



## **PUBLIC DISCLOSURE**

October 15, 2018

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

First National Community Bank  
Charter Number 16487

701 North 3rd Avenue  
Chatsworth GA 30705

Office of the Comptroller of the Currency

Three Ravinia Drive  
Suite 550  
Atlanta GA 30346

**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>3</b>
<b>DEFINITIONS AND COMMON ABBREVIATIONS .....</b>	<b>4</b>
<b>DESCRIPTION OF INSTITUTION .....</b>	<b>8</b>
<b>SCOPE OF THE EVALUATION.....</b>	<b>9</b>
<b>DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW .....</b>	<b>10</b>
<b>CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....</b>	<b>11</b>
<b>LENDING TEST .....</b>	<b>11</b>
<b>APPENDIX A: SCOPE OF EXAMINATION.....</b>	<b>A-1</b>
<b>APPENDIX B: COMMUNITY 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

**The Lending Test is rated: Satisfactory.**

- The bank's average loan to deposit ratio is reasonable given the bank's size, location, and assessment area (AA) credit needs.
- The bank originated a majority of its loans within the AA.
- The penetration of loans to borrowers of different income levels and businesses of different sizes is reasonable.
- The geographic distribution of loans reflects a reasonable dispersion and meets the standards for satisfactory performance.
- There were no complaints regarding First National Community Bank's CRA performance.

## 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 generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

**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 conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, 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 five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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 Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties 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) 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 at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Description of Institution

First National Community Bank at Chatsworth (FNCB) is a federally-chartered national bank with total assets of \$166 million as of June 30, 2018. It is wholly owned by First Chatsworth Bankshares, Inc., a single bank holding company. FNCB's assessment area (AA) is designated as Whitfield and Murray Counties. Both counties are located in the northwestern section of Georgia and both border Tennessee. The two counties make up the Dalton Metropolitan Statistical Area (MSA). The Department of Housing and Urban Development's adjusted median family incomes (MFI) for the Dalton MSA in years 2015, 2016, and 2017 were \$43,600, \$45,300, and \$51,100, respectively.

FNCB has a main office in Chatsworth, GA, one branch in Eton, GA, two branches in Dalton, GA, a mortgage office in Dalton and one loan processing office in Chattanooga, TN. Each bank branch has a twenty-four hour ATM. There are no other stand-alone ATM's. The loan processing office is not considered a branch for CRA purposes, FNCB will be evaluated as a single-state institution. The AA complies with regulatory requirements and does not arbitrarily exclude low- or moderate-income census tracts.

FNCB offers full service banking, including online banking services, drive-through banking. They also have Saturday hours at three of the four branches. The bank's consumer products include the customary checking and savings accounts, certificates of deposit, IRA's, and debit cards. They provide consumer lending for auto, debt consolidation, medical expenses and other personal loans. Their mortgage lending products consists of conventional, adjustable rate, home equity, and government backed loans. FNCB also provides loans to small businesses for real estate development, working capital and equipment purchases.

FNCB's primary strategy is to meet its local community banking needs. As of June 30, 2018 FNCB has \$143 million in deposits or 5.31 percent of the market share. Their major competitors include BB&T, Bank of America, Wells Fargo, Regions and SunTrust. They rank number nine out of eleven financial institutions in the market. The bank's loan portfolio includes commercial real estate, commercial and industrial, agricultural, 1 – 4 family real estate, and other consumer loans.

There are no financial or legal obstacles affecting FNCB's ability to meet its community credit needs.

FNCB was rated *Satisfactory* at its most recent CRA exam dated November 26, 2012.



# Scope of the Evaluation

## Evaluation Period/Products Evaluated

This Performance Evaluation (PE) assesses the bank’s record of meeting the credit needs of the community in which it operates. We used the Small Bank CRA examination procedures, which evaluates the bank’s record of meeting the credit needs of its AA through its lending activities.

The evaluation period is January 1, 2015 through December 31, 2017.

Based on discussions with bank management and internally generated loan origination reports, the bank’s primary lending products are commercial and consumer loans. Commercial loan originations accounted for the majority of loans by dollar volume (86.2%) while consumer loan originations accounted for the majority of loans by number of loans (57.4%). Our evaluation of the bank’s lending performance will reflect these loan products, because they were more representative of the bank’s lending focus during the evaluation period. We focused our consumer review on residential real estate as they represent the largest dollar volume in consumer loans.

We selected a random sample of 147 residential real estate loans generated on the bank’s Home Mortgage Disclosure Act (HMDA) report from January 1, 2015 through December 31, 2017. We also selected a random sample of 25 commercial loans from 2015 and 2016 and an additional 20 commercial loans from 2017.

<b>Loan Type</b>	<b>% by Dollars of loans Originated/Purchased during evaluation period (2015-2017)</b>	<b>% by Number of Loans Originated/Purchased during evaluation period (2015-2017)</b>
<b>Commercial</b>	<b>86.2</b>	<b>42.6</b>
Commercial Real Estate	40	7
Residential Real Estate	17	11
Construction	3	11
Business Installment	3	5
<b>Consumer</b>	<b>13.8</b>	<b>57.4</b>
Residential Real Estate	9	11
Installment	2	31
HELOC	1	8
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## **Data Integrity**

FNCB reports residential home loan data under the requirements of the Home Mortgage Disclosure Act (HMDA). The HMDA data was tested under a separate data integrity review and found to be reliable.

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

Examiners conducted a full-scope review of the Dalton MSA AA. There are no limited-scope areas. *For more information regarding the scope of this examination, see Appendix A: Scope of Evaluation.*

## **Ratings**

FNCB has a single location and one AA. The bank's overall rating is based on the full-scope review of the Dalton MSA AA. *Refer to Appendix A for more information.*

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## Conclusions with Respect to Performance Tests

FNCB's performance under the small bank test is Satisfactory. The overall rating is based on the bank's performance in the Dalton AA.

### LENDING TEST

The bank's lending test performance is Satisfactory. The bank's lending to borrowers of different incomes and businesses of different sizes reflects reasonable penetration within the AA.

#### Loan-to-Deposit Ratio

FNCB's LTD ratio is reasonable and meets the standard for satisfactory performance.

FNCB's quarterly LTD ratio averaged 68.83 percent over the 21 quarters since the last CRA evaluation as of November 2012. The ratio ranged from a low of 52.44 percent as of December 31, 2012 to a high of 85.26 percent as of September 30, 2017. During the ten quarters following the prior CRA examination, the bank's LTD ratio was exceptionally low due to decreased lending opportunities. Starting in March 2015, the ratio consistently increased and improved to be comparable with the average LTD ratio of one similarly situated bank, First Bank, in the Dalton MSA. During this time frame FNCB's average LTD ratio was 76.6 percent and First Bank's average LTD ratio was 81.1 percent. First Bank is larger in asset size, \$353 million versus \$166 million at FNCB, with similar AA demographics and product offerings. Both banks include Whitfield County in the respective AA, and focus on the city of Dalton to obtain commercial lending opportunities. Of the eleven bank in the Dalton MSA, only FNCB and First Bank have total assets below \$1 billion.

#### Lending in Assessment Area

FNCB originates a majority of loans inside the AA. During the evaluation period, 76 percent of the loans by number and 82.4 percent by dollar volume were originated within the bank's AA. The following table details the bank's lending inside and outside the AA.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	48	80%	12	20%	60	\$77,425	92.5%	\$6,254	7.5%	\$83,679
<b>Consumer by Type</b>										
1-4 Residential Home	147	75%	49	25%	196	\$20,576	58.4%	\$14,646	41.6%	\$35,222
<b>Total</b>	195	76.2%	61	23.8%	256	\$98,001	82.4%	\$20,900	17.6%	\$118,901

*Source: Home Loans – HMDA data from 1/1/15 – 12/31/17 Business loans – bank data from 1/1/15 – 12/31/17*

## **AA Distribution of loans by Income Category of the Borrower**

FNCB's lending performance reflects a reasonable penetration among borrowers of different income levels and businesses of different sizes, and meets the standard for satisfactory performance. Greater reliance was placed on the bank's commercial lending performance, given this type of lending represented a significant majority of the bank's lending my dollar and almost half by number.

### Home Loans

The distribution of home mortgage loans reflects poor penetration among the borrowers of different income levels. We compared the income of the bank's borrowers to the income distribution of the families within the AA, using the Federal Financial Institutions Examination Council's (FFIEC) median family income.

During the years 2015/2016, home loans to low income borrowers was significantly lower than the percent of low income families in the AA. Moderate income lending percentage was closely aligned with the percent of moderate income families. In 2017 bank loans to low - and moderate - income families was significantly lower than the percent of low - and moderate - income families in the AA. Based on the FFIEC's 2015/2016 and 2017 median family income ranges, low income is \$22,225 for 2015/2016 and \$25,550 for 2017. The median housing value in the Dalton MSA is \$113,247.

*Refer to Table P in appendix C for details.*

### Business Loans

FNCB's record of lending to businesses of different sizes reflects reasonable penetration and meets the standard for satisfactory performance. The percentage of loans to businesses with annual revenues less than \$1 million exceeds the percentage of businesses in the AA reporting total annual revenues less than \$1 million. During 2015/2016, the bank originated 80 percent of small loans compared to 77 percent of businesses reporting annual revenues less than \$1 million. In 2017, the bank originated 95 percent of small loans compared to 80 percent of businesses reporting annual revenues less than \$1 million.

*Refer to Table R in appendix C for details.*

## **AA Distribution of Loans by Income Category of the Geography**

The bank's geographic distribution of home and business loans reflects a reasonable dispersion and meets the standard for satisfactory performance. FNCB has one low-, three moderate-, seventeen middle-, and five upper-income census tracts. There are no gaps and the AA does not arbitrarily exclude any low- or moderate-income geographies.

## **Home Loans**

During the evaluation period, FNCB's record of originating home loans in low- and moderate-income census tracts is satisfactory. The percentages of loan originations in these geographies are favorable when compared to the percent of owner-occupied housing units in these tracts.

*Refer to Table O in appendix C for details.*

## **Business Loans**

There was poor dispersion of small business loans in low- and moderate-income CT's for evaluation years 2015/2016, but performance is comparable with the percent of small businesses in these geographies for 2017.

*Refer to Table Q in Appendix C for details.*

## **Responses to Complaints**

There have been no CRA related complaints received by the OCC or the bank since our last CRA examination.

## 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 nonmetropolitan 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): 01/01/15 to 12/31/17 Investment and Service Tests and CD Loans: NA	
<b>Financial Institution</b>		<b>Products Reviewed</b>
First National Community Bank (FNCB) Chatsworth, Georgia		Small business loans Residential R/E
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Georgia Murray County Whitfield County	Full-Scope	AA is located in the Dalton MSA

## Appendix B: Community Profiles for Full-Scope Areas

Table A – Demographic Information of the Assessment Area						
Assessment Area: Dalton MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	19.2	53.8	26.9	0.0
Population by Geography	142,857	0.0	19.2	49.8	30.9	0.0
Housing Units by Geography	55,549	0.0	18.2	50.1	31.7	0.0
Owner-Occupied Units by Geography	31,866	0.0	16.1	50.2	33.8	0.0
Occupied Rental Units by Geography	16,945	0.0	21.1	49.6	29.3	0.0
Vacant Units by Geography	6,738	0.0	20.8	50.9	28.3	0.0
Businesses by Geography	7,251	0.0	17.0	51.5	31.5	0.0
Farms by Geography	196	0.0	5.6	62.2	32.1	0.0
Family Distribution by Income Level	35,878	20.4	19.5	20.0	40.2	0.0
Household Distribution by Income Level	48,811	21.9	18.0	17.8	42.2	0.0
Median Family Income MSA - 19140 Dalton, GA MSA		\$47,062	Median Housing Value			\$113,247
			Median Gross Rent			\$664
			Families Below Poverty Level			15.3%
<i>Source: 2015 ACS Census and 2017 D&amp;B Data. Due to rounding, totals may not equal 100.0.(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The AA consists of all twenty-six CT's within the Dalton MSA. There are no low-income CT's, five moderate-income CTs, fourteen middle-income CTs and seven upper-income CTs. The bank's AA meets the requirement of the Act and does not arbitrarily exclude low- or moderate-income CT's.

Dalton GA is named the carpet capital of the world, and the four largest employers in the city are within the carpet/flooring manufacturing industry. The local economy suffered during the housing crisis, but has benefitted from a surge in nationwide housing starts. As a result, the unemployment rate has declined but is still higher than the state of Georgia. The most notable economic development in Murray County – Crandall, GA is the opening of the Appalachian Regional Port on August 22, 2018. The port offers a state of the art intermodal facility to businesses in north GA, northeast AL, Tennessee and

Kentucky, with an option to transport cargo to and from the Garden City Terminal in Savannah, GA on a direct 388 – mile route. This regional port will make Murray County more attractive to other manufacturing businesses.



## Appendix C: Tables of Performance Data

---

### 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; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. 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. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems. [Note: Do not renumber the tables.]

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

**Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - 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 aggregate peer data for the years the data is available.

**Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - 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 aggregate peer data for the years the data is available.

**Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - 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. Because small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.

**Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - 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. The table also presents aggregate peer data for the years the data is available.

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2015-16</b>
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Dalton MSA	108	14,963	100.0	2,783	1.5	0.9	1.4	8.4	10.2	7.1	63.1	68.5	59.8	26.9	20.4	31.7	0.0	0.0	0.0
<b>Total</b>	<b>108</b>	<b>14,963</b>	<b>100.0</b>	<b>2,783</b>	<b>1.5</b>	<b>0.9</b>	<b>1.4</b>	<b>8.4</b>	<b>10.2</b>	<b>7.1</b>	<b>63.1</b>	<b>68.5</b>	<b>59.8</b>	<b>26.9</b>	<b>20.4</b>	<b>31.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2010 U.S Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

<b>Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2017</b>
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Dalton MSA	39	4,956	100.0	2,598	0.0	0.0	0.0	16.1	15.4	10.9	50.2	53.8	51.1	33.8	30.8	38.0	0.0	0.0	0.0
<b>Total</b>	<b>39</b>	<b>4,956</b>	<b>100.0</b>	<b>2,598</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16.1</b>	<b>15.4</b>	<b>10.9</b>	<b>50.2</b>	<b>53.8</b>	<b>51.1</b>	<b>33.8</b>	<b>30.8</b>	<b>38.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2015-16</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Dalton GA MSA	108	14,963	100.0	2,783	22.3	7.4	2.8	17.6	12.0	20.6	21.1	17.6	18.5	39.0	42.6	38.6	0.0	20.4	19.5
<b>Total</b>	<b>108</b>	<b>14,963</b>	<b>100.0</b>	<b>2,783</b>	<b>22.3</b>	<b>7.4</b>	<b>2.8</b>	<b>17.6</b>	<b>12.0</b>	<b>20.6</b>	<b>21.1</b>	<b>17.6</b>	<b>18.5</b>	<b>39.0</b>	<b>42.6</b>	<b>38.6</b>	<b>0.0</b>	<b>20.4</b>	<b>19.5</b>

*Source: 2010 U.S. Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2017</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Dalton GA MSA	39	4,956	100.0	2,598	20.4	2.6	4.5	19.5	5.1	23.5	20.0	15.4	21.4	40.2	35.9	30.7	0.0	41.0	20.0
<b>Total</b>	<b>39</b>	<b>4,956</b>	<b>100.0</b>	<b>2,598</b>	<b>20.4</b>	<b>2.6</b>	<b>4.5</b>	<b>19.5</b>	<b>5.1</b>	<b>23.5</b>	<b>20.0</b>	<b>15.4</b>	<b>21.4</b>	<b>40.2</b>	<b>35.9</b>	<b>30.7</b>	<b>0.0</b>	<b>41.0</b>	<b>20.0</b>

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>												<b>2015-2016</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>			<b>Low-Income Tracts</b>		<b>Moderate-Income Tracts</b>		<b>Middle-Income Tracts</b>		<b>Upper-Income Tracts</b>		<b>Not Available- Income Tracts</b>	
	<b>#</b>	<b>\$ (000)</b>	<b>% of Total</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>
Dalton MSA	30	39,554	100	4.6	0	21.4	7	51.3	57	22.7	36	0.0	0.0

Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>												<b>2017</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>			<b>Low-Income Tracts</b>		<b>Moderate-Income Tracts</b>		<b>Middle-Income Tracts</b>		<b>Upper-Income Tracts</b>		<b>Not Available- Income Tracts</b>	
	<b>#</b>	<b>\$ (000)</b>	<b>% of Total</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>
Dalton MSA	20	30,390	100	0.0	0	17.0	15	51.5	55	31.5	30	0.0	0.0

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0

Table R: AA Distribution of Loans to Small Businesses by Gross Annual Revenues											2015-2016
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues ≤ 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$ (000)	% of Total	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Dalton MSA	30	39,554	100		77.1	80		6.7	20	16.2	
<i>Source: 2016 D&amp;B Data; 01/01/2015 - 12/31/2016 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.</i>											

Table R: AA Distribution of Loans to Small Businesses by Gross Annual Revenues											2017
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues ≤ 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$ (000)	% of Total	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Dalton MSA	20	30,390	100		79.5	95		7.6	5	12.9	
<i>Source: 2017 D&amp;B Data; 01/01/2015 - 12/31/2017 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0</i>											