Lending

Refer to Table 1 Lending Volume in the state of Mississippi section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

### Jackson, MS Assessment Area

The volume of community development loans made in the Jackson MSA, have a positive impact on the Lending Test rating. During the evaluation period, the bank made 165 CD loans totaling \$31.5 million representing 5.5 percent of Tier 1 capital as of 3/31/06. Significant CD loans made in the Jackson MSA during the evaluation period include:

- Affordable housing is a significant credit need in the assessment area. The bank has responded to these needs by funding 73 loans totaling \$952,438 to a non-profit organization for acquiring and constructing 1-4 single-family homes for low-and moderate-income individuals. In addition, the bank made eight loans totaling \$706,000 to a non-profit community development organization that provides assistance in obtaining financing for affordable housing to low- and-moderate income families through grants obtained from the Mississippi Development Authority.
- Six loans totaling \$27 million were made to the Jackson Public School District to fund various education programs as well as revenue shortfalls. Schools within the district are primarily located in low- and moderate-income geographies and over 50% of students receive free or reduced lunches. These loans helped meet the growing need of providing community services to low- and moderate-income families.

### Hattiesburg, MS Assessment Area

Community development lending in the Hattiesburg AA, has a neutral impact on the Lending Test rating. During the evaluation period, the bank made ten loans totaling \$3.7 million representing 1% of Tier 1 capital as of 3/31/06. Significant CD loans made in the Hattiesburg MSA area include:

- TNB originated a \$750,000 community development loan to an experienced builder who specializes in developing low-income housing. Loan proceeds helped construct a low income 40-unit apartment complex in Hattiesburg. The developer participated in the Low-Income Housing Tax Credit Program (LIHTC) for this project which is designed to encourage businesses to provide a public benefit in the form of affordable housing. Projects must satisfy certain restrictions related to the income level of the tenants and the amount of rent charged. Affordable housing is a pressing need in the assessment area and this loan was responsive to meeting that need.
- Three loans totaling \$1.8 million were made to a non-profit organization that provides primary health care to mostly indigent population or low- and moderate income individuals within the state of Mississippi. Loan proceeds went towards constructing community health centers throughout the counties represented in the Hattiesburg MSA.

Permanent financing is received from the USDA-Rural Development program. The loan illustrates a good responsiveness to meeting the needs of the community.

### **Product Innovation and Flexibility**

The bank did not use any innovative and flexible loan products during the evaluation period. This had a neutral impact on the Lending Test rating.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in the Central, North, East, Southeast and Southwest AAs is not inconsistent with the bank's overall Low Satisfactory performance under the lending test in Mississippi.

Refer to the Tables 1 through 13 in the state of Mississippi section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Mississippi is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Jackson MSA and in the Hattiesburg MSA is adequate.

Refer to Table 14 in the state of Mississippi section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

#### Jackson MSA

Based on the available CD opportunities in the AA and the number and dollar amount of CD loans made in the Jackson MSA, TNB's level of CD investments is adequate. During this evaluation period, TNB made total investments of \$29.3 million which represents 37.4 percent of the bank's total investments and 5.10 percent of Tier I capital. TNB made no complex and innovative investments, but all are beneficial to and meet identified needs in the Jackson MSA or in the state of Mississippi.

Of this investment total, 457 grants and donations and one investment totaling \$7 million were made in the Jackson AA. This represents 24 percent of the total investment amount and 1.22 percent of Tier I capital. An additional allocation of regional and state-wide investments, totaling 26 for \$22.3 million, with direct benefits to multiple assessment areas, is attributed to the Jackson MSA.

Qualified grants, donations, or in-kind contributions that have a community development purpose of \$5.3 million comprise 18 percent of the dollar total of qualified investments. The grants and donations are centered in affordable housing and public education, both identified needs in the community.

The bank recognized numerous affordable housing needs and opportunities in its assessment areas. In response, it participates in the Financial Institutions Housing Opportunity Pool (FIHOP) to finance the development and construction of residential housing for low- and moderate-income persons. The two investments in this pool during the evaluation period total \$1 million. These are statewide investments that could have some CRA impact on TNB's AA.

The vast majority of TNB's investments during this evaluation period consist of mortgage backed securities and certificates of participation in numerous Qualified Zone Academy Bonds (QZAB) from multiple issuers. The QZAB bonds provide funding for programs to improve educational opportunities at specific schools with significant low-income populations throughout the state of Mississippi. Many of these communities are HUD-designated as distressed or underserved areas. The mortgage backed securities were primarily secured by mortgages of low or moderate-income individuals throughout the state of Mississippi. These investments are statewide investments that could have some CRA impact on TNB's AA.

From the prior evaluation period, Trustmark has two investments in statewide funds with current outstanding balances totaling \$1.4 million. These funds are the Mississippi Enterprise Corporation of the Delta and a Mississippi small business investment corporation (SBIC), to promote affordable housing and small business investment and financing, respectively. Both funds benefit multiple assessment areas, and the bank continued its support of these efforts by making additional investments during this review period.

### Hattiesburg MSA

Based on the limited investment opportunities in the Hattiesburg MSA, TNB's level of CD investments is adequate. These investments were not complex or innovative in nature but did meet identified needs in the area.

In the Hattiesburg MSA, 21 grants and donations had community development purposes and total \$81 thousand for the review period. The vast majority of the bank's CD investment for this evaluation period consists of two investments totaling \$26.2 million in HUD/GNMA pools for affordable multi-housing projects. These investments were allocated to Hattiesburg AA due to the areas close proximity to the resulting projects on the Gulf Coast. Trustmark also invested \$474 thousand in a Qualified Zone Academy Bond for the area.

The combined total of \$26.3 million represents 33.6 percent of the bank's total investments and 4.59 percent of Tier I capital.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Central and Southwest Mississippi AAs is not inconsistent with the bank's overall Low Satisfactory performance under the investment test in Mississippi. In the East, North and Southwest Mississippi AAs, the bank's performance is weaker than the bank's overall performance in the state. In the latter AAs, the investment level is adequate given the limited opportunities for community development investment in these areas. The bank made one investment in these areas during the review period, for \$274 thousand; the remainder of the qualified investments are grants and donations. However, all of these areas benefit to varying degrees from state-wide investments in Qualified Zone Academy Bonds and affordable mortgages.

Refer to Table 14 in Appendix D for the facts and data that support these conclusions.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Mississippi is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Hattiesburg MSA is good. In the Jackson MSA, the bank's performance is good.

### Retail Banking Services

Refer to Table 15 in the state of Mississippi section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

#### Jackson MSA

TNB's delivery systems are accessible to geographies and individuals of different income levels throughout the full-scope assessment area. TNB's percentage of branches in low-income geographies exceeds the percentage of population residing in these areas. Their percentage of branches in moderate-income geographies is near the percentage of the population.

During this evaluation period, TNB opened 11 banking offices; 1 in a moderate-income, 5 in middle-income and 5 in upper-income geographies. TNB closed 5 banking offices during the evaluation period, of which 1 was in a low-income, 3 in a moderate-income and 1 in a middle-income geography. Individuals living in these locations had access to other TNB offices located within a mile of the closed banking office. Therefore, TNB's record of opening and closing banking offices did not have an adverse impact on the accessibility of delivery systems, particularly in low or moderate-income geographies or on low or moderate-income families in the AA.

TNB offers a full-range of deposit services and loan products, which are accessible throughout the full-scope assessment area through its branch offices and ATM network. Office hours and services in the full-scope AA are comparable among locations regardless of the income level of the geography. There are no significant differences in banking hours provided by the branches in the different geographies.

#### Hattiesburg

TNB's delivery systems are accessible to geographies and individuals of different income levels throughout the full-scope assessment area. TNB's percentage of branches in both low and moderate-income geographies exceeds the percentage of population residing in these areas.

TNB's record of opening and closing banking offices did not have an adverse impact on the accessibility of delivery systems to low- or moderate-income individuals or in low or moderate-income areas. TNB neither opened nor closed any banking offices in this AA during this evaluation period.

TNB offers a full-range of deposit services and loan products, which are accessible throughout the full-scope assessment area through its branch offices and ATM network. Office hours and services in the full-scope AA are comparable among locations regardless of the income level of the geography. There are no significant differences in banking hours provided by the branches in the different geographies.

## **Community Development Services**

### Jackson MSA

Given the opportunities in the AA and the number of services provided during this evaluation period, TNB's level of CD services is good. TNB provided qualified CD services to 58 CD organizations. Services provided included serving on the board, fundraising committee, finance committee, loan committee or a member of these organizations. The majority of the services provided were homebuyer education classes, small business lending information and other financial literacy classes in partnership with CD organizations.

Some specific examples of the organizations that services were provided to include: Habitat for Humanity, Canton CDC, Jackson Metro Housing Partnership and Gateway Rescue Mission.

### Hattiesburg MSA

TNB's level of CD services in this AA is adequate. This assessment is based on the limited opportunities in the AA and the number of CD services performed. During this evaluation period, TNB provided CD services to 2 qualified CD organizations. The services provided serving on the board of an organizations that provide services to low and moderate-income individuals.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the service test in the Central, East, North and Southeast MS AAs is not inconsistent with the bank's overall High Satisfactory performance under the service test in Mississippi. In the Southwest MS AA, the bank's performance is weaker than the bank's overall performance in the state. Their distribution of branches in moderate-income geographies is lower than the percentage of the population in these tracts.

Refer to Table 15 in the state of Mississippi section of appendix D for the facts and data that support these conclusions.

## State Rating

### State of Texas

#### CRA Rating for Texas<sup>3</sup>:

The lending test is rated: **Low Satisfactory**

The investment test is rated: **Low Satisfactory**

The service test is rated: **Low Satisfactory**

The major factors that support this rating include:

- Adequate geographic distribution of loans.
- Good distribution of loans by income level of the borrower or revenue of the business.
- Adequate level of CD investments.
- Poor level of CD services. Adequate distribution of branches.

### Description of Institution's Operations in Texas

Trustmark entered the Texas market March 2004 with the purchase of 5 branches from Allied Houston Bank. TNB has one AA in the state, the Houston MSA. All of TNB's branches and all 5 ATMs are within the Houston MSA. During this evaluation period, approximately 2.59 percent of TNB's deposits and less than one half of 1 percent of their lending activity is within the TX AA.

The Houston MSA is a heavily banked with 109 financial institutions with banking offices in the AA. The AA also has a large number of institutions making home mortgage and small loans to businesses loans throughout the area.

Refer to the market profiles for the state of Texas in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>3</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## Scope of Evaluation in Texas

TNB has one AA in the state of Texas, the Houston MSA. The Houston MSA received a full-scope review. The ratings for the state of Texas are based on the results of TNB's performance in that AA. Refer to the table in appendix A for more information.

We did not evaluate small loans to farms, home improvement, refinance or multi-family home loans. Any analysis performed would be meaningless since TNB's originated a nominal number of these type loans during this evaluation period. TNB originated one small loan to farms, no multi-family home loans, 8 home improvement loans and 27 refinance loans.

There are numerous opportunities to make CD loans and investments and provide CD services in the AA. We identified numerous CD organizations that operate in the AA. This includes several CDCs and organizations that provide affordable housing or economic development. We made three community contacts in conjunction with this examination; two of which were to affordable housing organizations and one to an economic development organization. Based on the contacts made and reviewing demographic information on the area, affordable housing was identified as a need in the area.

## Lending Activity

Refer to Table 1 Lending Volume in the State of Texas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In 2004-2005, Trustmark originated and purchased 341 loans totaling \$73 million in the Houston MSA. By number of originations, 65 percent were small loans to businesses, 20 percent HMDA reportable home loans and 15 percent CD loans. For HMDA reportable loans, the vast majority of the loans were for home purchase.

More weight was given to small loans to businesses than HMDA loans. TNB made twice as many loans to small businesses during this evaluation period than they made HMDA loans. In terms of HMDA products, the only product analyzed was home purchase loans. This weighting is reflective of TNB's lending activity during this evaluation period.

Based on a comparison between deposit market share and loan market share, the bank's lending activity reflects an adequate responsiveness to the credit needs of its full-scope AA. In the Houston MSA, Trustmark ranked 45<sup>th</sup> with a deposit market share of 0.16 percent as of June 30, 2005. TNB ranked 292 (market share of 0.01 percent) in HMDA lending and number 41 in making small loans to businesses (market share of 0.13 percent) for 2004.

There are 78 financial institutions in the AA with banking offices and 760 lenders reporting home mortgage loans for 2004. There were 228 lenders reporting small business loans in the MSA in 2004.

## Distribution of Loans by Income Level of the Geography



The overall geographic distribution of loans in the Houston MSA is adequate. TNB's distribution of home mortgage loans is good and their distribution of small loans to businesses is adequate.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4 and 5 in the State of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of home purchase loans is good. The percent of home purchase loans in low-income geographies is significantly lower than the percent of owner-occupied units in these geographies. TNB's percent of home purchase loans in moderate-income geographies is near the percent of owner-occupied units.

In terms of market share, TNB's market share in low income geographies exceeds their overall market share. Their market share in moderate-income geographies equaled their overall market share.

### ***Small Loans to Businesses***

Refer to Table 6 in the State of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is adequate. The percent of small loans to businesses in both low and moderate-income geographies is lower than the percent of businesses in these geographies. Their market share of loans in both geographies is also lower than their overall market share.

### **Lending Gap Analysis**

We reviewed the geographic distribution of loans and did not detect any conspicuous or unexplained gaps in lending patterns.

### **Inside/Outside Ratio**

This portion of the evaluation was performed at the bank level. During the evaluation period, Trustmark originated a majority (72%) of its loans in the aggregate AAs. Trustmark originated 59% of its HMDA loans and 90% of its small loans to businesses in the AAs. This analysis included all reportable loans originated by Trustmark only, and does not include extensions of credit by affiliates.

## **Distribution of Loans by Income Level of the Borrower**

In performing our analysis, we also considered factors which might hamper the bank's ability to make loans to low or moderate-income individuals. In the Houston MSA, the median housing value rose from \$100 thousand in 2000 to \$148,200 in 2006. This means that the average person would have to make about \$56 thousand to afford a home in this AA. The median family income for low-income individuals is \$29,700 and \$47,520 for moderate-income individuals. These factors were considered in assessing the bank's lending performance within the AA.

The overall distribution of loans by income level in the Houston MSA is good. The distribution of home mortgage loans is excellent and the distribution of small loans to businesses is good.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the State of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall distribution of loans by income level in the AA is good. The distribution of home mortgage loans by borrower income level is excellent. The distribution of small loans to businesses by revenue size is good.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

The distribution of home purchase loans by borrower income level is excellent.

TNB's percent of home purchase loans to low-income borrowers is lower than the percent of low-income families residing in the AA. The percent of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families residing in the area. The bank's market share to both low and moderate-income borrowers in the AA exceeds their overall market share.

### ***Small Loans to Businesses***

Refer to Table 11 in the State of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of business loans in the Houston MSA reflects good penetration among businesses of different sizes within the AAs.

TNB's percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) is near the percentage of small businesses in the AA. TNB's market share of loans to small businesses exceeds their overall market share of loans to all businesses. A majority of Trustmark's small loans to businesses in the Houston MSA were for \$100 thousand or less.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Texas section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

One community development loan in the amount of \$10.6 million was made to finance a 189 unit manufactured housing park located in the Houston MSA. This loan represents 1.8 percent of Tier 1 capital as of March 31, 2006. Over 88 percent of the units are rented below the fair market rates for the MSA. Affordable housing is a critical need in the assessment area. This loan adequately addresses the community credit needs in the assessment area. This had a neutral impact on the lending test rating.

### **Product Innovation and Flexibility**

The bank did not use any innovative and flexible loan products during the evaluation period. This had a neutral impact on the Lending Test rating.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the investment test in Texas is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Houston MSA is adequate.

Refer to Table 14 in the state of Texas section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Qualifying investments are investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation. Trustmark has no complex and innovative investments, but all are beneficial to and meet identified needs in the Houston MSA.

Based on the limited time that TNB has been in this AA and the dollar amount of investments made, TNB's level of investments is adequate.

During the evaluation period, three investments and 20 grants and donations totaling \$10 million were made in the AA. The total investment amount represents 1.76 percent of Tier I capital. The total investment amount represents 12.9 percent of the bank's total investments, which is significantly higher than the percentage of bank deposits in the Houston MSA (2.2 percent).

The bank invested \$9 million in the construction of affordable multi-family housing projects, and over \$1 million in mortgage backed securities. These securities are backed by affordable mortgages in Houston. Affordable housing is a documented community development need in the area.

There were no prior period investments.

## **SERVICE TEST**

TNB's delivery systems are reasonably located to low and moderate-income geographies and individuals. TNB's level of CD services is poor.

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the service test in Texas is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Houston MSA is adequate.

### **Retail Banking Services**

Refer to Table 15 in the state of Texas section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

TNB has 5 full service banking offices in the Houston MSA. All offices were acquired during this evaluation period. TNB has no offices in low-income geographies, one office in a moderate-income, one in a middle-income and three in upper-income geographies. No offices were closed in this AA during this evaluation period. However, the Clear Lake branch which was located in an upper-income tract was relocated to another upper-income tract. TNB's record of opening and closing banking offices has not adversely affected low or moderate-income geographies or individuals.

TNB's retail delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment area. While TNB has no banking offices in low-income census tracts, this is somewhat mitigated because of the low percentage of the population residing in this area of 7.93 percent.

In moderate-income geographies, TNB's percent of branches is significantly lower than the percent of the population residing in the area of 34.06 percent.

TNB offers a full-range of deposit services and loan products, which are accessible throughout the full-scope assessment area through its branch offices and ATM network. Office hours and services in the full-scope AA are comparable among locations regardless of the income level of the geography. There are no significant differences in banking hours provided by the branches in the different geographies.

### **Community Development Services**

Based on the number of CD services provided and the available opportunities in the AA, TNB's level of CD services is poor. During this evaluation period, TNB provided 2 CD services to 2 organizations that provide community services to low or moderate-income individuals. The types of services provided included serving as treasurer and providing financial literacy classes to these organizations.

## State Rating

### State of Florida

**CRA Rating for Florida<sup>4</sup>: Satisfactory**

**The lending test is rated: Low Satisfactory**

**The investment test is rated: Low Satisfactory**

**The service test is rated: Low Satisfactory**

The major factors that support this rating include:

- Adequate geographic distribution of loans.
- Adequate distribution of loans by income level of borrower and revenues of the business.
- Given the limited opportunities in the AA, the bank's level of CD investments is adequate.
- Adequate distribution of branches. Poor level of CD services.

### Description of Institution's Operations in Florida

TNB entered the FL market in 2003 through the acquisition of The Bank. TNB has a small presence in the state with the acquisition of 7 full-service banking offices and 1 ATM. The FL AA represents approximately 5.54 percent of TNB's deposit base. TNB has 3 AAs in the state including Panama City and Fort Walton MSAs and the non-MSA County of Walton County. TNB's largest presence is in the Panama City MSA where they have 3 banking offices. In 2003, TNB's AAs for Panama City and Fort Walton MSA included all of Bay and Okaloosa counties, respectively. However, in 2004, TNB revised their AAs to include 23 census tracts in Bay County and 25 census tracts in Okaloosa County.

During this evaluation period, approximately 1.58 percent of TNB's lending activity was within the three AAs in FL. Major competitors in the AAs include large regional banks such as AmSouth (13.22 percent market share), Regions Bank (11.95 percent market share), and Peoples First Community Bank (10.52 percent market share). TNB is ranked number 9 with a deposit market share of 4.26 percent.

Refer to the market profiles for the state of Florida in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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<sup>4</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

## **Scope of Evaluation in Florida**

The Panama City MSA received a full-scope review. The Panama City AA represents a majority of TNB's lending activity and branching network in the state. The Fort Walton MSA and non-MSA county of Walton received limited-scope reviews. The ratings are based primarily on the bank's performance in the Panama City AA.

Home improvement loans, multi-family loans and loans to small farms were not analyzed. TNB made a nominal number of these loans during this evaluation period and an analysis would be meaningless.

Most of the weight was placed on HMDA loans than small loans to businesses. TNB made three times as many HMDA loans than small loans to businesses during this evaluation period.

Based on our community contacts and the review of economic information on the AA, affordable housing was identified as a critical need in the AA. We conducted one community contact in conjunction with this examination. The organization contacted is a governmental agency that helps to meet the affordable housing needs in the area.

In the Panama City AA, the opportunity to make CD loans and investments and provide CD services is limited. We identified 3 CD organizations that operate in the area, one of which is a CDC.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the lending test in Florida is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Panama City MSA is adequate.

### **Lending Activity**

Refer to Tables 1 Lending Volume in the state of Florida section of appendix D for the facts and data used to evaluate the bank's lending activity.

During this evaluation period, TNB made 1,093 loans totaling \$216 million in the Panama City AA. By number, 66 percent were HMDA loans and 34 percent were small loans to businesses. In terms of HMDA loans, 68 percent were home purchase loans, 31 percent refinance loans, and 1 percent home improvement loans.

Based on a comparison between deposit market share and loan market share, the bank's lending activity reflects an adequate responsiveness to the credit needs of its full-scope AA. In the Panama MSA, Trustmark ranked number 6 with a deposit market share of 5.10 percent based on the June 30, 2005 FDIC data. TNB ranked number 12 (market share of 1.69 percent) in HMDA lending and number 13<sup>th</sup> (market share of 2.08 percent) in making small loans to businesses based on 2004 peer data.

There are 16 financial institutions in the MSA with banking offices compared to 539 lenders reporting home mortgage loans and 77 lenders reporting small loans to businesses for 2004.

## **Distribution of Loans by Income Level of the Geography**

The overall distribution of loans is adequate. TNB's distribution of home mortgage loans and small loans to businesses is adequate.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The Panama City AA has one low-income census tract. Within this tract, there are only 416 owner-occupied units. In addition, there are 501 families living in the low-income tract, of which 34 percent live below the poverty level. The low number of owner-occupied units in the tract coupled with the fact that a large percentage of the families in the tract cannot afford to purchase or maintain a home, limits the bank's ability to make home mortgage loans in this area. These factors were considered during this analysis to assess TNB's lending performance in low-income areas.

TNB's geographic distribution of home purchase loans is adequate.

For 2004-2005, TNB's percentage of home purchase loans in both low and moderate-income geographies is substantially lower than the percentage of owner-occupied units in these tracts. During 2004, TNB made no loans in low-income geographies; therefore, their market share is zero. In moderate-income geographies, their market share is significantly lower than their overall market share.

For 2003, TNB's percentage of home purchase loans in low-income geographies exceeds the percentage of owner-occupied units in these tracts. Their percentage of loans in moderate-income geographies was significantly lower than the percentage of owner-occupied units in these tracts. However, their market share in low-income geographies exceeds their overall market share. Their market share in moderate-income geographies is near their overall market share.

TNB's geographic distribution of refinance loans is adequate.

For 2004-2005, TNB made no loans in low-income geographies. In moderate-income geographies, their percentage of refinance loans was significantly lower than the percentage of owner-occupied units in these tracts. However, their market share in moderate-income geographies is near their overall market share.

For 2003, TNB made no loans in low-income geographies during this time period. In moderate-income geographies, TNB's percentage of refinance loans in low-income geographies is lower than the percentage of owner-occupied units in these units. Their market share in moderate-income geographies exceeds their overall market share.



### ***Small Loans to Businesses***

Refer to Table 6 in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

For 2004-2005, TNB's percentage of lending in both low and moderate-income geographies is significantly lower than the percentage of owner-occupied units in these tracts. There are 111 businesses in the tract. This fact limits the bank's ability to make loans in this low-income tract. When this fact is considered, TNB's performance in low-income tracts is adequate. Their market share in low-income geographies exceeds their overall market share. Their market share in moderate-income geographies is lower than their overall market share.

For 2003, TNB made no loans in low-income geographies during this time period. In moderate-income geographies, TNB's percentage of small loans to businesses is significantly lower than the percentage of small businesses in the AA. Their market share in moderate-income geographies is lower than their overall market share of loans to all businesses.

### ***Lending Gap Analysis***

We reviewed the geographic distribution of loans and did not detect any conspicuous or unexplained gaps in lending patterns.

### **Inside/Outside Ratio**

This portion of the evaluation was performed at the bank level. During the evaluation period, Trustmark originated a majority (72 percent) of its loans in the aggregate AAs. Trustmark originated 59 percent of its HMDA loans and 90 percent of its small loans to businesses in the AAs. This analysis included all reportable loans originated by Trustmark only, and does not include extensions of credit by affiliates.

### **Distribution of Loans by Income Level of the Borrower**

The high cost of housing in the AA is a factor which was considered in determining the bank's overall lending performance in this AA. The median housing value for 2000 was \$92,356 and continued to increase and as of 2006 was \$242,400. This means that the average person would have to make at least \$60 thousand to qualify for such a home. The median family income for low-income individuals in the AA is \$24,650 and \$39,440 for moderate income individuals. These factors could limit the bank's ability to make mortgage loans to these individuals.

Overall, TNB's distribution of loans by borrower income level is adequate. Their distribution of HMDA loans is adequate and their distribution of small loans to businesses is good.

### ***Home Mortgage Loans***

Refer to Tables 8, 9 and 10 in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Overall, TNB's distribution of home purchase loans is adequate.

For 2004-2005, TNB's percentage of home purchase loans to low-income borrowers is substantially lower than the percentage of low-income families residing in the AA. Their percentage of home purchase loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. However, their market share to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrower is lower than their overall market share.

For 2003, TNB's percent of home purchase loans to low-income borrowers is substantially lower than the percent of low-income families residing in the AA. The percent of home purchase loans to moderate-income borrowers is lower than the percent of moderate-income families residing in the area. The bank's market share to both low and moderate-income borrowers in the AA is lower than their overall market share.

Overall, TNB's distribution of refinance loans is adequate.

For 2004-2005, TNB's percentage of refinance loans to low-income borrowers is substantially lower than the percentage of low-income families in the AA. Their percentage of refinance loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. However, their market share of refinance loans to low-income borrowers exceeds their overall market share. Their market share to moderate-income borrowers is lower than their overall market share.

For 2003, TNB's percent of refinance loans to low-income borrowers is substantially lower than the percent of low-income families residing in the AA. The percent of refinance loans to moderate-income borrowers is lower than the percent of moderate-income families residing in the area. The bank's market share to both low and moderate-income borrowers in the AA is near their overall market share.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

TNB's distribution of small loans to businesses of different sizes within the Panama City MSA is excellent.

For 2004-2005 and 2003 analyses periods, TNB's percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) exceeds the percentage of small businesses in the AA. Also, their market share of loans to small business

also exceeds their overall market share of loans to all businesses. Furthermore, during this period, a majority of the loans made were for amounts less than \$100 thousand.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Florida section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

During the evaluation period, TNB originated 1 community development loans totaling \$500 thousand. Loan proceeds were used to improve a 38-unit mobile home lot. Rents collected from this property were below the median rental rates thus making it affordable for low- and moderate-income families. Affordable housing is a critical credit need in the assessment areas.

### **Product Innovation and Flexibility**

The bank did not use any innovative and flexible loan products during the evaluation period. This had a neutral impact on the Lending Test rating.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in the Fort Walton and Walton county AAs is not inconsistent with the bank's overall Low Satisfactory performance under the lending test in Florida.

Refer to the Tables 1 through 13 in the state of Florida section of appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the investment test in Florida is rated Low Satisfactory. Based on a full scope review, Trustmark's level of qualified investments in the Panama City MSA is adequate, given the limited opportunities for community development investment in the area and the extent, and relatively short period of time, of the bank's presence in this market.

Refer to Table 14 in the state of Florida section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Qualifying investments are investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation. Trustmark has no complex and innovative investments, but all are beneficial to and meet identified needs in the Panama City MSA and in the State of Florida.

Given the limited opportunities in the AA, TNB's level of CD investments is adequate. During this evaluation period, TNB made 42 grants/donations in this AA totaling \$44 thousand. This investment amount represents 0.01 percent of Tier I capital. Additionally, several regional mortgage-backed securities attributed to the Jackson MSA in this evaluation, also benefited the State of Florida including the Panama City MSA.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the investment test in the Fort Walton MSA and the Walton County Assessment Area is not inconsistent with the bank's overall Low Satisfactory performance under the investment test in Florida. Refer to the Table 14 in the state of Florida section of appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the service test in Florida is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Panama City AA is adequate.

#### **Retail Banking Services**

Refer to Table 15 in the state of Florida section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

TNB's record of opening and closing banking offices in the Panama City AA has not adversely affected low or moderate-income areas or individuals. No offices were closed during the evaluation period. However, TNB opened all 3 of the offices in this AA during this evaluation period; 1 in middle-income and 2 in upper-income census tracts.

TNB's retail delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment area. TNB has 3 full-service banking offices in the Panama City AA; none of which are located in low or moderate-income tracts. However, TNB has 1 branch located within 2 miles of the low-income census tract and within 2 miles of 5 of 7 of the moderate-income tracts. TNB opened all 3 banking offices during this evaluation period.

TNB offers a full-range of deposit services and loan products, which are accessible throughout the full-scope assessment area through its branch offices and ATM network. Office hours and services in the full-scope AA are comparable among locations regardless of the income level of the geography. There are no significant differences in banking hours provided by the branches in the different geographies.

#### **Community Development Services**

Based on the number of organizations serviced and the available opportunities in the AA, TNB's level of CD services is poor.

During this evaluation period, TNB provided 3 CD services to 3 qualified CD organizations. The types of services provided included serving on the board or on the fund raising committee for organizations that provide affordable housing for low or moderate-income individuals. Also, TNB provided financial literacy classes to developers who build affordable housing in the AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the service test in the Fort Walton and Walton county AAs is not inconsistent with the bank's overall Low Satisfactory performance under the service test in Florida.

Refer to Table 15 in the state of Florida section of appendix D for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): 10/01/1998 to 12/31/2005 Investment and Service Tests and CD Loans: 11/03/1998 to 07/04/2006	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Trustmark National Bank (TNB) Jackson, MS	HMDA, small loans to businesses, small loans to farms and CD loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Memphis Multistate MA State of MS Jackson MSA Hattiesburg MSA Central MS East MS North MS Southeast MS Southwest MS State of TX Houston MSA State of FL Panama City MSA	Full-scope  Full-scope Full-scope Limited-scope Limited-scope Limited-scope  Full-scope Full-scope	

## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		TRUSTMARK NB		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Trustmark NB	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Memphis Multi-state	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of MS	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of TX	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of FL	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.



## Appendix C: Market Profiles for Full-Scope Areas

### Memphis, TN and MS Multistate Metropolitan Area

#### MEMPHIS MSA 2005

Demographic Information for Full Scope Area: MEMPHIS MSA 2005						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	253	17.00	24.11	26.88	30.83	1.19
Population by Geography	1,065,169	9.69	24.99	30.69	34.17	0.45
Owner-Occupied Housing by Geography	259,661	5.83	20.25	31.34	42.58	0.00
Business by Geography	64,535	9.96	19.32	26.48	43.83	0.42
Farms by Geography	1,546	4.40	21.86	32.41	41.07	0.26
Family Distribution by Income Level	277,288	22.03	16.22	19.62	42.13	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	106,062	17.02	37.85	29.84	15.29	0.00
Median Family Income HUD Adjusted Median Family Income for 2005 Households Below Poverty Level		46,771 53,600 14.47%	Median Housing Value Unemployment Rate (2000 US Census)		101,156 3.19%	

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

Source: 2000 US Census and 2005 HUD updated MFI

The bank's Memphis multistate MSA AA consists of Shelby and Tipton Counties in Tennessee and DeSoto County in Mississippi. TNB's AA excludes Fayette County in Tennessee as well as Crittenden County in Arkansas because the bank has no branches or banking operations in these counties. The bank's AA does not arbitrarily exclude any areas, particularly low or moderate-income areas. The AA consists of 253 CT's. Based on the 2000 Census median family income of \$46 771, there is 43 census tracts classified as low-income, 61 as moderate-income, 68 as middle-income and 78 are classified as upper-income. Three CT's were not assigned an income classification mainly due to these locations house military bases.

TNB provides a full range of loan and deposit products to the AA. TMB has 15 full service and three limited service branches in the area. The bank supplements its branch network with nine ATMs.

Competition for financial services within the MSA is intense and includes several branches of multi-national and regional banks, local community banks, credit unions and other nonblank financial service providers. The bank's deposits in the Memphis multistate MSA as of June 31, 2005 totaled almost \$472 million and ranks as the seventh largest commercial bank out of 41 banks in the MSA with a 1.85 percent market share. Likewise, the market shares of 1.73 percent for HMDA loans and 5.32 percent for small business loan products ranks lower, 15<sup>th</sup>, in the area.

According to the 2000 Census, the population living in the Memphis AA is slightly over 1 million and is projected to experience moderate growth within the next four years mainly due to the major employer, FedEx, strong growth in the area. The number of families in the Memphis AA was 277,288 in 2000. The percentage of families by income level is 22.03 percent for low-income, 16.22 percent moderate-income, 19.62 percent middle-income and 42.13 percent upper-income. In aggregate, 14.47 percent of the population had income below the poverty level as reported in the 2005 updated Census.

Based on the 2000 Census, the median housing value in the Memphis AA is \$101,156. However, in 2006, housing prices have increased over 25 percent and the average home price averages \$143,200, resulting in a higher demand for affordable housing.

Memphis is the world headquarters for FedEx, who provides 30,000 jobs to the MSA. Other industries in the AA include retail, tourism and education and health services. Many new companies are moving to the area to capitalize on the area's well developed distribution. However, the unemployment rate of 6.7 percent is higher than the national and state averages. The Memphis economy is expected to expand in the near future but obstacles still facing the area include high levels of bankruptcy and foreclosures as well as the lack of industrial diversity or a high dependence on one employer.

Contact by the OCC with a local based non-profit organization identified affordable housing programs for low-and moderate-income families and budget and credit counseling as a continued credit need in the assessment area.

## Jackson, MS MSA

### Jackson MSA

Demographic Information for Full Scope Area: Jackson MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	115	12.17	28.70	31.30	27.83	0.00
Population by Geography	497,197	6.99	27.33	35.39	30.29	0.00
Owner-Occupied Housing by Geography	126,176	3.86	22.94	37.76	35.43	0.00
Business by Geography	46,402	9.63	28.05	31.12	31.20	0.00
Farms by Geography	924	3.35	21.54	43.07	32.03	0.00
Family Distribution by Income Level	128,734	23.29	16.35	19.29	41.07	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	51,029	10.94	39.76	34.60	14.70	0.00
Median Family Income		44,383	Median Housing Value		78,871	
HUD Adjusted Median Family Income for 2005		47,100	Unemployment Rate (2000 US Census)		3.12%	
Households Below Poverty Level		16%				

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

Source: 2000 US Census and 2005 HUD updated MFI

The Jackson MSA comprises five contiguous counties; Copiah; Hinds; Madison; Rankin; and Simpson. There are 115 Census Tracts (CTs) in the AA: 14 low-income, 33 moderate-income, 36 middle-income and 32 upper-income. The AA includes the city of Jackson, the state's capitol and largest urban area. The AA does not arbitrarily exclude any geography, particularly low-or moderate-income census tracts, and complies with the technical requirements of the regulation.

TNB provides a full range of loan and deposit products to the AA. TNB has 41 full service and ten limited service branches in the AA. The bank supplements its branch network with 33 ATMs.

TNB has a significant presence within the assessment area. As of June 30, 2005, the bank held 37 percent of FDIC-insured deposits within the MSA, more than any other institution. The next highest market share was AmSouth at 20 percent of FDIC-insured deposits. Competition is intense within the AA. A total of 24 institutions serve the area, including three large regional institutions. The largest competitors in this market include: AmSouth Bank, BancorpSouth, and BankPlus. TMB also ranks the highest in market share for HMDA loans at 8.5 percent and 32 percent for small business loan products.

The population of the Jackson AA was 497,197 in 2000. The per capita income level and cost of living index in the AA are less than the national average. The 2000 Census Data showed 128,734 families residing in the MA of which 23 percent were low-income families, 17 percent were moderate-income, 19 percent were middle-income, and 41 percent were upper-income. The 2000 census reported a median family income was \$44,383, but the 2005 updated median family income improved to \$47,100. In aggregate, 15.92 percent of the population had income below the poverty level based on 2005 updated census numbers.

In 2000, housing stock in the AA was 196,546 units; with 7.24 percent located in low-income CT's, 27.5 percent moderate-income CT's, 34.93 percent middle-income CT's, 30.33 percent upper-income CT's. Based on the 2000 Census the median housing value was \$78,871 but rose to \$142,500 as of 2005. As of the 2000 Census, 64 percent of the available units being owner-occupied, 28 percent of the units are occupied-rental units, and 8 percent of the units are vacant. The City currently has a campaign in the inner city to raze more than 500 structures, mostly single-family homes and duplexes that are considered substandard. They believe razing these structures will complement community development endeavors emerging near Jackson State University, Lanier High School and the Jackson Medical Mall. Residents welcome the razing of substandard structures but are concerned that they will not be replaced in the immediate future by new structures which could result in further decay of these neighborhoods.

Economically, the AA is heavily dependent on state and local governmental services. Other major industries include health care, auto manufacturing, metal fabrication, financial services and education. The largest employers in the area are the State of Mississippi, Jackson State University, Jackson Public Schools and Nissan Manufacturing. The June 30, 2006 unemployment rate was 6.1 percent, but this rate is considered temporary as the increase was primarily attributed to job losses associated with hurricane Katrina and the relocation of storm evacuees to the Jackson metro area.

We used information from our own community contacts that provided us with information in developing our assessment area profile. These contacts revealed that the most pressing credit needs are affordable housing credit and credit education.

**Hattiesburg, MSA MSA**

**Hattiesburg MSA**

Demographic Information for Full Scope Area: Hattiesburg MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	25	8.00	28.00	44.00	20.00	0.00
Population by Geography	123,812	6.00	18.68	44.41	30.91	0.00
Owner-Occupied Housing by Geography	31,070	3.42	13.33	49.31	33.94	0.00
Business by Geography	12,025	7.33	14.52	42.31	35.84	0.00
Farms by Geography	201	1.99	6.97	57.71	33.33	0.00
Family Distribution by Income Level	31,572	23.13	15.77	20.95	40.15	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,281	9.15	22.34	48.60	19.91	0.00
Median Family Income HUD Adjusted Median Family Income for 2005 Households Below Poverty Level		38,187 41,300 19%	Median Housing Value Unemployment Rate (2000 US Census)		71,338 3.15%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2005 HUD updated MFI

Located in southeast Mississippi, the Hattiesburg MSA includes Forrest County (which includes the City of Hattiesburg), Perry and Lamar Counties. TMB's AA includes the entire Hattiesburg MSA which consists of 25 CT's. Based on the 2000 Census median family income of \$38,187, there is two census tracts classified as low-income, seven as moderate-income, eleven as middle-income and five classified as upper-income.

TNB provides a full range of loan and deposit products to the AA. TMB has seven full service branches and one limited service branch in the area. The bank supplements its branch network with five two ATMs.

The competition in the Hattiesburg AA is moderate. There are a few branches of multi-national, regional banks and local community banks as well as other nonbank financial service providers. The bank's deposits in the Hattiesburg AA as of June 31, 2005 totaled \$220 million and ranks as the third largest commercial bank out of 15 total banks in the MSA with a 12.62 percent market share. Likewise, the market shares of 4.90 percent for HMDA loans and 14.16 percent for small business loan products are generally in line with deposit market share.

According to the 2000 Census, the population living in the Hattiesburg AA is 123,812 and is projected to experience minimal growth within the next four years. The number of families in the Hattiesburg AA was 31,572 in 2000. The percentage of families by income level is 23.13 percent for low-income, 15.77 percent moderate-income, 20.95 percent middle-income and 40.15 percent upper-income. In aggregate, 19.38 percent of the population had income below the poverty level as reported in the 2005 updated Census.

Based on the 2000 Census, the median housing value in the Hattiesburg AA is \$71,338. However, in 2006, housing prices have increased over 20 percent and the average home price averages \$102,000, resulting in a greater need for affordable housing as income levels are well below the national average.

The Hattiesburg economy was favorably impacted following Hurricane Katrina as employment levels are an all time high of 5.9 percent. Most gains were reported in the construction and government industries. In addition, the area is experiencing a large retail trade expansion as it moves towards a reputation as a shopping hub. The economy is expected to continue favorable gains mainly due to growth in the education/health industries. However, the major economic challenge in this area continues to be the below average income growth resulting from the low paying service industries prevalent in the AA as well as an aging population and a poor location that keeps away high-tech employers.

Contact by the OCC with a local based non-profit organization identified affordable housing programs for low-and moderate-income families as a critical credit need in the assessment area.

## Houston, TX MSA

## HOUSTON MSA 2005

Demographic Information for Full Scope Area: HOUSTON MSA 2005						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	655	9.62	34.35	27.48	27.33	1.22
Population by Geography	3,433,241	8.17	34.10	29.22	28.36	0.15
Owner-Occupied Housing by Geography	674,778	3.90	26.18	30.64	39.28	0.00
Business by Geography	272,098	5.91	28.33	26.14	39.34	0.28
Farms by Geography	4,261	3.71	23.09	34.99	38.09	0.12
Family Distribution by Income Level	848,467	24.37	17.95	18.73	38.95	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	359,084	13.92	47.41	26.75	11.92	0.00
Median Family Income HUD Adjusted Median Family Income for 2005 Households Below Poverty Level		51,431 59,400 13%	Median Housing Value Unemployment Rate (2000 US Census)		100,403 3.16%	

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

Source: 2000 US Census and 2005 HUD updated MFI

The Houston AA includes only a portion of the Houston MSA. The bank's AA only covers Harris and Waller counties. The AA does not include Fort Bend, Chambers, Liberty, and Montgomery Counties because the bank has no branches or banking operations in these counties. These exclusions do not reflect illegal discrimination or arbitrary avoidance of LMI areas. The AA consists of 655 CT's. Based on the 2000 Census median family income of \$51,431, there is 63 census tracts classified as low-income, 225 as moderate-income, 180 as middle-income and 179 classified as upper-income. Eight CT's were not assigned an income classification.

TNB provides a full range of loan and deposit products to the AA. TMB has 5 full service branches in the area. All branches have ATMs.

Competition for financial services within the bank's assessment area is extremely intense and includes many branches of multi-national and regional banks, local community banks, credit unions and other nonblank financial service providers. The bank's deposits in the Houston MSA as of June 31, 2005 totaled nearly \$139 million and ranks as the 56<sup>th</sup> largest commercial bank out of 109 total banks in the MSA with a 0.14 percent market share. Likewise, the market shares of 0.01 percent for HMDA loans and 0.63 percent for small business loan products performed lower in the area.

According to the 2000 Census, the population living in the Houston AA is approximately 4.3 million and is projected to experience moderate growth within the next four years mainly to support growth in consumer services and in the construction industry. The number of families

in the Houston AA was 848,467 in 2000. The percentage of families by income level is 24.37 percent for low-income, 17.95 percent moderate-income, 18.73 percent middle-income and 38.95 percent upper-income. In aggregate, 13 percent of the population had income below the poverty level as reported in the 2005 updated Census.

Based on the 2000 Census, the median housing value in the Houston AA is \$100,403. However, in 2006, housing prices have increased over 25 percent and the average home price averages \$148,200, resulting in a higher demand for affordable housing, especially with the recent influx of Katrina victims moving to the area.

The Houston economy is healthy and growing. Predominant industries include aerospace engineering, oil exploration and refining, and electronics. Houston is a world leader in the energy sector and has one of the nation's largest ports. The unemployment rate of 5.6 percent has improved over the last year and is expected to continue as the energy industry and trade activities continue to perform at strong levels.

Contact by the OCC with a local based non-profit organization identified affordable housing programs for low-and moderate-income families as a continued credit need in the assessment area.



## Panama City, FL MSA

### Panama City MSA 2005

Demographic Information for Full Scope Area: Panama City MSA 2005						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	22	4.55	31.82	36.36	27.27	0.00
Population by Geography	116,310	1.44	21.65	51.01	25.89	0.00
Owner-Occupied Housing by Geography	31,915	1.30	16.64	52.61	29.44	0.00
Business by Geography	11,719	0.95	28.09	48.73	22.23	0.00
Farms by Geography	224	0.89	23.21	52.23	23.66	0.00
Family Distribution by Income Level	32,088	19.18	17.35	21.84	41.63	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,720	3.35	28.98	51.75	15.91	0.00
Median Family Income		43,088	Median Housing Value		92,356	
HUD Adjusted Median Family Income for 2005		49,300	Unemployment Rate (2000 US Census)		2.23%	
Households Below Poverty Level		13%				

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

Source: 2000 US Census and 2005 HUD updated MFI

The assessment area is located in the Panama City – Lynn Haven Metropolitan Area (MSA # 37460), located in Bay County. TNB has designated 23 out of 29 CTs in Bay County as their AA. TNB does not have any banking offices in the other seven CTs. This designation is reasonable and does not arbitrarily exclude any areas, particularly low or moderate-income areas.

Based on the 2000 Census Bureau median family income of \$43,088, there is one census tract classified as low-income, eight as moderate-income, eight as middle-income and six are classified as upper-income. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

TNB provides a full range of loan and deposit products to the AA. TMB has three full service branches in the area. The bank supplements its branch network with two ATMs.

Competition for financial services within the bank's assessment area is intense and includes several branches of multi-national and regional banks, local community banks, credit unions and other nonbank financial service providers. The bank's deposits in the Panama City MSA as of June 30, 2005 totaled 130 million and ranks as the sixth largest commercial bank out of 16 banks in the area with a 5.10 percent of market share. Likewise, the market shares of 2.41 percent for HMDA loans and 7.69 percent for small business loan products ranks in the 12<sup>th</sup> percentile.

According to the 2000 Census, the population living in the Panama City AA is approximately 116 thousand and is projected to experience above average growth for the next four years due

to the low cost of living that attracts families and businesses to the area. The number of families in the Panama City AA was 32,088 in 2000. The percentage of families by income level is 19.18 percent low-income, 17.35 percent moderate-income, 21.84 percent middle-income and 41.63 percent upper-income. In aggregate, 13 percent of the population had income below the poverty level as reported in the 2005 updated Census.

Based on 2000 Census, the median housing value in the Panama City AA is \$92,356 and has more than doubled in 2006 where the median housing price averaged \$242,400, resulting in a higher demand for affordable housing as income growth is slowing due to the dominant retail and service industry and its corresponding lower paying jobs.

Panama City's economy is based on tourism as well as government and services industries. The largest employer in the AA is Tyndall Air Force Base which has provided a stable source of jobs and income for the area. Unemployment rates mirror the state's average of 3.7 percent as of June 2006. The outlook for the economy remains positive for 2007 and strengthened mainly due to the area's service-based industry resulting from an increase in tourism. In the long-term, low business costs and strong migration trends will help the area maintain above average growth. However, the major economic challenge in this area continues to be below average income levels contributed to a strong need for the population to attain a higher level of education as well as the area faces tough competition for tourists and migrants from other Florida locations.

Contact by the OCC with a local based non-profit organization identified affordable housing programs for low-and moderate-income families as a continued credit need in the assessment area.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. 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 share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. 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 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) 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 13. 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 households 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 MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

**Table 15. 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 MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Tables of Performance Data**

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**Memphis Multistate Metropolitan Area(s)**

**State of Mississippi**

**State of Texas**

**State of Florida**

**Table 1. Lending Volume**

LENDING VOLUME 2005		Geography: MEMPHIS MULTI-STATE						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,				
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Memphis MSA	100.00	1,233	182,687	792	94,295	31	3,765	7	8,995	2,063	289,742	100.00

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2005		Geography: MEMPHIS MULTI-STATE						Evaluation Period: JANUARY 1, 2004 TO							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units **	% BANK Loans	% Owner Occ Units **	% BANK Loans	% Owner Occ Units **	% BANK Loans	% Owner Occ Units **	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	585	100.00	5.83	0.85	20.25	6.15	31.34	25.98	42.58	67.01	0.72	0.46	0.42	0.66	0.80

\* Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2005.

\*\*\* Deposit Data as of July 13, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Home purchase loans originated and purchased in the MA/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 DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units**	% BANK Loans	% Owner Occ Units**	% BANK Loans	% Owner Occ Units**	% BANK Loans	% Owner Occ Units**	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	76	100.00	5.83	1.32	20.25	11.84	31.34	43.42	42.58	43.42	1.93	0.00	2.17	2.36	1.73

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE TO DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	567	100.00	5.83	0.88	20.25	8.47	31.34	31.75	42.58	58.91	1.10	0.28	0.50	1.09	1.36

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

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



**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	5	0.00	14.73	0.00	29.90	20.00	30.39	20.00	24.98	60.00	4.69	0.00	4.76	0.00	12.50

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	790	100.00	9.96	5.19	19.32	10.00	26.48	43.54	43.83	41.27	1.68	1.13	0.87	3.06	1.43

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\* Based on 2004 Peer Small Business Data -- (SE, SW)

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2005).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS 2004 TO DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	31	100.00	4.40	3.23	21.86	6.45	32.41	54.84	41.07	35.48	6.81	50.00	0.00	6.73	8.51

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans**	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overa ll	Lo w	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	585	100.00	22.03	8.51	16.22	16.13	19.62	22.16	42.13	53.19	0.85	1.09	0.68	0.68	1.00

\* Based on 2004 Peer Small Business Data -- (SE, SW)

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

\*\*\* Source Data - Dun and Bradstreet (2004).

\* Based on 2004 Peer Mortgage Data (SE)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total* *	% Families ***	% BANK Loans*** *	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	75	100.00	22.03	24.00	16.22	10.67	19.62	32.00	42.13	33.33	2.03	5.41	1.57	2.30	1.17

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE TO DECEMBER 31, 2005			Geography: MEMPHIS MULTI-STATE								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total* *	% Families ***	% BANK Loans** **	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans** **	Overa ll	Low	Mo d	Mid	Upp
<b>Full Review:</b>															
Memphis MSA	567	100.00	22.03	5.43	16.22	17.42	19.62	21.91	42.13	55.24	1.55	1.76	1.50	1.18	1.74

\* Based on 2004 Peer Mortgage Data (SE)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\* Based on 2004 Peer Mortgage Data (SE)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES 1, 2004 TO DECEMBER 31, 2005				Geography: MEMPHIS MULTI-STATE			Evaluation Period: JANUARY		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Memphis MSA	792	100.00	59.78	50.51	72.73	13.76	13.51	1.68	2.51

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS 2004 TO DECEMBER 31, 2005				Geography: MEMPHIS MULTI-STATE			Evaluation Period: JANUARY 1,		
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total*	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Memphis MSA	31	100.00	85.38	90.32	67.74	16.13	16.13	6.81	7.61

\* Based on 2004 Peer Small Business Data -- (SE, SW)

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2004).

\*\*\*\* 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 4.55% of small loans to businesses originated and purchased by the bank.

\* Based on 2004 Peer Small Business Data -- (SE, SW)

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2004).

\*\*\*\* 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 3.23% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS 2006		Geography: MEMPHIS MULTI-STATE				Evaluation Period: NOVEMBER 3, 1998 TO JULY 4, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Memphis MSA	0	0	38	4,543	38	4,543	5.81	0	0
Statewide/Regional	0	0	2	1,390	2	1,390	1.78		

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS NOVEMBER 3, 1998 TO JULY 4, 2006				Geography: MEMPHIS MULTI-STATE				Evaluation Period:									
MA/Assessment Area:	Deposits % of Rated Area Deposits in AA	Branches				Branch Openings/Closings				Population							
		# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Memphis MSA	100.00	14	100.00	0.00	6.67	40.00	53.33	11	0	0	+1	+3	+7	9.34	25.70	31.72	32.78

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

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

Table 1. Lending Volume

LENDING VOLUME DECEMBER 31, 2005		Geography: MISSISSIPPI						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Hattiesburg MSA	7.15	863	93,858	588	49,843	38	4,717	10	3,706	1,499	152,124	4.94
Jackson MSA	55.38	6,256	756,389	4,741	534,160	454	31,786	166	31,503	11,617	1,353,838	62.07
<b>Limited Review:</b>												
Central MS	6.31	610	47,485	644	54,946	60	3,793	10	8,840	1,324	115,064	7.93
East MS	7.15	812	81,475	643	56,312	40	2,366	6	1,968	1,501	142,121	6.17
North MS	5.54	698	56,520	430	32,229	34	2,959	1	2,250	1,163	93,958	4.09
Southeast MS	6.25	626	41,557	522	30,448	156	6,430	7	6,267	1,311	84,702	4.80
Southwest MS	12.22	993	67,335	1,279	88,812	277	16,983	14	2,406	2,563	175,536	10.00

\* Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2005.

\*\*\* Deposit Data as of August 31, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE 2004 TO DECEMBER 31, 2005			Geography: MISSISSIPPI								Evaluation Period: JANUARY 1,				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Hattiesburg MSA	481	9.57	3.42	0.21	13.33	8.11	49.31	31.60	33.94	60.08	6.67	0.00	6.37	4.98	8.13
Jackson MSA	3,032	60.31	3.86	0.76	22.94	6.86	37.76	33.84	35.43	58.54	9.93	4.26	5.18	9.42	11.92
<b>Limited Review:</b>															
Central MS	269	5.35	5.89	1.49	17.65	5.20	34.05	25.28	42.42	68.03	6.42	1.79	4.49	5.64	7.24
East MS	425	8.45	2.71	0.24	11.15	4.47	55.25	46.82	30.89	48.47	6.14	3.33	4.02	5.60	7.16
North MS	256	5.09	0.00	0.00	0.00	0.00	54.39	43.36	45.61	56.64	5.33	0.00	0.00	6.37	4.68
Southeast MS	230	4.58	0.00	0.00	5.31	5.22	76.93	65.65	17.76	29.13	9.51	0.00	7.81	9.03	11.30
Southwest MS	334	6.64	0.00	0.00	14.83	11.38	82.94	83.53	2.23	5.09	9.48	0.00	7.46	9.76	10.71

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 1, 2004 TO DECEMBER 31, 2005			Geography: MISSISSIPPI								Evaluation Period: JANUARY				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Hattiesburg MSA	55	3.88	3.42	7.27	13.33	20.00	49.31	40.00	33.94	32.73	5.91	11.11	12.20	5.66	3.39
Jackson MSA	693	48.91	3.86	6.49	22.94	27.71	37.76	43.72	35.43	22.08	25.21	46.81	26.77	27.75	17.41
<b>Limited Review:</b>															
Central MS	129	9.10	5.89	5.43	17.65	10.08	34.05	37.21	42.42	47.29	27.43	27.27	14.71	29.17	30.28
East MS	51	3.60	2.71	1.96	11.15	5.88	55.25	54.90	30.89	37.25	5.57	0.00	1.96	5.05	8.62
North MS	102	7.20	0.00	0.00	0.00	0.00	54.39	66.67	45.61	33.33	11.28	0.00	0.00	13.33	8.96
Southeast MS	152	10.73	0.00	0.00	5.31	5.26	76.93	73.03	17.76	21.71	21.24	0.00	7.69	23.17	19.40
Southwest MS	235	16.58	0.00	0.00	14.83	14.47	82.94	82.98	2.23	2.55	27.27	0.00	29.23	26.89	27.27

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

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



**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 2004 TO DECEMBER 31, 2005			Geography: MISSISSIPPI								Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Hattiesburg MSA	325	7.38	3.42	1.54	13.33	7.69	49.31	33.54	33.94	57.23	6.47	1.89	5.30	5.16	8.08
Jackson MSA	2,526	57.34	3.86	0.95	22.94	12.59	37.76	31.12	35.43	55.34	12.44	5.03	9.21	11.03	14.87
<b>Limited Review:</b>															
Central MS	211	4.79	5.89	2.84	17.65	4.27	34.05	26.07	42.42	66.82	7.32	7.55	2.56	5.03	9.48
East MS	336	7.63	2.71	1.49	11.15	4.76	55.25	49.70	30.89	44.05	7.07	13.33	2.65	6.77	8.49
North MS	340	7.72	0.00	0.00	0.00	0.00	54.39	52.35	45.61	47.65	6.75	0.00	0.00	8.51	5.49
Southeast MS	243	5.52	0.00	0.00	5.31	5.35	76.93	68.72	17.76	25.93	10.08	0.00	12.90	9.05	12.97
Southwest MS	424	9.63	0.00	0.00	14.83	10.14	82.94	89.15	2.23	0.71	11.90	0.00	10.98	12.27	2.38

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

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

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY TO DECEMBER 31, 2005			Geography: MISSISSIPPI								Evaluation Period: JANUARY 1, 2004				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans**** *	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Hattiesburg MSA	2	22.22	12.62	0.00	29.92	50.00	29.62	50.00	27.84	0.00	0.00	0.00	0.00	0.00	0.00
Jackson MSA	5	55.56	10.23	0.00	36.42	80.00	28.08	20.00	25.26	0.00	6.56	0.00	9.09	4.55	0.00
<b>Limited Review:</b>															
Central MS	1	11.11	15.16	100.00	23.26	0.00	18.56	0.00	43.02	0.00	11.11	50.0 0	0.00	0.00	0.00
East MS	0	0.00	8.21	0.00	18.07	0.00	35.70	0.00	38.01	0.00	0.00	0.00	0.00	0.00	0.00
North MS	0	0.00	0.00	0.00	0.00	0.00	32.41	0.00	67.59	0.00	0.00	0.00	0.00	0.00	0.00
Southeast MS	1	11.11	0.00	0.00	15.90	0.00	48.63	100.00	35.48	0.00	14.29	0.00	0.00	16.6 7	0.00
Southwest MS	0	0.00	0.00	0.00	32.91	0.00	50.67	0.00	16.42	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES JANUARY 1, 2004 TO DECEMBER 31, 2005												Geography: MISSISSIPPI					Evaluation Period:				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*										
	#	% of Total*	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
Hattiesburg MSA	588	6.65	7.33	5.44	14.52	12.24	42.31	37.07	35.84	45.24	7.83	9.50	10.11	7.49	8.12						
Jackson MSA	4,741	53.59	9.63	8.31	28.05	20.27	31.12	27.74	31.20	43.68	15.68	19.79	17.71	15.46	15.59						
<b>Limited Review:</b>																					
Central MS	644	7.28	12.89	10.09	23.15	24.38	29.39	26.24	34.57	39.29	8.79	10.56	10.63	7.99	8.65						
East MS	643	7.27	9.05	16.95	16.26	17.73	48.32	36.86	26.37	28.46	4.46	9.32	5.63	3.38	4.85						
North MS	430	4.86	0.00	0.00	0.00	0.00	56.19	65.35	43.81	34.65	4.31	0.00	0.00	5.79	3.01						
Southeast MS	522	5.90	0.00	0.00	12.40	15.13	71.22	53.64	16.38	31.23	11.96	0.00	12.84	9.96	21.57						
Southwest MS	1,279	14.46	0.00	0.00	15.09	9.85	82.16	87.88	2.75	2.27	19.43	0.00	19.83	20.71	10.17						

\* Based on 2004 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2006).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS JANUARY 1, 2004 TO DECEMBER 31, 2005			Geography: MISSISSIPPI								Evaluation Period:				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Hattiesburg MSA	38	3.59	1.99	0.00	6.97	2.63	57.71	65.79	33.33	31.58	16.54	0.00	20.00	15.79	19.35
Jackson MSA	454	42.87	3.35	0.88	21.54	38.77	43.07	46.26	32.03	14.10	35.05	66.67	44.64	32.29	25.58
<b>Limited Review:</b>															
Central MS	60	5.67	6.29	0.00	16.61	10.00	53.87	68.33	23.23	21.67	12.68	0.00	9.52	14.65	11.69
East MS	40	3.78	4.23	0.00	8.99	15.00	60.05	60.00	26.72	25.00	3.97	0.00	6.67	2.91	6.67
North MS	34	3.21	0.00	0.00	0.00	0.00	64.49	76.47	35.51	23.53	9.38	0.00	0.00	10.22	7.55
Southeast MS	156	14.73	0.00	0.00	6.02	0.00	76.51	85.26	17.47	14.74	23.97	0.00	0.00	24.65	22.22
Southwest MS	277	26.16	0.00	0.00	12.20	3.61	86.45	96.03	1.36	0.36	28.05	0.00	25.00	28.27	20.00

\* Based on 2004 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2006).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE TO DECEMBER 31, 2005		Geography: MISSISSIPPI										Evaluation Period: JANUARY 1, 2004				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*Market Share*					
	#	% of Total*	% Families***	% BANK Loans**	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Hattiesburg MSA	481	9.57	23.13	4.60	15.77	12.69	20.95	25.38	40.15	57.33	7.93	7.33	6.56	8.44	8.19	
Jackson MSA	3,032	60.31	23.29	4.42	16.35	18.93	19.29	25.01	41.07	51.64	12.16	14.27	10.41	10.35	13.74	
<b>Limited Review:</b>																
Central MS	269	5.35	26.64	2.62	15.16	12.73	16.68	22.10	41.52	62.55	8.25	10.17	5.56	7.35	9.36	
East MS	425	8.45	22.56	1.47	13.71	10.29	17.36	21.08	46.36	67.16	7.94	7.61	5.63	7.52	8.65	
North MS	256	5.09	16.15	4.38	14.07	15.54	19.77	19.52	50.01	60.56	6.79	12.70	9.09	5.74	6.30	
Southeast MS	230	4.58	19.38	3.07	17.79	17.98	21.33	23.25	41.50	55.70	13.16	5.36	12.12	10.50	15.90	
Southwest MS	334	6.64	25.83	3.69	17.93	13.54	19.17	19.69	37.07	63.08	15.15	18.18	11.87	13.24	16.85	

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 3.9% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT JANUARY 1, 2004 TO DECEMBER 31, 2005		Geography: MISSISSIPPI										Evaluation Period:				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Hattiesburg MSA	55	3.88	23.13	10.91	15.77	27.27	20.95	12.73	40.15	49.09	6.07	5.56	8.97	3.03	6.08	
Jackson MSA	693	48.91	23.29	24.54	16.35	21.01	19.29	22.55	41.07	31.90	25.04	40.91	22.41	25.34	19.17	
<b>Limited Review:</b>																
Central MS	129	9.10	26.64	14.63	15.16	18.70	16.68	29.27	41.52	37.40	27.15	28.00	27.27	26.98	26.97	
East MS	51	3.60	22.56	8.51	13.71	25.53	17.36	17.02	46.36	48.94	5.82	4.26	7.69	4.23	6.15	
North MS	102	7.20	16.15	9.09	14.07	14.14	19.77	38.38	50.01	38.38	12.11	22.73	12.50	19.32	8.50	
Southeast MS	152	10.73	19.38	19.46	17.79	16.78	21.33	22.82	41.50	40.94	21.78	31.58	17.24	24.39	19.59	
Southwest MS	235	16.58	25.83	11.61	17.93	16.96	19.17	25.89	37.07	45.54	26.77	24.49	34.78	31.52	21.64	

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 4.8% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 2004 TO DECEMBER 31, 2005		Geography: MISSISSIPPI										Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total*	% Families**	% BANK Loans**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Hattiesburg MSA	325	7.38	23.13	3.90	15.77	13.31	20.95	24.68	40.15	58.12	7.48	13.53	6.08	8.70	6.86	
Jackson MSA	2,526	57.34	23.29	4.73	16.35	13.97	19.29	22.61	41.07	58.69	15.76	25.37	14.23	14.19	15.73	
<b>Limited Review:</b>																
Central MS	211	4.79	26.64	4.93	15.16	12.32	16.68	15.76	41.52	67.00	8.88	13.89	7.81	5.99	9.64	
East MS	336	7.63	22.56	2.19	13.71	10.03	17.36	21.63	46.36	66.14	8.27	14.13	7.69	9.39	7.69	
North MS	340	7.72	16.15	3.80	14.07	11.71	19.77	24.68	50.01	59.81	7.64	19.15	8.76	8.53	6.65	
Southeast MS	243	5.52	19.38	2.18	17.79	10.92	21.33	18.78	41.50	68.12	11.12	15.00	6.37	7.94	13.61	
Southwest MS	424	9.63	25.83	4.20	17.93	6.67	19.17	20.49	37.07	68.64	13.55	21.11	5.58	12.40	15.18	

\* Based on 2004 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 6.3% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES JANUARY 1, 2004 TO DECEMBER 31, 2005					Geography: MISSISSIPPI			Evaluation Period:	
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Hattiesburg MSA	588	6.65	42.30	62.07	81.80	10.37	7.82	7.83	10.08
Jackson MSA	4,741	53.59	48.86	61.15	75.13	12.23	12.63	15.68	18.37
<b>Limited Review:</b>									
Central MS	644	7.28	43.35	69.88	81.06	9.63	9.32	8.79	10.73
East MS	643	7.27	39.06	64.07	82.43	9.33	8.24	4.46	4.46
North MS	430	4.86	38.72	70.00	83.72	10.23	6.05	4.31	5.26
Southeast MS	522	5.90	35.58	71.84	86.78	9.00	4.21	11.96	14.09
Southwest MS	1,279	14.46	35.21	70.45	85.46	9.30	5.24	19.43	26.31

\* Based on 2004 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2006).

\*\*\*\* 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 7.77% of small loans to businesses originated and purchased by the bank.



Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS 1, 2004 TO DECEMBER 31, 2005		Geography: MISSISSIPPI					Evaluation Period: JANUARY			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*		
	#	% of Total*	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less	
<b>Full Review:</b>										
Hattiesburg MSA	38	3.59	89.05	86.84	60.53	21.05	18.42	16.54	18.26	
Jackson MSA	454	42.87	92.97	81.94	81.72	11.67	6.61	35.05	32.30	
<b>Limited Review:</b>										
Central MS	60	5.67	86.61	86.67	83.33	13.33	3.33	12.68	14.72	
East MS	40	3.78	92.59	90.00	87.50	5.00	7.50	3.97	4.09	
North MS	34	3.21	95.10	82.35	70.59	20.59	8.82	9.38	7.61	
Southeast MS	156	14.73	95.18	91.03	91.03	7.69	1.28	23.97	23.26	
Southwest MS	277	26.16	93.22	88.45	85.56	8.66	5.78	28.05	27.87	

\* Based on 2004 Peer Small Business Data -- US and PR

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2006).

\*\*\*\* 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 4.34% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS TO JULY 4, 2006		Geography: MISSISSIPPI				Evaluation Period: NOVEMBER 3, 1998			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Hattiesburg MSA	0	0	21	81	21	81	0.10	0	0
Statewide/Regional attributed to Hattiesburg MSA	0	0	3	26,193	3	26,193	33.5	0	0
Jackson MSA	0	0	458	6,966	458	6,966	8.91	0	0
Statewide/Regional attributed to Jackson MSA	2	1,378	24	20,899	26	22,277	28.49	0	0
<b>Limited Review:</b>									
Central MS	0	0	90	3,283	90	3,283	4.20	0	0
East MS	0	0	74	431	75	431	0.55	0	0
North MS	0	0	3	93	35	93	0.12	0	0
Southeast MS	0	0	92	110	92	110	0.14	0	0
Southwest MS	0	0	56	2,690	56	2,690	3.44	0	0

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

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

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS NOVEMBER 3, 1998 TO JULY 4, 2006								Geography: MISSISSIPPI				Evaluation Period:					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Hattiesburg MSA	4.94	7	7.22	14.30	42.90	14.20	28.60	0	0	0	0	0	0	6.00	18.68	44.41	30.91
Jackson MSA	62.07	41	42.27	9.76	21.95	34.15	34.14	7	0	0	+2	+3	+2	6.99	27.33	35.39	30.29
<b>Limited Review:</b>																	
Central MS	7.93	11	11.34	18.18	27.27	18.18	36.37	0	0	0	0	0	0	10.17	24.86	31.36	33.61
East MS	6.17	10	10.30	20.00	30.00	10.00	40.00	0	0	0	0	0	0	4.22	14.33	50.94	30.51
North MS	4.09	8	8.25	0.00	0.00	62.50	37.50	0	0	0	0	0	0	0.00	0.00	53.26	46.74
Southeast MS	4.80	9	9.28	0.00	33.33	55.56	11.11	0	0	0	0	0	0	0.00	7.65	75.49	16.86
Southwest MS	10.00	11	11.33	0.00	9.09	90.91	0.00	0	0	0	0	0	0	0.00	17.37	80.27	2.36

**Table 1. Lending Volume**

LENDING VOLUME DECEMBER 31, 2005		Geography: TEXAS						Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Houston MSA	100.00	102	14,989	237	47,838	1	36	1	10,600	341	73,463	100.00

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE 31, 2005			Geography: TEXAS						Evaluation Period: JANUARY 1, 2004 TO DECEMBER						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	67	100.00	3.83	1.49	25.98	23.88	30.71	23.88	39.49	50.75	0.01	0.04	0.01	0.01	0.01

\* Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2005.

\*\*\* Deposit Data as of July 13, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

\* Based on 2004 Peer Mortgage Data (SW)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

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

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT DECEMBER 31, 2005			Geography: TEXAS								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	8	100.00	3.83	0.00	25.98	37.50	30.71	37.50	39.49	25.00	0.01	0.00	0.00	0.00	0.03

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2005			Geography: TEXAS								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	27	100.00	3.83	3.70	25.98	7.41	30.71	48.15	39.49	40.74	0.02	0.00	0.00	0.02	0.02

\* Based on 2004 Peer Mortgage Data (SW)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

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

\* Based on 2004 Peer Mortgage Data (SW)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

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



**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY DECEMBER 31, 2005			Geography: TEXAS								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	0	0.00	10.23	0.00	36.33	0.00	31.19	0.00	22.26	0.00	0.00	0.00	0.00	0.00	0.00

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2005			Geography: TEXAS								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business es***	% BANK Loans	% of Business es ***	% BANK Loans	% of Business es ***	% BANK Loans	% of Business es***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	237	100.00	5.89	2.95	28.17	16.03	26.00	16.88	39.63	64.14	0.13	0.10	0.08	0.10	0.20

\* Based on 2004 Peer Mortgage Data (SW)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\* Based on 2004 Peer Small Business Data -- (SE, SW)

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2004).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2005			Geography: TEXAS								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	1	100.00	3.23	0.00	22.99	0.00	34.91	0.00	38.79	100.00	0.19	0.00	0.00	0.00	0.60

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2005			Geography: TEXAS								Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans**	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Houston MSA	60	100.00	24.09	15.00	17.83	36.67	18.73	8.33	39.35	40.00	0.02	0.04	0.05	0.00	0.01

\* Based on 2004 Peer Small Business Data -- (SE, SW)

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

\*\*\* Source Data - Dun and Bradstreet (2004).

\* Based on 2004 Peer Mortgage Data (SW)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.



**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2005		Geography: TEXAS										Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total*	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Houston MSA	7	100.00	24.09	0.00	17.83	57.14	18.73	14.29	39.35	28.57	0.01	0.00	0.00	0.00	0.03	

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2005		Geography: TEXAS										Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total*	% Families**	% BANK Loans**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Houston MSA	25	100.00	24.09	4.00	17.83	28.00	18.73	20.00	39.35	48.00	0.02	0.05	0.01	0.01	0.02	

\* Based on 2004 Peer Mortgage Data (SW)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\* Based on 2004 Peer Mortgage Data (SW)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2005			Geography: TEXAS			Evaluation Period: JANUARY 1, 2004 TO			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Houston MSA	237	100.00	62.46	52.32	54.01	23.21	22.78	0.13	0.21

**Table12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2005			Geography: TEXAS			Evaluation Period: JANUARY 1, 2004 TO			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total*	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									

\* Based on 2004 Peer Small Business Data -- (SE, SW)

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2004).

\*\*\*\* 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 9.28% of small loans to businesses originated and purchased by the bank.

\* Based on 2004 Peer Small Business Data -- (SE, SW)

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2004).

\*\*\*\* 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 0.00% of small loans to farms originated and purchased by the bank.

Houston MSA	1	100.0 0	83.67	100.00	100.00	0.00	0.00	0.19	0.23
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**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS 1998 TO JULY 4, 2006		Geography: TEXAS				Evaluation Period: NOVEMBER 3, 1998 TO JULY 4, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Houston MSA	0	0	23	10,059	23	10,059	12.9	0	0

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS 1998 TO JULY 4, 2006				Geography: TEXAS				Evaluation Period: NOVEMBER 3, 1998 TO JULY 4, 2006										
MA/Assessment Area:	Deposit s	Branches				Branch Openings/Closings				Population								
		% of Rated Area Deposit s in AA	# of BANK Branch es	% of Rated Area Branch es in AA	Location of Branches by Income of Geographies (%)				# of Branch Opening s	# of Branch Closin gs	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
					Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																		
Houston MSA	100.00	5	100.00	0.00	20.00	20.00	60.00	5	0	0	+1	+15	+3	7.93	34.06	29.35	28.52	

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

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

**Table 1. Lending Volume**

LENDING VOLUME 31, 2005		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
Panama City MSA	62.08	614	143,326	242	40,658	1	194	1	500	858	184,678	44.05
<b>Limited Review:</b>												
Fort Walton MSA	19.39	103	26,701	161	35,360	0	0	4	774	268	62,835	26.32
Walton County	18.53	153	57,920	102	19,909	1	100	0	0	256	77,929	29.63

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE 2005			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	442	74.92	1.30	0.23	16.64	3.85	52.61	85.75	29.44	10.18	3.11	0.00	1.34	3.64	1.77
<b>Limited Review:</b>															
Fort Walton MSA	59	10.00	0.00	0.00	1.32	3.39	70.74	61.02	27.94	35.59	0.53	0.00	1.55	0.54	0.43
Walton County	89	15.08	0.00	0.00	0.00	0.00	73.31	7.87	26.69	92.13	0.99	0.00	0.00	0.28	1.12

\* Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2005.

\*\*\* Deposit Data as of July 13, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

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

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT 31, 2005			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	2	40.00	1.30	0.00	16.64	0.00	52.61	100.00	29.44	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Fort Walton MSA	0	0.00	0.00	0.00	1.32	0.00	70.74	0.00	27.94	0.00	0.00	0.00	0.00	0.00	0.00
Walton County	3	60.00	0.00	0.00	0.00	0.00	73.31	0.00	26.69	100.00	2.13	0.00	0.00	0.00	5.66

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2005			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	170	61.82	1.30	0.00	16.64	5.88	52.61	76.47	29.44	17.65	1.91	0.00	1.60	2.26	1.08

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

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

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

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

<b>Limited Review:</b>															
Fort Walton MSA	44	16.00	0.00	0.00	1.32	2.27	70.74	43.18	27.94	54.55	0.55	0.00	0.00	0.36	0.97
Walton County	61	22.18	0.00	0.00	0.00	0.00	73.31	11.48	26.69	88.52	1.36	0.00	0.00	0.57	1.61

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY 2005			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005								
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overal l	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	0	0.00	0.72	0.00	15.46	0.00	75.42	0.00	8.40	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Fort Walton MSA	0	0.00	0.00	0.00	3.92	0.00	82.90	0.00	13.18	0.00	0.00	0.00	0.00	0.00	0.00
Walton County	0	0.00	0.00	0.00	0.00	0.00	3.87	0.00	96.13	0.00	0.00	0.00	0.00	0.00	0.00

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2005			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005								
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	Overal l	Low	Mod	Mid	Upp
<b>Full Review:</b>															

\* Based on 2004 Peer Mortgage Data (SE)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\* Based on 2004 Peer Small Business Data -- (SE, SW)

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2004).

Panama City MSA	242	47.92	0.96	0.41	28.45	12.81	48.70	69.01	21.89	17.77	2.09	2.50	1.09	2.98	1.52
<b>Limited Review:</b>															
Fort Walton MSA	161	31.88	0.00	0.00	6.32	3.73	68.74	29.81	24.94	66.46	1.20	0.00	0.36	0.60	3.47
Walton County	102	20.20	0.00	0.00	0.00	0.00	41.70	1.96	58.30	98.04	2.31	0.00	0.00	0.16	3.47



**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	1	50.00	0.51	0.00	24.24	0.00	52.02	100.00	23.23	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Fort Walton MSA	0	0.00	0.00	0.00	1.53	0.00	79.77	0.00	18.70	0.00	0.00	0.00	0.00	0.00	0.00
Walton County	1	50.00	0.00	0.00	0.00	0.00	63.64	100.00	36.36	0.00	0.00	0.00	0.00	0.00	0.00

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE			Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans**	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	418	76.56	19.18	2.39	17.35	8.13	21.84	11.24	41.63	78.23	3.58	7.49	3.39	1.50	3.92
<b>Limited Review:</b>															
Fort Walton MSA	50	9.16	15.15	2.00	19.09	8.00	24.17	12.00	41.59	78.00	0.61	1.82	0.55	0.56	0.58
Walton County	78	14.29	19.70	2.56	18.71	3.85	21.10	7.69	40.50	85.90	1.14	5.71	1.44	1.05	1.09

\* Based on 2004 Peer Small Business Data -- (SE, SW)

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

\*\*\* Source Data - Dun and Bradstreet (2004).

\* Based on 2004 Peer Mortgage Data (SE)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2005		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans***	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	2	50.00	19.18	0.00	17.35	50.00	21.84	0.00	41.63	50.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Fort Walton MSA	0	0.00	15.15	0.00	19.09	0.00	24.17	0.00	41.59	0.00	0.00	0.00	0.00	0.00	0.00
Walton County	2	50.00	19.70	0.00	18.71	0.00	21.10	0.00	40.50	100.00	1.54	0.00	0.00	0.00	3.39

\* Based on 2004 Peer Mortgage Data (SE)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2005		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families**	% BANK Loans**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Panama City MSA	156	63.41	19.18	3.85	17.35	12.82	21.84	17.95	41.63	65.38	2.35	4.11	1.81	2.04	2.44
<b>Limited Review:</b>															
Fort Walton MSA	34	13.82	15.15	5.88	19.09	11.76	24.17	11.76	41.59	70.59	0.67	1.68	0.32	0.35	0.79
Walton County	56	22.76	19.70	0.00	18.71	0.00	21.10	17.86	40.50	82.14	1.66	2.38	0.00	2.06	1.72

\* Based on 2004 Peer Mortgage Data (SE)

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

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2005		Geography: FLORIDA			Evaluation Period: JANUARY 1, 2004 TO				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Panama City MSA	242	47.92	62.80	65.29	54.13	24.79	21.07	2.09	3.60
<b>Limited Review:</b>									
Fort Walton MSA	161	31.88	65.11	58.39	52.17	19.88	27.95	1.20	1.90
Walton County	102	20.20	67.75	67.65	52.94	23.53	23.53	2.31	3.72

\* Based on 2004 Peer Small Business Data -- (SE, SW)

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2004).

\*\*\*\* 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 15.64% of small loans to businesses originated and purchased by the bank.

**Table12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS 31, 2005		Geography: FLORIDA			Evaluation Period: JANUARY 1, 2004 TO DECEMBER				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total*	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Panama City MSA	1	50.00	91.92	0.00	0.00	100.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Fort Walton MSA	0	0.00	90.08	0.00	0.00	0.00	0.00	0.00	0.00
Walton County	1	50.00	84.09	100.00	100.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Small Business Data -- (SE, SW)

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2004).

\*\*\*\* 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 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: FLORIDA				Evaluation Period: NOVEMBER 3, 1998 TO JULY 4, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Panama City MSA	0	0	41	36	41	36	0.05	0	0
<b>Limited Review:</b>									
Fort Walton MSA	0	0	6	9	6	9	0.01	0	0
Walton County	0	0	9	13	9	13	0.02	0	0
Statewide/Regional	0	0	1	8	1	8	0.01	0	0

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: FLORIDA				Evaluation Period:					
NOVEMBER 3, 1998 TO JULY 4, 2006																	
MA/Assessment Area:	Deposits % of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Branches				# of Branch Openings	# of Branch Closings	Branch Openings/Closings				Population			
				Location of Branches by Income of Geographies (%)						Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Panama City MSA	44.05	3	42.86	0.00	0.00	66.67	33.33	3	0	0	0	+2	+1	1.44	21.65	51.01	25.89
<b>Limited Review:</b>																	
Fort Walton MSA	26.32	1	14.29	0.00	0.00	0.00	100.00	1	0	0	0	0	+1	0.00	8.25	69.15	22.61

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

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

Walton County	29.63	3	42.85	0.0 0	0.00	0.00	100.0 0	3	0	0	0	0	+3	0.00	0.00	76.02	23.98
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