



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

Public Disclosure

December 2, 2002

Community Reinvestment Act

## Performance Evaluation

CNB National Bank  
Charter Number: 20496

9715 Gate Parkway North  
Jacksonville, Florida 32246

Office of the Comptroller of the Currency

North Florida Field Office  
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**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.

## Table of Contents

<b>OVERALL CRA RATING .....</b>	<b>2</b>
<b>DEFINITIONS AND COMMON ABBREVIATIONS .....</b>	<b>3</b>
<b>DESCRIPTION OF INSTITUTION .....</b>	<b>6</b>
<b>SCOPE OF THE EVALUATION .....</b>	<b>6</b>
<b>FAIR LENDING REVIEW .....</b>	<b>8</b>
<b>CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS .....</b>	<b>9</b>
LENDING TEST .....	9
INVESTMENT TEST .....	13
SERVICE TEST .....	13
<b>APPENDIX A: SCOPE OF EXAMINATION .....</b>	<b>A-1</b>
<b>APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS .....</b>	<b>B-1</b>
<b>APPENDIX C: TABLES OF PERFORMANCE DATA .....</b>	<b>C-1</b>

## Overall CRA Rating

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

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

Performance Levels	CNB National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve		X	
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:

- Overall, lending levels reflect good responsiveness to meeting the credit needs of the bank's assessment areas.
- An adequate percentage of the bank's loan originations are within the assessment areas.
- The geographic distribution of loans is excellent.
- The distribution of loans by income level of the borrower is good.
- Given the available community development (CD) opportunities and dollar amount of investments in the AA, CNB's performance is poor.
- CNB's retail delivery systems are accessible to geographies and individuals of different income levels.
- The bank's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in moderate-income geographies and to low- and moderate-income individuals.
- CNB provides an adequate 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.

**Block Numbering Area (BNA):** A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

**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 (CD):** 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 or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of the applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

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

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percentage 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 percentage of the area median income, or a median family income that is less than 50 percentage, 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 primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

**Moderate-Income:** Individual income that is at least 50 percentage and less than 80 percentage of the area median income, or a median family income that is at least 50 percentage and less than 80 percentage, 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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 percentage of the area median income, or a median family income that is more than 120 percentage, in the case of a geography.

## Description of Institution

As of September 30, 2002, CNB National Bank (CNB), headquartered in Jacksonville, Florida, had total assets of \$686 million. Loans totaled \$568 million and deposits totaled \$614 million. The bank is 100% owned by CNB Florida Bancshares, Inc., a one-bank holding company with no other subsidiaries. CNB (the bank) also has no subsidiaries or other affiliated companies. At year-end 2002, the bank operated out of 15 offices located in eight counties in North Florida. The vast majority of the bank's branches, loans and deposits are in the five adjacent non-MSA counties of Baker, Bradford, Columbia, Suwannee, and Union. The remainder of the bank's business is conducted in the Gainesville MSA and Jacksonville MSA. There were no mergers or acquisitions during this evaluation period. CNB is an intrastate bank.

Federal Deposit Insurance Corporation (FDIC) data as of June 30, 2001 disclosed that, of FDIC insured financial institutions, CNB had the following deposit market shares in the assessment areas in which it operated: Baker County (40%), Bradford County (27%), Columbia County (34%), Suwannee County (29%), Union (94%). For the five-county non-MSA counties combined, CNB ranked number one with a deposit market share of 35%. This was almost three times the 13% deposit market share of the next largest bank. Deposit market shares in the Gainesville MSA and Jacksonville MSA were, respectively, 1% and .5%.

CNB offers a full range of banking products and services, with an emphasis on loans to businesses. At September 30, 2002, the distribution of CNB's loan portfolio was as follows: commercial and industrial (63%); secured by 1-4 family residential properties (27%); consumer loans (6%); farm loans (1%); other loans (3%). The loan-to-deposit ratio was 93%. Tier 1 capital was \$51 million, or 7.58% of total assets.

There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs of its assessment areas. CNB's CRA performance was rated "Satisfactory" in the last public evaluation dated August 30, 1999.

## 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 their residential mortgage loans subject to filing under HMDA, small loans to businesses and small loans to farms.

With the exception of community development (CD) loans, the evaluation period for the Lending Test is January 1, 1999 through December 31, 2001. For CD loans, the Investment Test and the Services Test, the evaluation period is September 1, 1999 through December 2, 2002.

## **Data Integrity**

This evaluation is based on accurate data. As part of this CRA evaluation, we relied upon management's internal review. Sampling of HMDA or CRA data for 1999, 2000, and 2001 was performed in January 2002 and found to be accurate. CD loans, investments and services submitted by CNB management were verified to ensure that they met the regulatory definition for community development. Some items submitted by CNB for consideration were excluded from this evaluation because they did not meet the definition or purpose of community development.

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

The bank has three assessment areas (AA). The first AA includes the adjacent counties of Baker, Bradford, Columbia, Suwannee, and Union. The bank obtains 69% of its deposits from these five non-MSA counties. A second AA is the Jacksonville MSA, where the bank obtains 16% of its deposits. A third AA is the Gainesville MSA, where the bank obtains 15% of its deposits. The delineation of the AAs did not reflect any illegal discrimination and did not arbitrarily exclude low- or moderate-income geographies.

The five adjacent, non-MSA, combined counties of Baker, Bradford, Columbia, Suwannee, and Union received a full-scope review and ratings are based on results of this analysis. A limited scope review was performed for the Jacksonville and Gainesville MSAs. Refer to Appendix A for more information regarding the AAs receiving full-scope and limited-scope reviews.

## **Ratings**

The bank's overall rating is based primarily on the area receiving the full scope review. Home mortgage and small business loans are comparable in terms of number and dollar volume. However, because of the bank's strategic focus on business lending, loans to small businesses are more heavily weighted than home mortgage loans. Small farm lending was analyzed but its impact on overall lending performance was minor relative to HMDA and small business lending.

## **Other**

In the full scope assessment area consisting of the combined five non-MSA counties of Baker, Bradford, Columbia, Suwannee and Union, there are opportunities to make community development loans and investments. We identified twelve (12) community-based



organizations or programs that provide small business financing, affordable housing or CD services in the full scope assessment area.

We identified five CD organizations in Columbia County. The North Central Florida Area Wide Development Corporation is a certified development company that provides funding for small businesses under the SBA 504 program. Columbia County Housing and Development Corporation and Habitat for Humanity provide affordable housing for low- and moderate-income people. The Workforce Board and Catholic Charities provide social services, such as free meals and clothing, to low-income people.

We identified five CD organizations in Suwannee County. The Happy House, Love INC, and Three Rivers Legal Service provide free legal services for low-income people. The Northwest Regional Housing Authority offers affordable housing for low- and moderate-income people. And, the Suwannee River Economic Council provides affordable housing to low- and moderate-income people.

We identified one CD organization in Baker County. The Baker County Housing Program provides affordable housing for low- and moderate-income people.

We identified one CD program in Union County. The Bay County 2002B Single Family Mortgage Bond Program is available in Union, Suwannee, and Columbia Counties. Proceeds from the \$2 million bond program were used to finance homes for first time low- and moderate-income homebuyers at below market interest rates.

We made one community contact in the full scope AA (Columbia County) during this examination. The type of organization contacted during this examination was a non-profit organization that provided services to low-income people. The community contact identified the following credit needs: affordable housing (1-4 family residential and rehabilitation) for low- and moderate-income people and small business loans (start-up financing).

### **Fair Lending Review**

An analysis of the most recent public comments, consumer complaint information and HMDA and small business lending was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed in August 1999.

## Conclusions with Respect to Performance Tests

### LENDING TEST

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

The bank's performance under the lending test is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the full-scope assessment area (AA) is good.

#### Lending Activity

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

The bank's lending activity reflects good responsiveness to the credit needs of its full-scope AA. Based on 2001 aggregate HMDA data, CNB ranked number one among all reporting HMDA lenders in overall volume of HMDA lending with a market share of 18%. The commercial bank with the second largest market share, at 8%, is an office of one of the largest multi-national banks in the country. In terms of HMDA products, CNB ranked number one among all HMDA reporters in all categories. Home purchase, home improvement, and home refinance loans had market shares of 17%, 46%, and 15%, respectively. Other large regional and multi-national banks compete in CNB's full-scope AA. The bank's 35% HMDA market share also ranked number one in the full-scope AA.

Based on 2001 aggregate data for small business and small farms, CNB ranked number one among commercial banks in small business lending. The bank also ranked number one among commercial banks in small farm lending with market shares of 16% and 41%, respectively. Within its market, CNB competes against offices of large regional banks that have considerably more resources.

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

Overall, the geographic distribution of loans throughout the full-scope AA is excellent. The geographic distribution of HMDA loans is good. The geographic distribution of small loans to businesses is excellent. The geographic distribution of small loans to farms is good.

#### *Home Mortgage Loans*

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

Overall, the geographic distribution of HMDA loans is good. There are no low-income geographies in the full-scope AA.

The geographic distribution of home purchase loans is good. The percentage of home purchase loans in moderate-income geographies is somewhat lower than demographics. The

bank's market share of home purchase loans in moderate-income geographies exceeds their overall market share.

The geographic distribution of home improvement loans is adequate. The percentage of home improvement loans in moderate-income geographies is somewhat lower than demographics. The bank's market share of home improvement loans in moderate-income geographies is near to their overall market share.

The geographic distribution of refinanced loans is good. The percentage of refinanced loans in moderate-income geographies is somewhat lower than demographics. The bank's market share of refinanced mortgage loans in moderate-income geographies exceeds their overall market share.

The bank originated a relatively small number of multifamily loans in the full-scope AA. Consequently, a geographical analysis of multifamily loans is not meaningful.

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

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination or purchase of small loans to businesses.

The small loan to businesses geographic distribution in the full-scope AA is excellent. The percentage of small loans to businesses in moderate-income geographies exceeds demographics. The bank's market share of small loans to businesses in moderate-income geographies exceeds their overall market share.

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

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination or purchase of small loans to farms.

The small loans to farms geographic distribution in the full-scope AA is good. The percentage of small loans to farms in moderate-income geographies is somewhat lower than demographics. The bank's market share of small loans to farms in moderate-income geographies exceeds their overall market share.

## **Lending Gap Analysis**

We evaluated the lending distribution in the full-scope AA to determine if any unexplained conspicuous gaps existed. We reviewed lending reports detailing the volume of HMDA and small loans to businesses in moderate-income geographies. No unexplained conspicuous gaps were identified. This performance had a positive effect on the bank's overall geographic distribution analysis.

### ***Inside/Outside Ratio***

An adequate percentage of the bank's loan originations are within its three defined assessment areas. Overall, 78% of CNB's loan originations are within their AAs. By loan product, 89% of HMDA loans, 60% of small loans to businesses, and 78% of small loans to

farms were inside the AAs. This analysis was performed on the entire bank rather than by AA. This performance had a positive effect on the bank's overall geographic distribution analysis.

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

The overall distribution of loans by income level of the borrower throughout the full-scope AA is good. The distribution of HMDA loans is good. The distribution of small loans to businesses is excellent. The distribution of small loans to farms is excellent.

### ***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 and purchases.

Overall, the distribution of HMDA loans by borrower income level is good.

The distribution of home purchase loans is adequate. The bank's percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families that live in the full-scope AA. The bank's percentage of home purchase loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families that live in the full-scope AA. The bank's market share to low-income borrowers is somewhat lower than their overall market share. The bank's market share to moderate-income borrowers is somewhat lower than their overall market share.

The distribution of home improvement loans is excellent. The bank's percentage of home improvement loans to low-income borrowers is near to the percentage of low-income families that live in the full-scope AA. The bank's percentage of home improvement loans to moderate-income borrowers exceeds the percentage of moderate-income families that live in the full-scope AA. The bank's market share to low-income borrowers exceeds their overall market share. The bank's market share to moderate-income borrowers exceeds their overall market share.

The distribution of refinanced loans is good. The bank's percentage of refinanced loans to low-income borrowers is somewhat lower than the percentage of low-income families that live in the full-scope AA. The bank's percentage of refinanced loans to moderate-income borrowers exceeds the percentage of moderate-income families that live in the full-scope AA. The bank's market share to low-income borrowers is equal to their overall market share. The bank's market share to moderate-income borrowers is somewhat lower than their overall market share.

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

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

The distribution of small loans to businesses throughout the full-scope AA is excellent. The bank's percentage of small loans to small businesses (businesses with annual revenues \$1 million or less) exceeds the percentage of small businesses in the full-scope AA. The bank's market share of small loans to small businesses exceeds their overall market share of small loans to all businesses. A substantial majority of the bank's loans to small businesses is for amounts of \$100 thousand or less.

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

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination or purchase of small loans to businesses.

The distribution of small loans to farms throughout the full-scope AA is excellent. The bank's percentage of small loans to small farms is equal to the percentage of small farms in the full-scope AA. The bank's market share of small loans to small farms exceeds their overall market share of small loans to all farms. A substantial majority of the bank's loans to small farms is for amounts of \$100 thousand or less.

### **Community Development Lending**

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's level of community development lending. 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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

CNB made one \$50,000 CD loan in the full-scope AA during this evaluation period. The loan was to a CD organization that provides social services to low- and moderate-income people. CD lending had a neutral impact in evaluating the bank's performance under the Lending Test.

### **Product Innovation and Flexibility**

The bank participates in the flexible lending program described below. There were no innovative lending programs.

- State Housing Initiatives Partnership (SHIP) Program - 32 loans - \$2,067,000

This is a State of Florida program that allocates affordable housing funds to counties. SHIP funds can be utilized for a number of purposes including new construction, down payment assistance, rehabilitation, land acquisition, impact fee loans, closing cost loans, and funding for community based organizations that provide housing. Thirty two (32) loans made during this evaluation period totaled \$2 million.

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

Based on the limited-scope reviews, the bank's performance under the Lending Test in the Jacksonville and Gainesville MSAs is not inconsistent with the bank's overall "High Satisfactory" Lending Test rating. Refer to Tables 1 through 12 in Appendix C 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 is rated "Needs to Improve". Based on available opportunity for CD investments within its full-scope AA, the bank's performance is poor.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

During this evaluation period, CNB made \$3,751 in qualified investments in its full-scope AA. These were small dollar contributions to four CD organizations serving low-income people. CNB's investments represented less than 1/10 of 1% of the allocated Tier I capital accorded the full-scope assessment area. Refer to the "Other" section of this report for information on available CD opportunities in the full-scope assessment area. These investments were not innovative or complex in nature.

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

Based on limited-scope reviews, the bank's performance under the Investment Test in the Gainesville MSA is not inconsistent with the bank's overall "Needs to Improve" Investment Test rating. The bank's performance in the Jacksonville MSA is stronger than the bank's overall "Needs to Improve" Investment Test rating. The performance in the Jacksonville MSA is stronger but did not impact the overall conclusion for Investments. Stronger performance in the Jacksonville MSA is centered in the higher dollar amount of CD contributions that were made. Refer to Table 14 in Appendix C 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 is rated "High Satisfactory". Based on the full-scope review, the bank's performance in the full-scope AA is good.

### **Retail Banking Services**

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system, and branch openings and closings.

The bank's delivery systems are accessible to different geographies and individuals of different income levels within its full-scope AA. There are no low-income geographies in the bank's full-scope AA. The percentage of bank offices in moderate-income geographies exceeds the percentage of the population in moderate-income geographies.

The bank's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in moderate-income geographies and to low- and moderate-income individuals. In the full-scope AA, CNB opened two offices and closed one since the last CRA examination. One office, opened in Live Oak, Florida, is in a moderate-income geography. This doubled the number of offices in moderate-income geographies between CRA examinations from one office to two offices. The other opened branch was in an upper-income geography. The closed branch was in a middle-income geography.

The bank offers a wide range of banking products and services throughout its full-scope AA. The products, services and business hours are reasonable and do not vary from one location to another.

### **Community Development Services**

Given available opportunities, the bank provides an adequate level of community development services in the full-scope AA. Six officers of CNB provided CD services for six CD organizations whose activities facilitate affordable housing and promote economic development by financing businesses that meet the size eligibility standards of the Small Business Administration's Development Company. CNB officers focus on such identified needs as providing educational seminars for first time home buyers, credit counseling, evaluating credit and financial analysis for home loan applicants, and promoting awareness regarding programs for start-up small businesses.

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

Based on limited-scope reviews, the bank's performance under the Service Test in the Jacksonville and Gainesville MSAs is weaker than the bank's overall "High Satisfactory" performance under the Service Test. The performance in the Jacksonville and Gainesville MSAs is weaker but did not impact the overall conclusion for Services. The weaker performance in the two limited-scope AAs is because delivery systems are not as accessible. CNB has no branches in low- or moderate-income geographies in the Jacksonville or Gainesville MSAs. Refer to Table 15 in Appendix C 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): 01/01/99 to 12/31/01 Investment and Service Tests and CD Loans: 09/01/99 to 12/02/02	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
CNB National Bank Jacksonville, Florida	HMDA, Small Business, Small Farm and CD Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
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>
5 adjacent non-MSA counties (Baker, Bradford, Columbia, Suwannee, Union)	Full-Scope	
Jacksonville MSA #3600 Gainesville MSA #2900	Limited-Scope Limited-Scope	



# Appendix B: Market Profiles for Full-Scope Areas

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## Table of Contents

### Market Profiles for Areas Receiving Full-Scope Reviews

5 non-MSA counties

B-2

**CNB National Bank**

Demographic Information for Full Scope Area: 5 NON-MSA COUNTIES						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	24	0.00	8.33	83.33	8.33	0.00
Population by Geography	120,646	0.00	7.25	85.07	7.68	0.00
Owner-Occupied Housing by Geography	31,263	0.00	7.39	84.90	7.71	0.00
Business by Geography	7,280	0.00	4.82	74.26	20.92	0.00
Farms by Geography	410	0.00	3.17	90.24	6.59	0.00
Family Distribution by Income Level	31,293	19.89	17.50	22.34	40.27	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,699	0.00	10.97	82.90	6.14	0.00
Median Family Income		25,874	Median Housing Value	47,422		
HUD Adjusted Median Family Income for 2002		40,200	Unemployment Rate	2.76%		
Households Below Poverty Level		18.64%				

Columbia County is located in a rapidly growing region of North Florida. The population has doubled in the last 25 years with current totals at nearly 60,000. A variety of businesses employ thousands of county workers in professions that range from mining to manufacturing. Tourism is a vital industry, as Interstates 10 and 75 cross here, supporting more than two thousand motel rooms and numerous eateries. Lake City is the county's economic and governmental center with a population of more than 10,000. Columbia County School Board is the largest employer in the county.

Baker County is on the Florida-Georgia border between Nassau, Duval, and Clay Counties to the east and Columbia County to the west. To the south are Union and Bradford Counties. The county has three square miles of water. Over three-quarters of Baker County's population was in unincorporated areas. The county's most populous incorporated place is Macclenny with a population of 4,050. Major employers in the governmental sector were Northeast Florida State Hospital and Baker Correctional Institution. In the retail trade sector, eating and drinking establishments and food stores employed the greatest numbers of persons. There were 193 farms in Baker County, totaling 24,489 acres (7% of land in the county). Approximately two-thirds of this land is devoted to poultry and livestock. Lumber and wood products firms accounted for much of the manufacturing employment in Baker County. Forests and wetlands cover vast portions of the county.

Union County, the smallest county in the state, is in northeast Florida and is bordered by Baker, Bradford, Alachua, and Columbia Counties. Nearly 80% of Union County's population was in unincorporated areas. The incorporated place with the greatest population is Lake Butler (1993 population of 2,126). Over 80% of the land in the county is devoted to commercial forests. The per capita income in Union County for 1993 was \$9,502 (the lowest in the state). Commercial forestry, truck farming, and raising hogs and cattle have traditionally been major economic activities in Union County. At the primary state prison outside of Raiford, Florida's automobile license plates are manufactured. The greatest numbers of persons in

Union County were employed in the government, manufacturing, and services sectors. Lumber and wood products firms accounted for the greatest employment in the manufacturing sector

Bradford County is bordered by Alachua, Union, Baker, Clay, and Putnam Counties. In 1993, nearly three-quarters of Bradford County's population was in unincorporated areas. The largest city is Starke with a population of 5,097. The per capita income in Bradford County was \$13,944 (51<sup>st</sup> of 67 counties in the state). The greatest numbers of persons in Bradford County were employed in the government, retail trade, and services sectors. In the retail trade sector, eating and drinking establishments and food stores employed the greatest numbers of persons. Lumber and wood products firms accounted for the most employment in the manufacturing sector. Farming and agriculture are also major activities. Leading agricultural products include poultry, corn, hay, and vegetables.

Suwannee County is in north Florida. The Suwannee River forms its north, west, and south boundaries. The county is also bordered by Gilchrist and Columbia Counties. Seventy-five percent of Suwannee County's population was in unincorporated areas. The largest town is Live Oak, which had a population of 6,479. The only other incorporated town, Branford, had a population of 682. The per capita income in Suwannee County was \$14,182 (48<sup>th</sup> in the state). The greatest numbers of persons in Suwannee County were employed in the retail trade, government, and manufacturing sectors. Employers of the greatest numbers of persons in the retail trade sector were eating and drinking establishments and food stores. The leading manufacturers in terms of employment were food and kindred products firms. There were 932 farms in Suwannee County, totaling 161,936 acres (37% of land in the county). Suwannee County is the state's leading producer of broiler chickens.

## Appendix C: Tables of Performance Data

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### Content of Standardized 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: 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. Tables without data are not included in this PE.

The following is a listing and brief description of the tables.

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market 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, tracked, and recorded by the bank's financial reporting system.
- 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.

Institution ID: 10000020496 CNB NATIONAL BANK

**Table 1. Lending Volume**

LENDING VOLUME												Geography: 5 NON-MSA COUNTIES		Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001	
MA/Assessment Area (2001):	% 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>															
5 NON-MSA COUNTIES	67.20	1,305	61,928	1,179	86,726	179	12,778	1	50	2,664	161,482	69.86			
<b>Limited Review:</b>															
Jacksonville MSA	24.12	548	77,624	405	60,212	3	335	0	0	956	138,171	15.64			
Gainesville MSA	8.68	108	11,307	230	31,877	4	179	2	400	344	43,763	14.50			

\* Loan Data as of December 31, 2001. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 1999 to December 31, 2001.

\*\*\* Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: 1000020496 CNB NATIONAL BANK

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

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2001		Geography: 5 NON-MSA COUNTIES								Evaluation Period: JANUARY 1, 1999 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>															
5 NON-MSA COUNTIES	573	55.69	0.00	0.00	7.39	3.32	84.90	86.21	7.71	10.47	20.98	0.00	23.81	20.64	22.32
<b>Limited Review:</b>															
Jacksonville MSA	393	38.19	3.01	0.25	14.29	9.67	55.07	49.36	27.63	40.71	0.93	0.24	1.17	0.90	0.94
Gainesville MSA	63	6.12	3.44	1.59	21.55	15.87	46.88	33.33	28.13	49.21	0.56	0.00	0.36	0.48	0.75

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

\*\* 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.



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

Geographic Distribution: HOME IMPROVEMENT DECEMBER 31, 2001			Geography: 5 NON-MSA COUNTIES								Evaluation Period: JANUARY 1, 1999 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>															
5 NON-MSA COUNTIES	375	90.58	0.00	0.00	7.39	4.00	84.90	88.00	7.71	8.00	45.10	0.00	40.00	42.98	68.18
<b>Limited Review:</b>															
Jacksonville MSA	23	5.56	3.01	0.00	14.29	0.00	55.07	65.22	27.63	34.78	0.30	0.00	0.00	0.34	0.33
Gainesville MSA	16	3.86	3.44	0.00	21.55	18.75	46.88	43.75	28.13	37.50	1.06	0.00	1.96	1.23	0.66

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

\*\* 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 housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

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

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2001			Geography: 5 NON-MSA COUNTIES								Evaluation Period: JANUARY 1, 1999 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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
5 NON-MSA COUNTIES	348	69.05	0.00	0.00	7.39	5.17	84.90	85.92	7.71	8.91	12.54	0.00	18.52	12.20	13.49
<b>Limited Review:</b>															
Jacksonville MSA	130	25.79	3.01	2.31	14.29	6.15	55.07	40.00	27.63	51.54	0.34	0.58	0.28	0.24	0.48
Gainesville MSA	26	5.16	3.44	3.85	21.55	15.38	46.88	42.31	28.13	38.46	0.41	0.00	0.36	0.34	0.54

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

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

Geographic Distribution: MULTIFAMILY DECEMBER 31, 2001		Geography: 5 NON-MSA COUNTIES						Evaluation Period: JANUARY 1, 1999 TO					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies								
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp		
<b>Full Review:</b>																	
5 NON-MSA COUNTIES	9	64.29	0.00	0.00	5.10	22.22	59.50	66.67	35.39	11.11	100.00	0.00	0.00	100.00	0.00		
<b>Limited Review:</b>																	
Jacksonville MSA	2	14.28	6.58	0.00	16.36	50.00	54.13	50.00	22.94	0.00	2.33	0.00	0.00	4.00	0.00		
Gainesville MSA	3	21.43	11.34	0.00	57.19	66.67	15.27	0.00	16.21	33.33	10.00	0.00	8.33	0.00	20.00		

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

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

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2001			Geography: 5 NON-MSA COUNTIES								Evaluation Period: JANUARY 1, 1999 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***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
5 NON-MSA COUNTIES	1,179	64.99	0.00	0.00	4.82	6.71	74.26	74.38	20.92	18.90	16.41	0.00	22.61	17.49	22.70
<b>Limited Review:</b>															
Jacksonville MSA	405	22.33	4.53	2.82	18.45	13.03	48.38	53.17	28.64	30.99	0.74	0.45	0.33	0.91	0.98
Gainesville MSA	230	12.68	6.14	4.55	31.03	16.88	36.37	36.36	26.45	42.21	2.18	1.69	1.65	1.95	3.59

\* Based on 2001 Peer Small Business Data: US&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 (2002).

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

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2001		Geography: 5 NON-MSA COUNTIES								Evaluation Period: JANUARY 1, 1999 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>															
5 NON-MSA COUNTIES	179	96.24	0.00	0.00	3.17	1.72	90.24	86.21	6.59	12.07	40.88	0.00	100.00	34.96	92.31
<b>Limited Review:</b>															
Jacksonville MSA	3	1.61	1.52	0.00	17.67	33.33	54.01	33.33	26.80	33.33	8.11	0.00	11.11	5.88	9.09
Gainesville MSA	4	2.15	1.64	0.00	19.39	25.00	61.68	75.00	17.29	0.00	10.53	0.00	0.00	16.67	0.00

\* Based on 2001 Peer Small Business Data: US&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 (2002).

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

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2001		Geography: 5 NON-MSA COUNTIES						Evaluation Period: JANUARY 1, 1999 TO					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers								
	#	% of Total**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp		
<b>Full Review:</b>																	
5 NON-MSA COUNTIES	573	55.69	19.89	6.67	17.50	13.79	22.34	26.90	40.27	52.64	17.04	12.77	11.76	16.85	20.65		
<b>Limited Review:</b>																	
Jacksonville MSA	393	38.19	19.41	5.68	18.38	21.96	23.56	29.72	38.65	42.64	1.10	0.67	1.06	1.25	1.13		
Gainesville MSA	63	6.12	23.11	3.23	16.68	8.06	18.96	14.52	41.25	74.19	0.62	0.56	0.00	0.60	0.91		

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

\*\* As a percentage of loans with borrower income information available. No information was available for 14.91% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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, 2001		Geography: 5 NON-MSA COUNTIES								Evaluation Period: JANUARY 1, 1999 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****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
5 NON-MSA COUNTIES	375	90.58	19.89	17.03	17.50	25.00	22.34	26.37	40.27	31.59	45.38	47.06	57.14	46.48	37.89
<b>Limited Review:</b>															
Jacksonville MSA	23	5.56	19.41	23.81	18.38	23.81	23.56	4.76	38.65	47.62	0.25	0.65	0.18	0.00	0.35
Gainesville MSA	16	3.86	23.11	0.00	16.68	18.75	18.96	12.50	41.25	68.75	1.10	0.00	1.64	1.14	1.14

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

\*\* As a percentage of loans with borrower income information available. No information was available for 3.27% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 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, 2001		Geography: 5 NON-MSA COUNTIES									Evaluation Period: JANUARY 1, 1999 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****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
5 NON-MSA COUNTIES	348	69.05	19.89	8.70	17.50	18.55	22.34	26.96	40.27	45.80	14.96	14.43	11.76	14.68	16.09
<b>Limited Review:</b>															
Jacksonville MSA	130	25.79	19.41	4.03	18.38	22.58	23.56	20.97	38.65	52.42	0.42	0.23	0.50	0.36	0.46
Gainesville MSA	26	5.16	23.11	0.00	16.68	3.85	18.96	23.08	41.25	73.08	0.51	0.00	0.00	0.56	0.69

\* Based on 2001 Peer Mortgage Data: Southeast Region 1.

\*\* As a percentage of loans with borrower income information available. No information was available for 1.88% of loans originated and purchased by BANK.

\*\*\* Percentage of Families is based on the 1990 Census information.

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



Institution ID: 10000020496 CNB NATIONAL BANK

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2001		Geography: 5 NON-MSA COUNTIES			Evaluation Period: JANUARY 1, 1999 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****	\$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>									
5 NON-MSA COUNTIES	1,179	64.99	70.16	87.12	80.68	13.70	5.62	16.41	27.70
<b>Limited Review:</b>									
Jacksonville MSA	405	22.33	66.30	68.66	56.69	23.59	19.72	0.74	1.38
Gainesville MSA	230	12.68	66.92	93.51	58.44	21.43	20.13	2.18	4.62

\* Based on 2001 Peer Small Business Data: US&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 - 2002).

\*\*\*\* 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 6.51% of small loans to businesses originated and purchased by the bank.

Institution ID: 10000020496 CNB NATIONAL BANK

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2001		Geography: 5 NON-MSA COUNTIES			Evaluation Period: JANUARY 1, 1999 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>									
5 NON-MSA COUNTIES	179	96.24	90.98	90.52	78.45	14.66	6.90	40.88	50.48
<b>Limited Review:</b>									
Jacksonville MSA	3	1.61	91.98	100.00	66.67	0.00	33.33	8.11	13.64
Gainesville MSA	4	2.15	92.99	100.00	100.00	0.00	0.00	10.53	15.38

\* Based on 2001 Peer Small Business Data: US&amp;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&amp;B - 2002).

\*\*\*\* 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 5.88% of small loans to farms originated and purchased by the bank.

Institution ID: 10000020496 CNB NATIONAL BANK

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS DECEMBER 2, 2002		Geography: 5 NON-MSA COUNTIES				Evaluation Period: SEPTEMBER 1, 1999 TO			
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>									
5 NON-MSA COUNTIES	0	0	5	4	5	4	9.76	0	0
<b>Limited Review:</b>									
Jacksonville MSA	0	0	5	37	5	37	90.24	0	0
Gainesville MSA	0	0	0	0	0	0	0	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

Institution ID: 10000020496 CNB NATIONAL BANK

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS SEPTEMBER 1, 1999 TO DECEMBER 2, 2002								Geography: 5 NON-MSA COUNTIES						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>																	
5 NON-MSA COUNTIES	69.86	10	66.67	0.00	20.00	50.00	30.00	2	1	0	+1	-1	+1	0.00	7.25	85.07	7.68
<b>Limited Review:</b>																	
Jacksonville MSA	15.64	3	20.00	0.00	0.00	66.67	33.33	3	1	0	0	+1	+1	4.70	17.49	53.07	24.14
Gainesville MSA	14.50	2	13.33	0.00	0.00	50.00	50.00	1	1	0	0	-1	+1	11.09	29.12	36.30	23.48