

PUBLIC DISCLOSURE

December 13, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Bryant Bank
Certificate Number: 57997**

**1550 McFarland Boulevard North
Tuscaloosa, Alabama 35406**

**Federal Deposit Insurance Corporation
Division of Supervision and Consumer Protection
10 Tenth Street, Northeast, Suite 800
Atlanta, Georgia 30309-3906**

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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

I.	General Information.....	1
II.	Institution’s CRA Rating	1
III.	Scope of Examination.....	2
IV.	Description of Institution	3
V.	Description of Assessment Areas	5
VI.	Conclusions with Respect to Performance Tests	19
Appendix		
	A ---- General Definitions	45
	B ---- Investment Definitions.....	48

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Bryant Bank** prepared by the **Federal Deposit Insurance Corporation**, the institution's supervisory agency, as of **December 13, 2013**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.*

INSTITUTION'S CRA RATING: This institution is rated: Satisfactory.
The Lending Test is rated: Satisfactory.
The Community Development Test is rated: Outstanding.

The following information illustrates Bryant Bank's satisfactory lending record:

Lending Test:

- **Loan-to-Deposit Ratio** – The average net loan-to-deposit ratio is reasonable given the institution's asset size, financial condition, and assessment areas' credit needs.
- **Lending Inside the Assessment Areas** – A substantial majority of loans reviewed were originated within the bank's assessment areas.
- **Geographic Distribution of Loans** – The geographic distribution of small business loans reflects a reasonable dispersion throughout the assessment areas. The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment areas.
- **Lending to Businesses of Different Sizes and Borrowers of Different Income Levels** – The distribution of small business loans reflects a reasonable penetration among businesses of different sizes. The distribution of home mortgage loans reflects reasonable penetration among borrowers of different income levels.
- **Response to Consumer Complaints** – The bank has not received any CRA-related complaints since the previous CRA performance evaluation.

Community Development Test:

- The bank demonstrated excellent responsiveness to the community development needs of its assessment areas through the extension of community development loans and qualified investments, and the provision of community development services.

SCOPE OF EXAMINATION

The CRA performance evaluation of Bryant Bank was prepared pursuant to the evaluation procedures for intermediate small banks. These procedures evaluate the CRA performance of a bank's lending relative to five performance criteria: (1) loan-to-deposit ratio, (2) lending inside the assessment area, (3) geographic distribution of loans, (4) lending to businesses of different sizes and borrowers of different incomes, and (5) response to CRA-related complaints. Intermediate small institutions are also evaluated under a community development test that includes an evaluation of community development loans, qualified investments, and community development services in light of community needs and the capacity of the bank. Effective January 1, 2013, intermediate small institutions are banks with assets of at least \$296 million as of December 31 of both of the prior two calendar years and less than \$1.186 billion as of December 31 of either of the prior two calendar years. The asset threshold level adjusts annually based on changes in the Consumer Price Index. As of December 31 of the prior two calendar years (2011 and 2012), Bryant Bank reported total assets of \$951 million and \$1.136 billion, respectively.

The CRA regulation requires a review of a bank's lending performance with respect to small business, small farm, and home mortgage loans. The evaluation of Bryant Bank's lending performance is based upon the review of small business and home mortgage loans originated from January 1, 2011, through September 30, 2013 (review period). Due to the nominal volume of loans originated during the review period, small farm loans were analyzed but are not included in the evaluation of the bank's lending performance.

Identification of Sample Utilized for this Evaluation

Based on the bank's business focus and portfolio mix, small business loans (those secured by Nonfarm, Nonresidential Real Estate and Commercial and Industrial Loans in amounts of \$1 million or less) comprise the largest portion of the lending activity. The September 30, Call Report reflects that small business loans represent 59 percent of total loans. During the review period, the bank originated or renewed 1,012 small business loans totaling \$193,454,416. From this universe, a sample of 124 loans totaling \$23,666,743 was used for this evaluation.

The 2011 and 2012 Dun & Bradstreet Corporation (D&B) business data was used for comparison to bank lending.

Home mortgage loans, for the purpose of this evaluation, are closed-end loans secured by 1-4 Family and Multi-Family Residential Property Loans required to be reported to Federal

regulatory agencies under the Home Mortgage Disclosure Act (HMDA). The bank is subject to the requirements of HMDA and is required to collect certain data pertinent to home purchase, improvement, and refinance loan applications. As of September 30, 2013, approximately 27 percent of the bank's loan portfolio consisted of these HMDA reportable loans. In 2011, 2012, and 2013(1st-3rd Quarters) the bank originated 218, 298, and 247 HMDA loans, respectively, totaling approximately \$29,550,000, 56,539,000 and \$47,994,000. All of the 2011, 2012, and 2013(1st-3rd Quarters) HMDA data was analyzed in this evaluation. Bank home mortgage lending was compared to the record of all other HMDA lenders since aggregate data is available for years of 2011 and 2012. Additionally, the percentage of families by income level and owner-occupied housing units by geography were used for comparison to bank lending.

Construction and land development loans, consumer loans, and small farm loans were not reviewed, as they do not constitute a substantial portion of the bank's loan portfolio.

A proportionate amount of weight is typically assigned based on the percentage of the small business and home mortgage lending originations. However, the majority of home mortgage loans were for non-owner occupied properties extended primarily to the bank's business customers for investment purposes and second homes. In 2011, 2012, and year-to-date 2013, non-owner occupied home mortgage loans represented 77 percent, 76 percent, and 72 percent, respectively, of the total loans extended. As a result, more weight was given to the analysis of small business loans.

For the Community Development Test, all community development activities including loans, investments, and services made since the August 17, 2010, CRA evaluation were reviewed.

DESCRIPTION OF INSTITUTION

Bryant Bank is a state-chartered, commercial institution. Since the last evaluation, the bank's total assets have increased approximately 40 percent. The bank is headquartered in Tuscaloosa, Alabama. Prior to December, 2013, the bank had one wholly-owned subsidiary, Bryant Mortgage Company (BMC). BMC has been merged into the bank as a mortgage division. The mortgage division accepts applications from customers seeking long-term mortgage financing and processes them within the guidelines of a secondary market lender.

Bryant Bank operates 14 offices within its assessment areas (discussed later). Five of the offices are located in middle-income census tracts and nine of the offices are located in upper-income census tracts. The bank's offices are reasonably accessible to all segments of its assessment areas and do not arbitrarily exclude any low- or moderate-income geographies. Lobby and drive-through hours are reasonable. All of the offices are equipped with automated teller machines. The bank has opened one office since the August 17, 2010 evaluation. On May 4, 2012, a branch opened at 1804 Four Mile Post Road in Huntsville, Madison County, Alabama. The new branch is located in an upper-income census tract. The bank has not closed any branches since the last examination, nor does it operate any loan production offices or limited service facilities. Table 1 provides a breakdown of the number of offices by location.

Table 1 – Assessment Area Office Location		
MSA*	County	Number of Offices
Tuscaloosa, AL MSA	Tuscaloosa	3
Birmingham-Hoover, AL MSA	Jefferson and Shelby	7
Huntsville, AL MSA	Madison	2
Non-MSA	Baldwin	2

*MSA = Metropolitan Statistical Area

Bryant Bank offers an array of deposit products, including non-interest checking, interest checking, savings, certificates of deposit, and IRA accounts. The bank operates a 24-hour telephone response service that allows customers to make account transfers and balance inquiries at any time. In addition, the bank operates a website (www.bryantbank.com) that allows customers to conduct a variety of transactions online including account inquiries, transfer funds between accounts, view check and deposit images, print statements, make loan payments, and communicate directly with the bank via e-mail. Online bill payment, mobile banking, and remote deposit capture programs are also offered.

The bank offers a variety of residential-related, consumer-oriented, and business purpose credit products that meets the needs of the community. Loan products include secured and unsecured consumer loans for various purposes; installment loans; mobile home loans; home purchase and home improvement loans; home equity lines; small business loans; and other commercial-related loans and lines. As previously mentioned, the bank's mortgage loan division, originates conforming residential mortgage loans to sell on the secondary mortgage market.

Bryant Bank provides for the credit needs of its assessment areas in a manner consistent with its size, financial capacity, and local economic conditions. Factors that may inhibit the bank's ability to meet local credit needs are the downturn in the economy, including significant changes to the residential real estate and commercial markets, and competition within the assessment areas. Each of the assessment areas have been adversely impacted by the downturn in the economy as evidenced by demographic data detailing high unemployment and unstable real estate markets.

Bryant Bank operates in an overall highly competitive market environment. According to the FDIC's June 30, 2013 Market Share Report, there are 61 financial institutions and 523 banking offices operating within the bank's combined assessments areas. These institutions range from small community banks and federal savings banks to larger national or regional financial institutions. According to the summary report, Bryant is ranked eighth, with a deposit market share of 2.49 percent. Total deposits in the assessment are \$39,714,355,000.

As of September 30, 2013, the bank's total assets were \$1,162,954,000. Total loans equaled \$622,335,000, representing 54 percent of total assets. The bank's major product line is small business loans (described earlier), representing 59 percent of the loan portfolio. Closed-end

residential mortgage loans (including multi-family residential properties) represented 27 percent of the bank’s loan portfolio. A distribution of the bank's loan portfolio is reflected in Table 2.

Table 2 – Loan Portfolio Composition – as of September 30, 2013		
LOAN TYPE	DOLLAR AMOUNT (\$000s)	PERCENT OF TOTAL LOANS (%)
Construction and Land Development	61,156	9.82
Farmland	4,909	0.79
One-to-four Family Residential	143,329	23.03
Multifamily Residential	26,637	4.28
Nonfarm/Nonresidential	262,002	42.10
Total Real Estate Loans	498,033	80.02
Agricultural	0	0
Commercial and Industrial	107,409	17.26
Consumer	12,493	2.01
Other	4,617	0.74
Less: Unearned Income	(217)	(0.03)
Total Loans	622,335	100

Source: Call Report

The bank received a “Satisfactory” CRA rating during the August 17, 2010 CRA Evaluation, utilizing the Intermediate Small Bank examination procedures.

DESCRIPTION OF ASSESSMENT AREAS

Bryant Bank has defined four separate assessment areas, which are located in the state of Alabama. The first assessment area consists of Tuscaloosa County, which is located in the Tuscaloosa, Alabama MSA. The second assessment area consists of Jefferson and Shelby counties located in the Birmingham-Hoover, Alabama MSA. The third assessment area consists of Madison County, which is located in the Huntsville, Alabama MSA. The fourth assessment area consists of Baldwin County, which is located in a nonmetropolitan statistical area (NMSA). The bank’s defined assessment areas meet the technical requirements of the CRA regulation and do not arbitrarily exclude any low- or moderate-income areas.

Based on the 2000 U. S. Census data, the combined assessment areas are comprised of 320 census tracts: 45 in the Tuscaloosa County assessment area; 179 in Jefferson and Shelby counties assessment area, 73 in the Madison County assessment area; and 23 in the Baldwin County assessment area. The 320 census tracts in the overall assessment areas consist of 23 low-, 78 moderate-, 114 middle-, and 105 upper-income census tracts. However, based on the 2010 U. S. Census data, the combined assessment areas are now comprised of 362 census tracts: 47 in the Tuscaloosa County assessment area; 211 in Jefferson and Shelby counties assessment area, 73 in the Madison County assessment area; and 31 in the Baldwin County assessment area. The 362 census tracts in the overall assessment areas consists of one NA, 41 low-, 76 moderate-, 119 middle-, and 125 upper-income census tracts.

During the first half of the evaluation period, portions of the assessment area experienced a declining economic climate, which was augmented by a series of devastating tornadoes on April 27, 2011. As a result of the destruction caused by the tornadoes, Tuscaloosa, Jefferson, and Madison Counties were declared by the federal government as a designated disaster area in April, 2011. However, more recently the economy is showing some signs of improvement, as the areas are rebuilding following the mass destruction.

Review of Bryant Bank's loan portfolio indicated that 91 percent of the small business loans and 91 percent of the 2011, 2012, and 2013 (3 quarters) home mortgage loans were originated within the bank's four assessment areas. Lending activity was compared to available data regarding the percentage of businesses and owner-occupied housing units and the distribution of families by income level, as appropriate. The 2011 lending data will be compared to 2000 U. S. Census demographics and the 2012 and 2013 lending data will be compared to 2010 U. S. Census demographics. A full description of the four assessments areas is provided below and details assessment area demographics from the 2000 U. S. Census and the 2010 U. S. Census.

Tuscaloosa County Assessment Area

Geographic Configuration

Based on 2000 U.S. Census data, the Tuscaloosa County assessment area consists of a total of 45 census tracts comprised of one low-income, 12 moderate-income, 21 middle-income, and 11 upper-income geographies. This information was utilized in the geographic analysis of 2011 small business and home mortgage loans. Effective January 1, 2012, banks were required to consider the 2010 U.S. Census Bureau information and new tract income data to review and adjust their assessment areas, as necessary. The 2010 U.S. Census data reflects that the Tuscaloosa County assessment area now consists of 47 census tracts, comprised of six low-income, 11 moderate-income, 17 middle-income and 13 upper-income geographies. This information was utilized in the geographic analysis of 2012 and 2013 small business lending and home mortgage loans.

Income Demographics and Housing Characteristics

The estimated median family income has fluctuated slightly over the past three years, increasing from \$55,700 in 2011 to \$56,700 in 2012, before decreasing in 2013 to \$55,700.

Housing records from the 2000 U. S. Census indicate that 69 percent of housing is 1-4 family residential, 17 percent is multi-family, and 14 percent is mobile homes. Of the housing units 57 percent are owner occupied, 33 percent are rental units, and 10 percent of housing units are vacant. Table 3 illustrates this information.

Table 3 - 2000 Demographic & Economic Characteristics of the Tuscaloosa County Assessment Area		
Assessment Area Population	164,875	
Assessment Area Households	64,517	
Assessment Area Families	42,107	
<u>Tuscaloosa MSA Median Family Income:</u>		
2011 Estimated Median Family Income(*)	\$55,700	
2012 Estimated Median Family Income(*)	\$56,700	
2013 Estimated Median Family Income(*)	\$55,700	
<u>Number of Total Housing Units:</u>		
	#	%
1-4 Family Residential	48,827	69
Multi-Family	12,334	17
Mobile Homes	10,237	14
Other	31	0
Total	71,429	100
Owner-Occupied Housing Units	40,958	57
Rental Housing Units	23,559	33
Vacant Housing Units	6,912	10
Total	71,429	100

Source: 2000 U.S. Census *Estimate from HUD

Housing records from the 2010 U. S. Census indicate that 69 percent of housing is 1-4 family residential, 19 percent is multi-family, and 12 percent is mobile homes. Of the housing units 53 percent are owner occupied, 31 percent are rental units, and 16 percent are vacant. Table 4 illustrates this information.

Table 4 - 2010 Demographic & Economic Characteristics of the Tuscaloosa County Assessment Area		
Assessment Area Population	194,656	
Assessment Area Households	69,175	
Assessment Area Families	43,115	
Number of Total Housing Units:	#	%
1-4 Family Residential	57,137	69
Multi-Family	15,806	19
Mobile Homes	9,816	12
Other	30	0
Total	82,789	100
Owner-Occupied Housing Units	43,816	53
Rental Housing Units	25,359	31
Vacant Housing Units	13,614	16
Total	82,789	100

Source: 2010 U.S. Census

For purposes of CRA evaluations, individuals are categorized as low-, moderate-, middle-, or upper-income, based on their respective income levels as a percentage of the median family income (MFI). The Department of Housing and Urban Development's (HUD) estimated MFI for 2011, 2012 and 2013 is used to determine income level classification of borrowers. These figures are adjusted annually and are used in the borrower income analysis. Table 5 illustrates this information.

Table 5 - Median Family Income – Tuscaloosa County (Tuscaloosa MSA 46220)				
Borrower Income Level	Percent of Median Family Income	2011 MFI (\$55,700)	2012 MFI (\$56,500)	2013 MFI (\$55,700)
Low	0% to less than 50%	\$0 - < \$27,849	\$0 - < \$28,249	\$0 - < \$27,849
Moderate	50% to less than 80%	\$27,850 - <\$44,559	\$28,250 - < \$45,199	\$27,850 - <\$44,559
Middle	80% to less than 120%	\$44,560 - < \$66,839	\$45,200 - < \$67,799	\$44,560 - < \$66,839
Upper	120% and over	\$66,840 and above	\$67,800 and above	\$66,840 and above

Source: HUD

Based on 2000 Census data, approximately 20 percent and 17 percent of the 42,107 families were low- and moderate-income, respectively. Additionally, 11.26 percent of the families within the assessment area had incomes below the poverty level. Based on 2010 Census data, approximately 20 percent and 16 percent of the 43,115 families were low- and moderate-income, respectively. Additionally, 11.26 percent of the families within the assessment area had incomes below the poverty level.

Economic Data

According to the Bureau of Labor statistical data, Tuscaloosa County unemployment rates for the first three quarters of 2013 have fluctuated from a high of 6.6 percent to a low of 5.6 percent. Unemployment statistical data for the United States and State of Alabama are also shown for comparison purposes. Table 6 illustrates that Tuscaloosa County had unemployment rates below that of both the United States average and the State of Alabama. The three major employers in Tuscaloosa County are the University of Alabama, DCH Regional Medical Center, and Mercedes-Benz U. S. International. The top manufacturing employers are Mercedes-Benz U. S. International, B. F. Goodrich Tire Manufacturing, and Phifer Wire Products. Job growth continues in the auto industry and government sector.

Table 6 - Unemployment Rates for Tuscaloosa County (NSA*)			
Geographic Area	Unemployment Rate		
	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013
United States Average	8.1	7.4	7.3
State of Alabama	7.5	6.3	6.6
Tuscaloosa County	6.6	5.6	6.0

*Source: Bureau of Labor Statistics *NSA (Not Seasonally Adjusted)*

Competition

There is a high level of banking competition throughout the Tuscaloosa County assessment area. According to the FDIC June 30, 2013, Summary of Deposits, there are 18 financial institutions with 58 offices operating in this assessment area. The area is comprised of 17 commercial banks and one savings institution. Bryant Bank ranks second, with a market share of 14.66 percent.

Jefferson and Shelby Counties Assessment Area

Geographic Configuration

Based on 2000 U.S. Census data, the Jefferson and Shelby counties assessment area consists of a total of 179 census tracts comprised of 16 low-income, 46 moderate-income, 57 middle-income, and 60 upper-income geographies. This information was utilized in the geographic analysis of 2011 small business and home mortgage loans. Effective January 1, 2012, banks were required to consider the 2010 U.S. Census Bureau information and new tract income data to review and adjust their assessment areas, as necessary. The 2010 U.S. Census data reflects that the Jefferson and Shelby counties assessment area now consists of 211 census tracts, comprised of 25 low-income, 47 moderate-income, 67 middle-income, 71 upper-income, and one NA geographies. This information was utilized in the geographic analysis of 2012 and 2013 small business lending and home mortgage loans.

Income Demographics and Housing Characteristics

The estimated median family income has fluctuated slightly over the past three years, increasing from \$62,000 in 2011 to \$62,800 in 2012, before decreasing in 2013 to \$57,100.

Housing records from the 2000 U. S. Census indicate that 76 percent of housing is 1-4 family residential, 18 percent is multi-family, and 6 percent is mobile homes. Of the housing units, 63 percent are owner occupied, 28 percent are rental units, and 9 percent are vacant. Table 7 illustrates this information.

Table 7 - 2000 Demographic & Economic Characteristics of the Jefferson and Shelby Counties Assessment Area		
Assessment Area Population	805,340	
Assessment Area Households	317,856	
Assessment Area Families	218,106	
<u>Birmingham-Hoover MSA Median Family Income:</u>		
2011 Estimated Median Family Income(*)	\$62,000	
2012 Estimated Median Family Income(*)	\$62,800	
2013 Estimated Median Family Income(*)	\$57,100	
<u>Number of Total Housing Units:</u>	#	%
1-4 Family Residential	264,195	76
Multi-Family	63,153	18
Mobile Homes	19,900	6
Other	216	0
Total	347,464	100
Owner-Occupied Housing Units	219,202	63
Rental Housing Units	98,694	28
Vacant Housing Units	29,568	9
Total	347,464	100

*Source: 2000 U.S. Census *Estimate from HUD*

Housing records from the 2010 U. S. Census indicate that 78 percent of housing is 1-4 family residential, 17 percent is multi-family, and 5 percent is mobile homes. Of the housing units 61 percent are owner occupied, 27 percent are rental units, and 12 percent of housing units are vacant. Table 8 illustrates this information.

Table 8 - 2010 Demographic & Economic Characteristics of the Jefferson and Shelby Counties Assessment Area		
Assessment Area Population	853,551	
Assessment Area Households	332,200	
Assessment Area Families	220,315	
Number of Total Housing Units:	#	%
1-4 Family Residential	294,746	78
Multi-Family	65,063	17
Mobile Homes	19,063	5
Other	71	0
Total	378,943	100
Owner-Occupied Housing Units	231,781	61
Rental Housing Units	100,419	27
Vacant Housing Units	46,743	12
Total	378,943	100

Source: 2010 U.S. Census

For purposes of CRA evaluations, individuals are categorized as low-, moderate-, middle-, or upper-income, based on their respective income levels as a percentage of the median family income (MFI). The Department of Housing and Urban Development's (HUD) estimated MFI for 2011, 2012 and 2013 is used to determine income level classification of borrowers. These figures are adjusted annually and are used in the borrower income analysis. Table 9 illustrates this information.

Table 9 - Median Family Income – Jefferson and Shelby Counties (Birmingham-Hoover MSA 13820)				
Borrower Income Level	Percent of Median Family Income	2011 MFI (\$62,000)	2012 MFI (\$62,800)	2013 MFI (\$57,100)
Low	0% to less than 50%	\$0 - < \$30,999	\$0 - < \$31,399	\$0 - < \$28,549
Moderate	50% to less than 80%	\$31,000 - <\$49,599	\$31,400 - < \$50,239	\$28,550 - <\$45,679
Middle	80% to less than 120%	\$49,600 - < \$74,399	\$50,240 - < \$75,359	\$45,680 - < \$68,519
Upper	120% and over	\$74,400 and above	\$75,360 and above	\$68,520 and above

Source: HUD

Based on 2000 Census data, approximately 21 percent and 16 percent of the 218,106 families were low- and moderate-income, respectively. Additionally, 10.33 percent of the families within the assessment area had incomes below the poverty level. Based on 2010 Census data, approximately 21 percent and 16 percent of the 220,315 families were low- and moderate-income, respectively. Additionally, 9.97 percent of the families within the assessment area had incomes below the poverty level.

Economic Data

According to the Bureau of Labor statistical data, the unemployment rates for the first three quarters of 2013 have fluctuated from a high of 7.0 percent to a low of 5.9 percent for Jefferson County and from a high of 5.2 to a low of 4.3 for Shelby County. Unemployment statistical data for the United States and State of Alabama are also shown for comparison purposes. Table 10 illustrates that Jefferson and Shelby counties had unemployment rates below that of both the United States average and the State of Alabama. Birmingham has a medical research, banking, and service-based economy. Major employers in the Birmingham area include the University of Alabama at Birmingham, AT&T, and St. Vincent's Health System.

Geographic Area	Unemployment Rate		
	1 st Qtr 2013	2nd Qtr 2013	3 rd Qtr 2013
United States Average	8.1	7.4	7.3
State of Alabama	7.5	6.3	6.6
Jefferson County	7.0	5.9	6.2
Shelby County	5.2	4.3	4.4

Source: Bureau of Labor Statistics *NSA (Not Seasonally Adjusted)

Competition

There is a high level of banking competition throughout the Jefferson and Shelby Counties assessment area. According to the FDIC June 30, 2013, Summary of Deposits, there are 38 financial institutions with 273 offices operating in this assessment area. The area is comprised of 36 commercial banks and two savings institutions. Bryant Bank ranks tenth, with a market share of 1.51 percent.

Madison County Assessment Area

Geographic Configuration

Based on 2000 U.S. Census data, the Madison County assessment area consists of a total of 73 census tracts comprised of six low-income, 19 moderate-income, 26 middle-income, and 22 upper-income geographies. This information was utilized in the geographic analysis of 2011 small business and home mortgage loans. Effective January 1, 2012, banks were required to consider the 2010 U.S. Census Bureau information and new tract income data to review and adjust their assessment areas, as necessary. The 2010 U.S. Census data reflects that the Madison County assessment area now consists of 73 census tracts, comprised of 10 low-income, 17 moderate-income, 23 middle-income and 23 upper-income geographies. This information was utilized in the geographic analysis of 2012 and 2013 small business lending and home mortgage loans.

Income Demographics and Housing Characteristics

The estimated median family income has fluctuated slightly over the past three years, increasing from \$70,800 in 2011 to \$71,700 in 2012, before decreasing in 2013 to \$71,500.

Housing records from the 2000 U. S. Census indicate that 79 percent of housing is 1-4 family residential, 15 percent is multi-family, and 6 percent is mobile homes. Of the housing units 64 percent are owner occupied, 27 percent are rental units, and 9 percent are vacant. Table 11 illustrates this information.

Table 11 - 2000 Demographic & Economic Characteristics of the Madison County Assessment Area		
Assessment Area Population	276,700	
Assessment Area Households	110,085	
Assessment Area Families	75,875	
<u>Huntsville MSA Median Family Income:</u>		
2011 Estimated Median Family Income(*)	\$70,800	
2012 Estimated Median Family Income(*)	\$71,700	
2013 Estimated Median Family Income(*)	\$71,500	
<u>Number of Total Housing Units:</u>		
	#	%
1-4 Family Residential	94,455	79
Multi-Family	18,390	15
Mobile Homes	7,381	6
Other	62	0
Total	120,288	100
Owner-Occupied Housing Units	76,816	64
Rental Housing Units	33,139	27
Vacant Housing Units	10,333	9
Total	120,288	100

Source: 2000 U.S. Census *Estimate from HUD

Housing records from the 2010 U. S. Census indicate that 78 percent of housing is 1-4 family residential, 16 percent is multi-family, and 6 percent is mobile homes. Of the housing units 63 percent are owner occupied, 26 percent are rental units, and 11 percent of housing units are vacant. Table 12 illustrates this information.

Table 12 - 2010 Demographic & Economic Characteristics of the Madison County Assessment Area		
Assessment Area Population	334,811	
Assessment Area Households	126,564	
Assessment Area Families	83,887	
Number of Total Housing Units:	#	%
1-4 Family Residential	110,998	78
Multi-Family	22,376	16
Mobile Homes	8,102	6
Other	7	0
Total	141,483	100
Owner-Occupied Housing Units	89,162	63
Rental Housing Units	37,402	26
Vacant Housing Units	14,919	11
Total	141,483	100

Source: 2010 U.S. Census

For purposes of CRA evaluations, individuals are categorized as low-, moderate-, middle-, or upper-income, based on their respective income levels as a percentage of the median family income (MFI). The Department of Housing and Urban Development's (HUD) estimated MFI for 2011, 2012 and 2013 is used to determine income level classification of borrowers. These figures are adjusted annually and are used in the borrower income analysis. Table 13 illustrates this information.

Table 13 - Median Family Income – Madison County (Huntsville MSA 26620)				
Borrower Income Level	Percent of Median Family Income	2011 MFI (\$70,800)	2012 MFI (\$71,700)	2013 MFI (\$71,500)
Low	0% to less than 50%	\$0 - < \$35,399	\$0 - < \$35,849	\$0 - < \$35,749
Moderate	50% to less than 80%	\$35,400 - <\$56,639	\$35,850 - < \$57,359	\$35,750 - <\$57,199
Middle	80% to less than 120%	\$56,640 - < \$84,959	\$57,360 - < \$86,039	\$57,200 - < \$85,799
Upper	120% and over	\$84,960 and above	\$86,040 and above	\$85,800 and above

Source: HUD

Based on 2000 Census data, approximately 20 percent and 17 percent of the 75,875 families were low- and moderate-income, respectively. Additionally, 8.07 percent of the families within the assessment area had incomes below the poverty level. Based on 2010 Census data, approximately 22 percent and 16 percent of the 83,887 families were low- and moderate-income, respectively. Additionally, 8.64 percent of the families within the assessment area had incomes below the poverty level.

Economic Data

According to the Bureau of Labor statistical data, Madison County unemployment rates for the first three quarters of 2013 have fluctuated from a high of 6.5 percent to a low of 5.5 percent. Unemployment statistical data for the United States and State of Alabama are also shown for comparison purposes. Table 14 illustrates that Madison County had unemployment rates below that of both the United States average and the State of Alabama. Huntsville, in Madison County, is home to the second largest research and technology park in the nation. The three major employers in Madison County are U. S. Army/Redstone Arsenal, NASA/Marshall Space Flight Center, and Huntsville Hospital System.

Geographic Area	Unemployment Rate		
	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013
United States Average	8.1	7.4	7.3
State of Alabama	7.5	6.3	6.6
Madison County	6.5	5.5	5.7

Source: Bureau of Labor Statistics *NSA (Not Seasonally Adjusted)

Competition

There is a high level of banking competition throughout the Madison County assessment area. According to the FDIC June 30, 2013, Summary of Deposits, there are 25 financial institutions with 102 offices operating in this assessment area. The area is comprised of 23 commercial banks and two savings institutions. Bryant Bank ranks thirteenth, with a market share of 1.55 percent.

Baldwin County Assessment Area

Geographic Configuration

Based on 2000 U.S. Census data, the Baldwin County assessment area consists of a total of 23 census tracts comprised of one moderate-income, 10 middle-income, and 12 upper-income geographies. This information was utilized in the geographic analysis of 2011 small business and home mortgage loans. Effective January 1, 2012, banks were required to consider the 2010 U.S. Census Bureau information and new tract income data to review and adjust their assessment areas, as necessary. The 2010 U.S. Census data reflects that the Baldwin County assessment area now consists of 31 census tracts, comprised of one moderate-income, 12 middle-income and 18 upper-income geographies. This information was utilized in the geographic analysis of 2012 and 2013 small business lending and home mortgage loans.

Income Demographics and Housing Characteristics

The estimated median family income has fluctuated slightly over the past three years, increasing from \$47,000 in 2011 to \$47,600 in 2012, before decreasing in 2013 to \$46,000.

Housing records from the 2000 U. S. Census indicate that 66 percent of housing is 1-4 family residential, 15 percent is multi-family, and 18 percent is mobile homes. Of the housing units 59 percent are owner occupied, 15 percent are rental units, and 26 percent are vacant. Table 15 illustrates this information.

Table 15 - 2000 Demographic & Economic Characteristics of the Baldwin County Assessment Area		
Assessment Area Population	140,415	
Assessment Area Households	55,356	
Assessment Area Families	40,531	
<u>Baldwin County NMSA Median Family Income:</u>		
2011 Estimated Median Family Income(*)	\$47,000	
2012 Estimated Median Family Income(*)	\$47,600	
2013 Estimated Median Family Income(*)	\$46,000	
<u>Number of Total Housing Units:</u>	#	%
1-4 Family Residential	49,275	66
Multi-Family	11,195	15
Mobile Homes	13,127	18
Other	688	1
Total	74,285	100
Owner-Occupied Housing Units	44,036	59
Rental Housing Units	11,300	15
Vacant Housing Units	18,949	26
Total	74,285	100

Source: 2000 U.S. Census *Estimate from HUD

Housing records from the 2010 U. S. Census indicate that 67 percent of housing is 1-4 family residential, 19 percent is multi-family, and 14 percent is mobile homes. Of the housing units 53 percent are owner occupied, 16 percent are rental units, and 31 percent are vacant. Table 16 illustrates this information.

Table 16 - 2010 Demographic & Economic Characteristics of the Baldwin County Assessment Area		
Assessment Area Population	182,265	
Assessment Area Households	69,476	
Assessment Area Families	50,195	
Number of Total Housing Units:	#	%
1-4 Family Residential	67,262	67
Multi-Family	19,019	19
Mobile Homes	14,464	14
Other	348	0
Total	101,093	100
Owner-Occupied Housing Units	53,309	53
Rental Housing Units	16,167	16
Vacant Housing Units	31,617	31
Total	101,093	100

Source: 2010 U.S. Census

For purposes of CRA evaluations, individuals are categorized as low-, moderate-, middle-, or upper-income, based on their respective income levels as a percentage of the median family income (MFI). The Department of Housing and Urban Development's (HUD) estimated MFI for 2011, 2012 and 2013 is used to determine income level classification of borrowers. These figures are adjusted annually and are used in the borrower income analysis. Table 17 illustrates this information.

Table 17 - Median Family Income – Baldwin County, NMSA				
Borrower Income Level	Percent of Median Family Income	2011 MFI (\$47,000)	2012 MFI (\$47,600)	2013 MFI (\$46,000)
Low	0% to less than 50%	\$0 - < \$23,499	\$0 - < \$23,799	\$0 - < \$22,999
Moderate	50% to less than 80%	\$23,500 - <\$37,599	\$23,800 - < \$38,079	\$23,000 - <\$36,799
Middle	80% to less than 120%	\$37,600 - < \$56,399	\$38,080 - < \$57,119	\$36,800 - < \$55,199
Upper	120% and over	\$56,400 and above	\$57,120 and above	\$55,200 and above

Source: HUD

Based on 2000 Census data, approximately 13 percent and 13 percent of the 40,531 families were low- and moderate-income, respectively. Additionally, 7.60 percent of the families within the assessment area had incomes below the poverty level. Based on 2010 Census data, approximately 13 percent and 14 percent of the 50,195 families were low- and moderate-income, respectively. Additionally, 9.13 percent of the families within the assessment area had incomes below the poverty level.

Economic Data

According to the Bureau of Labor statistical data, Baldwin County unemployment rates for the first three quarters of 2013 have fluctuated from a high of 7.2 percent to a low of 5.5 percent. Unemployment statistical data for the United States and State of Alabama are also shown for comparison purposes. Table 18 illustrates that Baldwin County had unemployment rates below that of both the United States average and the State of Alabama. While the three major employers in Baldwin County are Baldwin County Board of Education, Wal-Mart Super Centers, and Standard Furniture, developing industries include aerospace (Segers Aero, United Technologies Aerospace) and advanced manufacturing (DentalEZ Group).

Geographic Area	Unemployment Rate		
	1 st Qtr 2013	2nd Qtr 2013	3 rd Qtr 2013
United States Average	8.1	7.4	7.3
State of Alabama	7.5	6.3	6.6
Baldwin County	7.2	5.5	5.5

Source: Bureau of Labor Statistics *NSA (Not Seasonally Adjusted)

Competition

There is a high level of banking competition throughout the Baldwin County assessment area. According to the FDIC June 30, 2013, Summary of Deposits, there are 20 financial institutions with 90 offices operating in this assessment area. The area is comprised of 20 commercial banks. Bryant Bank ranks thirteenth, with a market share of 1.99 percent.

Community Contacts

During a CRA evaluation, it is customary for examiners to contact various persons and organizations within the institution's assessment areas to gain insight regarding local economic conditions and credit needs. Multiple community contacts were conducted or reviewed from the assessment areas. The contacts generally stated that local institutions are actively involved in meeting the credit needs of their communities. The community contacts also indicated there are many individuals and small business owners in the assessment areas that would benefit from basic financial education. Additionally, the contacts stated that the assessment areas are in need of decent affordable housing. The contacts further stated that local financial institutions are helping to meet community needs. The contacts did not reveal any derogatory information regarding the banks' commitment to addressing area credit needs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The lending test analysis that follows evaluates the bank's small business and home lending separately as described earlier in the scope section. The factors considered are as follows: (1) loan-to-deposit ratio; (2) lending inside the assessment areas; (3) geographic distribution of loans; (4) lending to businesses of different sizes and to borrowers of different incomes; and (5) response to CRA complaints.

Loan-to-Deposit Ratio

Bryant Bank's average net loan-to-deposit (NLTD) ratio meets standards for satisfactory performance and reflects a reasonable volume of lending. The NLTD ratio is calculated by dividing net loans and leases, which excludes loan loss reserves and unearned income, by total deposits. The average NLTD ratio is calculated by adding the NLTD ratios for each quarter since the last CRA evaluation and dividing that sum by the number of quarters. As of September 30, 2013, the bank's average NLTD ratio calculated for the 13 quarter-ends since the last evaluation is 68 percent. The quarterly ratios have ranged from a high of 77 percent on March 31, 2011, to a low of 61 percent on June 30, 2013. The quarterly ratios have trended downward as a result of a high deposit growth rate.

A bank's average NLTD ratio is generally compared to a similarly-situated institution operating within the bank's assessment area. Comparable institutions will typically operate within the bank's assessment area and share similar attributes such as size, product lines, and branching structure. Bryant Bank's average NLTD ratio was compared to the average NLTD ratio for its national peer group since no similarly-situated institutions exist. The peer group, as defined by the Uniform Bank Performance Report, consists of commercial banks that have assets between \$1 billion and \$3 billion. Bryant Bank's September 30, 2013, NLTD ratio of 63 percent is less than the peer group's NLTD ratio of 75 percent for the same period.

Lending Inside the Assessment Areas

The bank's lending levels reflect an excellent responsiveness to the credit needs of its assessment areas. Table 19 illustrates the distribution of lending inside and outside of the assessment areas. The overall distribution of loans reflects that a substantial majority of loans both by number (91 percent) and dollar amount (91 percent) were originated within the assessment areas. Further breakdown of the bank's performance shows that 91 percent of the number and 92 percent of the dollar volume of small business loans, and 91 percent of the number and 91 percent of the dollar volume of home mortgage loans, were extended to borrowers inside the bank's assessment areas.

Table 19 – Combined Assessment Areas Lending										
Loan Category/Type	Number of Loans					Dollar Volume (000's)				
	Inside		Outside		Total #	Inside		Outside		Total \$
	#	%	#	%		\$	%	\$	%	
2011 Small Business	9	90	1	10	10	776	66	400	34	1,176
2012 Small Business	37	90	4	10	41	6,818	96	274	4	7,092
2013 Small Business	67	92	6	8	73	14,099	92	1,300	8	15,399
Total Small Business	113	91	11	9	124	21,693	92	1,974	8	23,667
2011 Home Mortgage	197	90	21	10	218	25,405	86	4,145	14	29,550
2012 Home Mortgage	276	93	22	7	298	54,642	97	1,897	3	56,539
2013 Home Mortgage	220	89	27	11	247	42,050	88	5,944	12	47,994
Total Home Mortgage	693	91	70	9	763	122,097	91	11,986	9	134,083
Total Loans	806	91	81	9	887	143,790	91	13,960	9	157,750

Source: 2011, 2012, and 2013 Home Mortgage Disclosure Act (HMDA) loan application registers (LARs) and bank documents.

Geographic Distribution of Loans

Overall Performance: Bryant Bank generally meets standards for satisfactory performance for this performance criterion. The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. The bank's small business and home mortgage loan distribution is discussed separately below.

SMALL BUSINESS LOANS

Tuscaloosa County Assessment Area

The bank's performance in this assessment area is satisfactory. Only those loans originated within this assessment area were included in this analysis. As indicated in Table 21, the bank originated one loan in the low-income census tracts representing 3 percent of all loans originated. Compared to the percentages of businesses located in the low-income census tracts of 2 percent based on 2000 census tracts and 6 percent based on 2010 census tracts the bank has limited lending opportunities. The bank's lending performance in moderate-income census tracts is reasonable. The bank extended five loans totaling \$233,000 in moderate-income census tracts. By number this performance represents 17 percent. Distribution of businesses in moderate-income census tracts is 26 percent based on 2000 census tracts and 21 percent based on 2010 census tracts. Economic circumstances have negatively impacted lending opportunities during this review period. Although the bank's performance is considered satisfactory in light of the aforementioned factors, the institution should continue to evaluate its performance relative to changing demographics and economic opportunities.

Table 21 – Geographic Distribution of Small Business Loans Tuscaloosa County Assessment Area						
Census Tract Income Level	Census Tract Distribution %	Business Distribution %	Number of Loans 2011 – 2013		Dollar Volume 2011 - 2013	
			#	%	\$(000s)	%
Low						
2011	2	2	1	3	48	1
2012 & 2013	13	6				
Moderate						
2011	27	26	5	17	233	6
2012 & 2013	23	21				
Middle						
2011	47	46	9	30	1,454	40
2012 & 2013	36	37				
Upper						
2011	24	26	15	50	1,911	53
2012 & 2013	28	36				
N/A	0	0	0	0	0	0
Total						
2011	100	100	30	100	3,646	100
2012 & 2013	100	100				

Source: D&B data and bank records. Community development loans are not included in this table.

Jefferson and Shelby Counties Assessment Area

The bank’s performance in this assessment area is satisfactory. Only those loans originated within this assessment area were included in this analysis. As shown in Table 22, the bank did not extend any small business loans in low-income census tracts. Business comparison data indicates that 9 percent of businesses are located in the low-income census tracts. This small percentage would indicate limited lending opportunities. The bank’s performance within moderate-income census tracts is more favorable, and exceeds business comparison data. The bank extended nine loans totaling \$2,364,000 in moderate-income census tracts. By number and dollar volume, this performance represents 21 percent and 24 percent, respectively, which is significantly above business comparison data. Intense competition from other local, regional, and national financial institutions could be considered a mitigating factor for the bank’s performance. Economic circumstances have also negatively impacted lending opportunities during this review period. Although the bank’s performance is considered satisfactory in light of the aforementioned factors, the institution should continue to evaluate its performance relative to changing demographics and economic opportunities. The institution should continually evaluate its performance relative to changing demographics and economic opportunities.

Table 22 – Geographic Distribution of Small Business Loans Jefferson & Shelby Counties Assessment Area						
Census Tract Income Level	Census Tract Distribution %	Business Distribution %	Number of Loans 2011 - 2013		Dollar Volume 2011 - 2013	
			#	%	\$(000s)	%
Low						
2011	9	9	0	0	0	0
2012 & 2013	12	9				
Moderate						
2011	26	13	9	21	2,364	24
2012 & 2013	22	17				
Middle						
2011	32	29	9	21	2,307	23
2012 & 2013	32	29				
Upper						
2011	33	49	24	58	5,175	53
2012 & 2013	34	45				
N/A						
2011	0	0	0	0	0	0
2012 -2013						
Total						
2011	100	100	42	100	9,846	100
2012 – 2013	100	100				

Source: D&B data and bank records. Community development loans are not included in this table.

Madison County Assessment Area

The bank’s performance in this assessment area is satisfactory. Only those loans originated within this assessment area were included in this analysis. The bank’s performance in low-income census tracts is relatively strong. As shown in Table 23, the bank extended seven small business loans totaling \$1,699,000 in low-income census tracts. By number and dollar volume, this performance represents 23 percent and 28 percent, respectively, which substantially exceeds business comparison data of 7 percent and 12 percent based on the 2000 and 2010 census tracts, respectively. However, the bank’s performance within moderate-income census tracts is weak. The bank did not extend any loans in moderate-income census tracts. This is substantially below business comparison data of 20 and 21 percent. Intense competition from other local, regional, and national financial institutions could be considered a mitigating factor for the bank’s performance. Although, the performance is considered generally satisfactory, the institution should continually evaluate its performance relative to changing demographics and economic opportunities, particularly in the moderate-income census tracts.

Table 23 – Geographic Distribution of Small Business Loans Madison County Assessment Area						
Census Tract Income Level	Census Tract Distribution %	Business Distribution %	Number of Loans 2011 - 2013		Dollar Volume 2011 - 2013	
			#	%	\$(000s)	%
Low						
2011	8	7	7	23	1,699	28
2012 & 2013	14	12				
Moderate						
2011	26	20	0	0	0	0
2012 & 2013	24	21				
Middle						
2011	36	38	8	27	1,979	33
2012 & 2013	31	31				
Upper						
2011	30	35	15	50	2,351	39
2012 & 2013	31	36				
N/A						
2011	0	0	0	0	0	0
2012 -2013						
Total						
2011	100	100	30	100	6,029	100
2012 – 2013	100	100				

Source: D&B data and bank records. Community development loans are not included in this table.

Baldwin County Assessment Area

The bank did not extend any loans in the one moderate-income census tract located in the Baldwin County assessment area. There are no low-income census tracts located in the Baldwin County assessment area. As reflected in Table 24, the moderate-income census tract represents only 4 percent of all census tracts and contains only 1 percent of all businesses in the assessment area. Therefore, no weight was given to the bank’s performance in this assessment area since no meaningful conclusion could be formed from this data.

Table 24 – Geographic Distribution of Small Business Loans Baldwin County Assessment Area						
Census Tract Income Level	Census Tract Distribution %	Business Distribution %	Number of Loans 2011 - 2013		Dollar Volume 2011 - 2013	
			#	%	\$(000s)	%
Low 2011 2012 & 2013	NA	NA	NA	NA	NA	NA
Moderate 2011 2012 & 2013	4 3	1 1	0	0	0	0
Middle 2011 2012 & 2013	44 39	39 36	2	18	80	4
Upper 2011 2012 & 2013	52 58	60 63	9	82	2,092	96
N/A 2011 2012 -2013	0	0	0	0	0	0
Total 2011 2012 – 2013	100 100	100 100	11	100	2,172	100

Source: D&B data and bank records. Community development loans are not included in this table.

HOME MORTGAGE LOANS

Tuscaloosa County Assessment Area

The bank's performance with regard to the geographic distribution of home mortgage loans in this assessment area is excellent. Table 26 reflects the geographic distribution of the loans originated during the review period. The yearly geographic distribution of loans relative to aggregate lending data and the percentage of owner-occupied housing units in the assessment area are discussed below. Note that while 2011 and 2012 aggregate lending data is presented, the bank's year-to-date 2013 performance is measured against the percentage of owner-occupied housing units within the assessment area only, as aggregate lending data for 2013 is not available.

Table 26 – Geographic Distribution of Home Mortgage Loans Tuscaloosa County Assessment Area							
Census Tract Income Level	Low	Moderate	Middle	Upper	NA*	Total	
% Owner-Occupied Units							
2000 Census	<1	19	54	27	0	100	
2010 Census	4	13	42	41	0	100	
2011 Aggregate Lending							
#	<1	11	49	40	0	100	
\$	<1	7	44	48	0	100	
2012 Aggregate Lending							
#	1	6	31	62	0	100	
\$	1	4	24	71	0	100	
2011	Number	0	33	43	36	0	112
	Percent	0	30	38	32	0	100
	Dollar (000's)	0	2,642	6,182	6,540	0	15,364
	Percent	0	17	40	43	0	100
2012	Number	15	39	36	34	0	124
	Percent	12	32	29	27	0	100
	Dollar (000's)	1,311	4,615	10,144	5,629	0	21,699
	Percent	6	21	47	26	0	100
2013	Number	9	25	22	19	0	75
	Percent	12	34	29	25	0	100
	Dollar (000's)	1,365	6,764	2,217	3,987	0	14,333
	Percent	10	47	15	28	0	100
Totals	Number	24	97	101	89	0	311
	Percent	8	31	32	29	0	100
	Dollar (000's)	2,676	14,021	18,543	16,156	0	51,396
	Percent	5	27	36	32	0	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available.

2011 Geographic Distribution

The bank did not originate any loans within low-income census tracts in 2011. Note that less than one percent of the aggregate lending originated in the low-income census tracts and that less than one percent of owner-occupied housing for the assessment area is located within the low-income census tracts. This would provide very limited opportunities for lending within the low-income census tracts. Within moderate-income tracts, the bank's performance by number and dollar volume substantially exceeds aggregate lending data and the percentage of owner-occupied housing.

2012 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume substantially exceeds the aggregate lending and the percentage of owner-occupied housing units. Within moderate-income tracts, the bank's performance by number and dollar volume

substantially exceeds aggregate lending data and the percentage of owner-occupied housing units.

2013 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume substantially exceeds the percentage of owner-occupied housing units. Within moderate-income tracts, the bank's performance by number and dollar volume substantially exceeds the percentage of owner-occupied housing units. Aggregate lending data is not available.

Jefferson and Shelby Counties Assessment Area

The bank's performance with regard to the geographic distribution of home mortgage loans in this assessment area is reasonable. Table 27 reflects the geographic distribution of the loans originated during the review period. The yearly geographic distribution of loans relative to aggregate lending data and the percentage of owner-occupied housing units in the assessment area are discussed below. Note that while 2011 and 2012 aggregate lending data is presented, the bank's year-to-date 2013 performance is measured against the percentage of owner-occupied housing units within the assessment area only, as aggregate lending data is not available.

Table 27 – Geographic Distribution of Home Mortgage Loans Jefferson & Shelby Counties Assessment Area							
Census Tract Income Level		Low	Moderate	Middle	Upper	NA*	Total
% Owner-Occupied Units							
2000 Census		3	19	34	44	0	100
2010 Census		6	15	34	45	0	100
2011 Aggregate Lending							
#		1	4	30	65	0	100
\$		1	2	24	73	0	100
2012 Aggregate Lending							
#		2	5	26	67	0	100
\$		1	4	19	76	0	100
2011	Number	1	2	18	8	0	29
	Percent	3	7	62	28	0	100
	Dollar (000's)	44	156	1,132	392	0	1,724
	Percent	3	9	66	22	0	100
2012	Number	4	14	14	17	0	49
	Percent	8	29	29	34	0	100
	Dollar (000's)	223	8,916	908	849	0	10,896
	Percent	2	82	8	8	0	100
2013	Number	3	13	21	8	0	45
	Percent	7	29	46	18	0	100
	Dollar (000's)	256	9,029	1,154	1,157	0	11,596
	Percent	2	78	10	10	0	100
Totals	Number	8	29	53	33	0	123
	Percent	7	23	43	27	0	100

	Dollar (000's)	523	18,101	3,194	2,398	0	24,216
	Percent	2	75	13	10	0	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available.

2011 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume slightly exceeds aggregate lending data and is equal to the percentage of owner-occupied housing. Within moderate-income tracts, the bank's performance by number and dollar volume exceeds aggregate lending data but is below the percentage of owner-occupied housing units.

2012 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume exceeds the aggregate lending. The bank's performance by number volume exceeds the percentage of owner-occupied housing units. Within moderate-income tracts, the bank's performance by number and dollar volume substantially exceeds aggregate lending data and slightly exceeds the percentage of owner-occupied housing units.

2013 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume substantially exceeds the percentage of owner-occupied housing units. Within moderate-income tracts, the bank's performance by number and dollar volume substantially exceeds the percentage of owner-occupied housing units. Aggregate lending data is not available.

Madison County Assessment Area

The bank's performance with regard to the geographic distribution of home mortgage loans in this assessment area is reasonable. Table 28 reflects the geographic distribution of the loans originated during the review period. The yearly geographic distribution of loans relative to aggregate lending data and the percentage of owner-occupied housing units in the assessment area are discussed below. Note that while 2011 and 2012 aggregate lending data is presented, the bank's year-to-date 2013 performance is measured against the percentage of owner-occupied housing units within the assessment area only, as aggregate lending data for this year is not available.

Table 28 – Geographic Distribution of Home Mortgage Loans Madison County Assessment Area							
Census Tract Income Level	Low	Moderate	Middle	Upper	NA*	Total	
% Owner-Occupied Units							
2000 Census	1	19	42	38	0	100	
2010 Census	4	16	38	42	0	100	
2011 Aggregate Lending							
#	1	10	39	50	0	100	
\$	>1	7	34	59	0	100	
2012 Aggregate Lending							
#	2	10	36	52	0	100	
\$	1	6	31	62	0	100	
2011	Number	0	12	10	17	0	39
	Percent	0	30	26	44	0	100
	Dollar (000's)	0	628	707	3,419	0	4,754
	Percent	0	13	14	73	0	100
2012	Number	7	17	25	20	0	69
	Percent	10	25	36	29	0	100
	Dollar (000's)	1,078	1,018	4,314	10,025	0	16,435
	Percent	7	6	26	61	0	100
2013	Number	5	23	34	23	0	85
	Percent	6	27	40	27	0	100
	Dollar (000's)	425	1,996	5,184	5,737	0	13,342
	Percent	3	15	39	43	0	100
Totals	Number	12	52	69	60	0	193
	Percent	6	27	36	31	0	100
	Dollar (000's)	1,503	3,642	10,205	19,181	0	34,531
	Percent	4	11	30	55	0	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available.

2011 Geographic Distribution

The bank did not originate any loans in low-income geographies in 2011. Within moderate-income census tracts, the bank's performance by number and dollar volume exceeds both aggregate lending data and the percentage of owner-occupied housing.

2012 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume exceeds the aggregate lending and the percentage of owner-occupied housing units. Within moderate-income census tracts, the bank's performance by number and dollar volume substantially exceeds aggregate lending data. The bank's performance by number volume exceeds the percentage of owner-occupied housing units.

2013 Geographic Distribution

Within low-income census tracts, the bank's performance by number and dollar volume exceeds the percentage of owner-occupied housing units. Within moderate-income census tracts, the bank's performance by number volume substantially exceeds the percentage of owner-occupied housing units, while dollar volume is slightly below the percentage of owner-occupied housing.

Baldwin County Assessment Area

There are no low-income geographies in this assessment area. There is one moderate-income tract in the assessment area; however, the bank did not originate any loans there. The low percentage of owner-occupied housing in the moderate income census tract presents very limited opportunities for lending within this geography. Table 29 reflects the geographic distribution of the loans originated during the review period. The performance in this assessment area will not be discussed further due to the absence of lending in the moderate-income geography.

Table 29 – Geographic Distribution of Home Mortgage Loans Baldwin County Assessment Area							
Census Tract Income Level	Low	Moderate	Middle	Upper	NA*	Total	
% Owner-Occupied Units							
2000 Census	NA	2	46	52	0	100	
2010 Census		1	39	60	0	100	
2011 Aggregate Lending							
#	NA	>1	32	68	0	100	
\$		>1	24	76	0	100	
2012 Aggregate Lending							
#	NA	1	29	70	0	100	
\$		>1	22	78	0	100	
2011	Number	NA	0	5	12	0	17
	Percent	NA	0	29	71	0	100
	Dollar (000's)	NA	0	435	3,128	0	3,563
	Percent	NA	0	12	88	0	100
2012	Number	NA	0	14	20	0	34
	Percent	NA	0	41	59	0	100
	Dollar (000's)	NA	0	1,190	4,422	0	5,612
	Percent	NA	0	21	79	0	100
2013	Number	NA	0	4	11	0	15
	Percent	NA	0	27	73	0	100
	Dollar (000's)	NA	0	533	2,246	0	2,779
	Percent	NA	0	19	81	0	100
Totals	Number	NA	0	23	43	0	66
	Percent	NA	0	35	65	0	100
	Dollar (000's)	NA	0	2,158	9,796	0	11,954
	Percent	NA	0	18	82	0	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available.

Lending to Businesses of Different Sizes and Borrowers of Different Incomes

Overall Performance: Bryant Bank meets standards for satisfactory performance. The distribution of small business loans reflects a reasonable penetration among businesses of different sizes. The distribution of home mortgage loans reflects a reasonable penetration among individuals of different income levels. The bank's small business and home mortgage lending performance is discussed separately below.

SMALL BUSINESS LOANS

The data presented in the tables in this section represent the distribution of small business loans originated in the bank's assessment areas based on the gross annual revenue of the businesses. For this performance criterion, more emphasis is placed on the number of loans rather than the dollar volume, as small businesses tend to borrow smaller dollar amounts. For comparison purposes, the tables also show the percent of businesses with gross annual revenues of \$1 million or less and those with revenues over \$1 million based on 2011, 2012, and 2013 D&B data. Also indicated in the tables is the percentage of businesses that did not report revenue data for each year. While the revenue data gives some indication of the size of businesses in the assessment areas, given the large percentage of businesses that did not report revenue there is no clear demographic data available for comparison. Therefore, this data is presented for informational purposes only.

Tuscaloosa County Assessment Area

As shown in Table 31, the majority of small business loans in this assessment area were extended to businesses with gross annual revenues of \$1 million or less. Specifically, in 2011, the bank extended 50 percent of the number and 24 percent of the dollar volume to small businesses. In 2012, the bank extended 100 percent of the number and 100 percent of the dollar volume to small businesses. In 2013, the bank extended 65 percent of the number and 78 percent of the dollar volume to small businesses. Overall, the bank's lending is in-line with demographic data.

Table 31 – Distribution of Small Business Loans by Gross Revenue Tuscaloosa County Assessment Areas					
Gross Annual Revenues		\$0 to \$1 million	Over \$1 million	Income not Reported	Totals
% of Businesses 2011		69	3	28	100
% of Businesses 2012		72	4	24	100
% of Businesses 2013		71	4	25	100
2011	Number	1	1	0	2
	Percent	50	50	0	100
	Dollar (000's)	15	48	0	63
	Percent	24	76	0	100
2012	Number	8	0	0	8
	Percent	100	0	0	100
	Dollar (000's)	797	0	0	797
	Percent	100	0	0	100
2013	Number	13	7	0	20
	Percent	65	35	0	100
	Dollar (000's)	2,183	603	0	2,786
	Percent	78	22	0	100
Totals	Number	22	8	0	30
	Percent	73	27	0	100
	Dollar (000's)	2,995	651	0	3,646
	Percent	82	18	0	100

Source: D&B data and bank records. Community development loans are not included in this table.

Jefferson and Shelby Counties Assessment Area

As shown in Table 32, the majority of small business loans in this assessment area were extended to businesses with gross annual revenues of \$1 million or less. Specifically, in 2011, the bank extended 83 percent of the number and 40 percent of the dollar volume to small businesses. In 2012, the bank extended 94 percent of the number and 98 percent of the dollar volume to small businesses. In 2013, the bank extended 76 percent of the number and 62 percent of the dollar volume to small businesses. Overall, the bank's lending is in-line with demographic data.

Table 32 – Distribution of Small Business Loans by Gross Revenue Jefferson and Shelby Counties Assessment Area					
Gross Annual Revenues		\$0 to \$1 million	Over \$1 million	Income not Reported	Totals
% of Businesses 2011		67	4	29	100
% of Businesses 2012		72	4	24	100
% of Businesses 2013		71	5	24	100
2011	Number	5	1	0	6
	Percent	83	17	0	100
	Dollar (000's)	278	425	0	703
	Percent	40	60	0	100
2012	Number	16	1	0	17
	Percent	94	6	0	100
	Dollar (000's)	2,663	50	0	2,713
	Percent	98	2	0	100
2013	Number	11	8	0	19
	Percent	58	42	0	100
	Dollar (000's)	3,157	3,273	0	6,430
	Percent	49	51	0	100
Totals	Number	32	10	0	42
	Percent	76	24	0	100
	Dollar (000's)	6,098	3,748	0	9,846
	Percent	62	38	0	100

Source: D&B data and bank records. Community development loans are not included in this table.

Madison County Assessment Area

As shown in Table 33, the majority of small business loans in this assessment area were extended to businesses with gross annual revenues of \$1 million or less. Specifically, in 2011, the bank extended 100 percent of the number and 100 percent of the dollar volume to small businesses. In 2012, the bank extended 60 percent of the number and 38 percent of the dollar volume to small businesses. In 2013, the bank extended 68 percent of the number and 69 percent of the dollar volume to small businesses. Overall, the bank's lending is in-line with demographic data.

Table 33 – Distribution of Small Business Loans by Gross Revenue Madison County Assessment Area					
Gross Annual Revenues		\$0 to \$1 million	Over \$1 million	Income not Reported	Totals
% of Businesses 2011		66	3	31	100
% of Businesses 2012		71	4	25	100
% of Businesses 2013		73	4	23	100
2011	Number	1	0	0	1
	Percent	100	0	0	100
	Dollar (000's)	10	0	0	10
	Percent	100	0	0	100
2012	Number	3	2	0	5
	Percent	60	40	0	100
	Dollar (000's)	584	955	0	1,539
	Percent	38	62	0	100
2013	Number	17	7	0	24
	Percent	71	29	0	100
	Dollar (000's)	3,293	1,187	0	4,480
	Percent	69	31	0	100
Totals	Number	21	9	0	30
	Percent	70	30	0	100
	Dollar (000's)	3,887	2,142	0	6,029
	Percent	64	36	0	100

Source: D&B data and bank records. Community development loans are not included in this table.

Baldwin County Assessment Area

As shown in Table 34, the majority of small business loans in this assessment area were extended to businesses with gross annual revenues of \$1 million or less. Although the bank did not have loans to consider in 2011, in 2012, the bank extended 71 percent of the number and 36 percent of the dollar volume to small businesses. In 2013, the bank extended 75 percent of the number and 86 percent of the dollar volume to small businesses.

Table 34 – Distribution of Small Business Loans by Gross Revenue Baldwin County Assessment Areas					
Gross Annual Revenues		\$0 to \$1 million	Over \$1 million	Income not Reported	Totals
% of Businesses 2011		69	2	29	100
% of Businesses 2012		74	3	23	100
% of Businesses 2013		75	3	22	100
2011	Number	0	0	0	0
	Percent	0	0	0	0
	Dollar (000's)	0	0	0	0
	Percent	0	0	0	0
2012	Number	5	2	0	7
	Percent	71	29	0	100
	Dollar (000's)	631	1,139	0	1,770
	Percent	36	64	0	100
2013	Number	3	1	0	4
	Percent	75	25	0	100
	Dollar (000's)	347	55	0	402
	Percent	86	14	0	100
Totals	Number	8	3	0	11
	Percent	73	27	0	100
	Dollar (000's)	978	1,194	0	2,172
	Percent	45	55	0	100

Source: D&B data and bank records. Community development loans are not included in this table.

HOME MORTGAGE LOANS

Tuscaloosa County Assessment Area

As illustrated in Table 36, the bank's distribution of home mortgage loans to low- and moderate-income borrowers is lower than demographic data and aggregate lender performance. However, the bank's performance is mitigated by demographic factors and its lending strategy. Due to the poverty level, many low-income families would not qualify for a home loan. Approximately 56 percent of low-income families were below the poverty level from 2011 to 2013. Furthermore, Bryant Bank primarily lends to its business customers for investment properties and second homes, as evidenced by the percentage of loans to borrowers whose incomes are not reported. Also, as previously mentioned, the bank faces stiff competition from other financial institutions located in this assessment area. The following is a discussion of the bank's performance in the combined assessment areas in each year.

The data presented in the table below and the discussions that follow illustrates the bank's performance in lending to borrowers of different income levels during the review period. For comparison purposes, the percent of families in each income category and 2011 and 2012 aggregate lending data is shown. Since aggregate lending data is not available for 2013, the bank's 2013 performance will be compared only to the percentage of families within the income categories.

Table 36 – Distribution of Home Mortgage Loans by Borrower Income Tuscaloosa County Assessment Areas							
Income Level	Low	Moderate	Middle	Upper	NA*	Total	
% of Families							
2000 Census	20	17	20	43	0	100	
2010 Census	20	16	20	44	0	100	
2011 Aggregate Lending							
#	6	17	22	46	9	100	
\$	3	11	17	54	15	100	
2012 Aggregate Lending							
#	5	16	21	47	11	100	
\$	2	11	17	56	14	100	
2011	Number	2	10	13	25	62	112
	Percent	2	9	12	22	55	100
	Dollar (000's)	164	628	1,098	4,688	8,786	15,364
	Percent	1	4	7	31	57	100
2012	Number	2	3	22	27	70	124
	Percent	2	2	18	22	56	100
	Dollar (000's)	242	294	1,404	3,394	16,365	21,699
	Percent	1	1	7	16	75	100
2013	Number	1	3	11	21	39	75
	Percent	1	4	15	28	52	100
	Dollar (000's)	6	287	1,138	2,690	10,212	14,333
	Percent	<1	2	8	19	71	100
Totals	Number	5	16	46	73	171	311
	Percent	2	5	15	23	55	100
	Dollar (000's)	412	1,209	3,640	10,772	35,363	51,396
	Percent	1	2	7	21	69	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available

2011

The bank extended two loans totaling \$164,000 to low-income borrowers, representing 2 percent of the number and 1 percent of the dollar volume. This is below aggregate lending data and the percentage of families at 6 percent and 20 percent, respectively. Performance improved in lending to moderate-income borrowers but is still below comparison data. The bank extended 10 loans totaling \$628,000 to moderate-income borrowers, representing 9 percent of the number and 4 percent of the dollar volume. This is significantly below aggregate lending data and the percentage of families at 17 percent and 17 percent, respectively. By contrast, the bank extended 62 loans totaling \$8,786,000 to borrowers whose income was not reported, representing 55 percent of the number and 57 percent of the dollar volume.

2012

The bank extended two loans totaling \$242,000 to low-income borrowers, representing 2 percent of the number and 1 percent of the dollar volume. This is below aggregate lending data at 5 percent, and significantly below the percentage of families at 20 percent. The bank extended only three loans totaling \$294,000 to moderate-income borrowers, representing 2 percent of the number and 1 percent of the dollar volume. This is significantly below aggregate lending data and the percentage of families at 16 percent and 16 percent, respectively. By contrast, the bank extended 70 loans totaling \$16,365,000 to borrowers whose income was not reported, representing 56 percent of the number and 75 percent of the dollar volume.

2013

The bank extended one loan totaling \$6,000 to a low-income borrower, representing 1 percent of the number and less than 1 percent of the dollar volume. By number and dollar, the bank's performance is significantly less than the percentage of families at 20 percent. The bank extended three loans totaling \$287,000 to moderate-income borrowers, representing 4 percent of the number and 2 percent of the dollar volume. This is significantly below the percentage of families at 16 percent. By contrast, the bank extended 39 loans totaling \$10,212,000 to borrowers whose income was not reported, representing 52 percent of the number and 71 percent of the dollar volume.

Jefferson and Shelby Counties Assessment Area

As illustrated in Table 37, the bank's distribution of home mortgage loans to low- and moderate-income borrowers is significantly lower than demographic data but in-line with or higher than aggregate lending. The bank's performance is mitigated by demographic factors and its lending strategy. Due to the poverty level, many low-income families would not qualify for a home loan. Approximately 49 percent and 47 percent of low-income families were below the poverty level in 2011, and 2012-2013, respectively. Furthermore, Bryant Bank primarily lends to its business customers for investment properties and second homes, as evidenced by the percentage of loans to borrowers whose incomes are not reported. The following is a discussion of the bank's performance in the combined assessment areas in each year.

The data presented in the table below and the discussions that follow illustrates the bank's performance in lending to borrowers of different income levels during the review period. For comparison purposes, the percent of families in each income category and 2011 and 2012 aggregate lending data is shown. Since aggregate lending data is not available for 2013, the bank's 2013 performance will be compared only to the percentage of families within the income categories.

**Table 37 – Distribution of Home Mortgage Loans by Borrower Income
Jefferson and Shelby Counties Assessment Areas**

Income Level		Low	Moderate	Middle	Upper	NA*	Total
% of Families							
2000 Census		21	16	20	43	0	100
2010 Census		21	16	19	44	0	100
2011 Aggregate Lending							
#		7	18	22	45	8	100
\$		3	11	17	58	11	100
2012 Aggregate Lending							
#		8	17	20	47	8	100
\$		3	11	16	59	11	100
2011	Number	2	5	4	12	6	29
	Percent	7	17	14	41	21	100
	Dollar (000's)	126	179	221	828	370	1,724
	Percent	7	10	13	48	22	100
2012	Number	5	4	8	15	17	49
	Percent	10	8	16	31	35	100
	Dollar (000's)	180	89	265	949	9,413	10,896
	Percent	2	1	2	9	86	100
2013	Number	3	8	5	14	15	45
	Percent	7	18	11	31	33	100
	Dollar (000's)	89	450	167	953	9,937	11,596
	Percent	1	4	1	8	86	100
Totals	Number	10	17	17	41	38	123
	Percent	8	14	14	33	31	100
	Dollar (000's)	395	718	653	2,730	19,720	24,216
	Percent	2	3	3	11	81	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available

2011

The bank extended two loans totaling \$126,000 to low-income borrowers, representing 7 percent of the number and 7 percent of the dollar volume. This compares to aggregate lending data at 7 percent and is below the percentage of families at 21 percent. The bank extended five loans totaling \$179,000 to moderate-income borrowers, representing 17 percent of the number and 10 percent of the dollar volume. This is in-line with aggregate lending data at 18 percent and the percentage of families at 16 percent.

2012

The bank extended five loans totaling \$180,000 to low-income borrowers, representing 10 percent of the number and 2 percent of the dollar volume. This is above aggregate lending data at 8 percent, but significantly below the percentage of families at 21 percent. The bank extended four loans totaling \$89,000 to moderate-income borrowers, representing 8 percent of the number and 1 percent of the dollar volume. This is significantly below aggregate lending data and the percentage of families at 17 percent and 16 percent, respectively.

2013

The bank extended three loans totaling \$89,000 to a low-income borrower, representing 7 percent of the number and 1 percent of the dollar volume. By number and dollar, the bank's performance is significantly less than the percentage of families at 21 percent. The bank extended eight loans totaling \$450,000 to moderate-income borrowers, representing 18 percent of the number and 4 percent of the dollar volume. This is slightly above the percentage of families at 16 percent.

Madison County Assessment Area

As illustrated in Table 38, the bank's distribution of home mortgage loans to low- and moderate-income borrowers lower than demographic and aggregate data. However, the bank's performance is mitigated by demographic factors and its lending strategy. Due to the poverty level, many low-income families would not qualify for a home loan. Approximately 40 percent and 39 percent of low-income families were below the poverty level in 2011, and 2012-2013, respectively. Furthermore, Bryant Bank primarily lends to its business customers for investment properties and second homes, as evidenced by the percentage of loans to borrowers whose incomes are not reported. The bank also faces heavy competition from other financial institutions in this assessment area. The following is a discussion of the bank's performance in the assessment areas in each year.

The data presented in the table below and the discussions that follow illustrates the bank's performance in lending to borrowers of different income levels during the review period. For comparison purposes, the percent of families in each income category and 2011 and 2012 aggregate lending data is shown. Since aggregate lending data is not available for 2013, the bank's 2013 performance will be compared only to the percentage of families within the income categories.

Table 38 – Distribution of Home Mortgage Loans by Borrower Income Madison County Assessment Areas							
Income Level	Low	Moderate	Middle	Upper	NA*	Total	
% of Families							
2000 Census	20	17	21	42	0	100	
2010 Census	22	15	18	45	0	100	
2011 Aggregate Lending							
#	12	17	20	43	8	100	
\$	5	12	17	57	9	100	
2012 Aggregate Lending							
#	10	17	19	43	11	100	
\$	5	11	16	53	15	100	
2011	Number	0	3	1	14	21	39
	Percent	0	8	2	36	54	100
	Dollar (000's)	0	467	30	2,301	1,956	4,754
	Percent	0	10	1	48	41	100
2012	Number	2	5	4	24	34	69
	Percent	3	7	6	35	49	100
	Dollar (000's)	187	349	126	2,539	13,234	16,435
	Percent	1	2	1	15	81	100
2013	Number	2	7	4	22	50	85
	Percent	2	8	5	26	59	100
	Dollar (000's)	65	683	391	2,780	9,423	13,342
	Percent	<1	5	3	21	71	100
Totals	Number	4	15	9	60	105	193
	Percent	2	8	5	31	54	100
	Dollar (000's)	252	1,499	547	7,620	24,613	34,531
	Percent	1	4	2	22	71	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available

2011

The bank did not extend any loans to low-income borrowers in the Madison County assessment area in 2011. The bank extended three loans totaling \$467,000 to moderate-income borrowers, representing 8 percent of the number and 10 percent of the dollar volume. This is significantly below aggregate lending data and the percentage of families at 17 percent and 17 percent, respectively. By contrast, the bank extended 21 loans totaling \$1,956,000 to borrowers whose income was not reported, representing 54 percent of the number and 41 percent of the dollar volume.

2012

The bank extended two loans totaling \$187,000 to low-income borrowers, representing 3 percent of the number and 1 percent of the dollar volume. This is significantly below aggregate lending data at 10 percent, and significantly below the percentage of families at 22 percent. The bank

extended five loans totaling \$349,000 to moderate-income borrowers, representing 7 percent of the number and 2 percent of the dollar volume. This is significantly below aggregate lending data and the percentage of families at 17 percent and 15 percent, respectively. By contrast, the bank extended 34 loans totaling \$13,234,000 to borrowers whose income was not reported, representing 49 percent of the number and 81 percent of the dollar volume.

2013

The bank extended two loans totaling \$65,000 to low-income borrowers, representing 2 percent of the number and less than 1 percent of the dollar volume. By number and dollar, the bank's performance is significantly less than the percentage of families at 22 percent. The bank extended seven loans totaling \$683,000 to moderate-income borrowers, representing 8 percent of the number and 5 percent of the dollar volume. This is significantly below the percentage of families at 15 percent. By contrast, the bank extended 50 loans totaling \$9,423,000 to borrowers whose income was not reported, representing 59 percent of the number and 71 percent of the dollar volume.

Baldwin County Assessment Area

As illustrated in Table 39, the bank's lending performance in this assessment area is low. However, the bank's performance is mitigated by demographic factors and its lending strategy. Due to the poverty level, many low-income families would not qualify for a home loan. Furthermore, Bryant Bank primarily lends to its business customers for investment properties and second homes, as evidenced by the percentage of loans to borrowers whose incomes are not reported. Additionally, the bank faces stiff competition from other financial institutions located in this assessment area. As previously mentioned, the bank has a 1.99 percent market share in this assessment area. The following is a discussion of the bank's performance in the combined assessment areas in each year.

The data presented in the table below and the discussions that follow illustrates the bank's performance in lending to borrowers of different income levels during the review period. For comparison purposes, the percent of families in each income category and 2011 and 2012 aggregate lending data is shown. Since aggregate lending data is not available for 2013, the bank's 2013 performance will be compared only to the percentage of families within the income categories.

Table 39– Distribution of Home Mortgage Loans by Borrower Income Baldwin County Assessment Areas							
Income Level	Low	Moderate	Middle	Upper	NA*	Total	
% of Families							
2000 Census	13	13	20	54	0	100	
2010 Census	13	14	19	54	0	100	
2011 Aggregate Lending							
#	2	10	17	62	9	100	
\$	1	5	11	74	10	100	
2012 Aggregate Lending							
#	3	9	16	63	8	100	
\$	1	5	11	72	11	100	
2011	Number	0	0	1	9	7	17
	Percent	0	0	5.88	52.94	41.18	100
	Dollar (000's)	0	0	53	2,715	795	3,563
	Percent	0	0	1.49	76.20	22.31	100
2012	Number	4	3	1	10	16	34
	Percent	12	9	3	29	47	100
	Dollar (000's)	155	86	128	2,705	2,538	5,612
	Percent	3	2	2	48	45	100
2013	Number	1	2	1	5	6	15
	Percent	7	13	7	33	40	100
	Dollar (000's)	14	95	160	1,924	586	2,779
	Percent	1	3	6	69	21	100
Totals	Number	5	5	3	24	29	66
	Percent	8	8	4	36	44	100
	Dollar (000's)	169	181	341	7,344	3,919	11,954
	Percent	1	2	3	61	33	100

Source: 2000 and 2010 U.S. Census and 2011, 2012, and nine months of 2013 HMDA Data. * Tracts where income is not available

2011

The bank did not extend any loans to low- or moderate-income borrowers in the Baldwin County assessment area in 2011. By contrast, the bank extended seven loans totaling \$795,000 to borrowers whose income was not reported, representing 41 percent of the number and 22 percent of the dollar volume.

2012

The bank extended four loans totaling \$155,000 to low-income borrowers, representing 12 percent of the number and 3 percent of the dollar volume. This is significantly above aggregate lending data at 3 percent, and slightly below the percentage of families at 13 percent. The bank extended three loans totaling \$86,000 to moderate-income borrowers, representing 9 percent of the number and 2 percent of the dollar volume. This is in line with aggregate lending data of 9 percent but less than the percentage of families at 14 percent. By contrast, the bank extended 16

loans totaling \$2,538,000 to borrowers whose income was not reported, representing 47 percent of the number and 45 percent of the dollar volume.

2013

The bank extended one loan totaling \$14,000 to a low-income borrower, representing 7 percent of the number and 1 percent of the dollar volume. By number and dollar, the bank's performance is significantly less than the percentage of families at 13 percent. The bank extended two loans totaling \$95,000 to moderate-income borrowers, representing 13 percent of the number and 3 percent of the dollar volume. Performance is slightly less than the percentage of families at 14 percent. By contrast, the bank extended six loans totaling \$586,000 to borrowers whose income was not reported, representing 40 percent of the number and 21 percent of the dollar volume.

Response to Complaints

The bank has not received any CRA-related complaints since the previous evaluation.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. No evidence of discriminatory or other illegal credit practices was identified.

COMMUNITY DEVELOPMENT TEST

All of the bank's community development activities, including loans, investments, and services, made since the previous CRA evaluation dated August 17, 2010, were used to assess the bank's CRA performance relative to the Community Development Test. Community development activities considered for the Community Development Test include: (1) affordable housing (including multifamily rental housing) for low- and moderate-income individuals; (2) community services targeted to low- and moderate-income individuals; (3) 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 (4) activities that revitalize or stabilize low- and moderate-income census tracts, designated disaster areas, or distressed or underserved geographies.

Overall Performance: Bryant Bank's community development performance demonstrates an excellent responsiveness to the community development needs of its assessment areas. The bank has a relatively high level of community development loans and services and a limited level of community development investments.

Community Development Loans

For the purpose of this evaluation, a community development loan is defined as a loan that: (1) has community development as its primary purpose; (2) has not already been reported by the bank for consideration under small business or home mortgage lending (unless it is a multifamily dwelling loan); and (3) benefits the bank’s assessment area or a broader statewide or regional area that includes the bank’s assessment area.

Since the last evaluation, Bryant Bank originated 64 community development loans totaling \$133,473,326. This includes 22 loans totaling \$70,986,278 in 2011, 14 loans totaling \$40,386,355 in 2012, and 28 loans totaling \$22,100,693 in 2013. As of September 30, 2013 community development loan activity represented 1.90 percent of total assets and 3.55 percent of net loans. It is noted that the majority of the community development loans qualify based upon the revitalization and stabilization of a disaster recovery area and these loans will only be considered for community development purposes for 36 months after the area was considered designated a Federal Disaster Area. See Table 40.

Year	Number	Dollar Volume(000)	% of Assets	% Net Loans
2011	22	70,986	7.46	12.41
2012	14	40,386	3.55	6.77
2013 (3 qtrs)	28	22,101	1.90	3.55
Totals	64	133,473		

Examples of the bank’s community development loans are detailed below.

- In 2013, the bank originated a \$167,756 working capital line of credit to a provider of medical services located in a low-income census tract in Tuscaloosa County.
- In 2013, the bank originated a \$100,000 line of credit to a non-profit corporation for the purpose of converting a social activities building located in a low-income census tract in Madison County into a state-of-art Performing Arts Center. The non-profit operates several programs for children from low- and moderate-income families and children with special needs.
- In 2013, the bank originated a loan for \$145,748 to a non-profit organization to refinance two buildings located in Baldwin County. The non-profit provides low-cost medical, dental, and counseling services for the uninsured and the underinsured.
- In June 2011, the bank granted a \$3,000,000 line of credit to a property management company, which manages affordable housing apartment complexes located in Jefferson County. Jefferson County was declared a Federal Disaster Area in April, 2011.
- In September 2012, the bank renewed a line of credit for \$1,600,000 for the purpose of developing residential lots in a subdivision in Tuscaloosa County. These funds assisted with community stabilization and revitalization of an area designated a Federal Disaster Area.

Qualified Investments

A qualified investment for CRA purposes is a lawful investment, deposit, membership share, or grant that has community development as its primary purpose. Since the previous CRA evaluation, Bryant Bank has invested in two new qualified investments totaling \$26,200,000 and has made qualifying charitable contributions totaling \$2,486,997. As of September 30, 2013, this performance represents 6.17 percent of total investments and 2.47 percent of total assets.

Bryant Bank made 65 donations in 2011 totaling \$2,037,428; 22 in 2012 totaling \$206,984; and 52 in 2013 totaling \$242,585. Most of the bank's donations since the last evaluation have provided funds to local organizations, churches, and schools that provide much needed services to low- and moderate-income individuals, including children.

Community Development Services

Bryant Bank has provided a reasonable level of community development services. The bank's delivery systems are readily accessible to geographies and individuals of different income levels in its assessment areas. All of the services listed below are ongoing services that meet the definition of community development and also relate to the provision of financial services as required by the CRA regulation. The types of community development services provided by the bank are detailed below.

- The bank is a member of Community Bank Partners, which is a council of local financial institutions in Huntsville, Alabama, whose purpose is to assist organizations that help foster financial literacy, financial education, and home ownership needs of local low- and moderate-income individuals.
- The bank's CRA Officer is on the Board of Directors of Habitat for Humanity and has provided financial expertise in quarterly board meetings.
- Two bank employees have provided a financial literacy class to 300 students as part of the Reality Check program at Brookwood High School in Tuscaloosa County, where over 50 percent of the students participate in the Free and Reduced Lunch Program.
- A bank employee works with the Women's Business Center of North Alabama by providing education on financial products, services, and credit to small business start-ups.

APPENDIX A - GENERAL DEFINITIONS

GEOGRAPHY TERMS

Block: Small areas bounded on all sides by visible features such as streets, roads, streams or rail road tracks, and invisible features like city or town boundaries or property lines. Blocks are subdivisions of census tracts or block numbering areas (BNA), and are assigned a unique three-digit number.

Block Group: Clusters of blocks within a census tract or BNA, having a four-digit number and a three-digit suffix. The four-digit number corresponds to the same number given to the census tract or BNA in which it is located.

Block Numbering Areas (BNAs): Statistical subdivisions of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. BNAs do not cross county lines.

Census Tract: Small subdivisions of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They 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.

Metropolitan Area (MA): One or more large population centers and adjacent communities that have a high degree of economic and social integration. Each MA must contain either a place with a minimum population of 50,000 of Census Bureau-defined urbanized area and a total MA population of at least 100,000 (75,000 in New England). An MA comprises one or more central counties and may include one or more outlying counties that have close economic and social relationships with the central county. In New England, MAs are composed of cities and towns rather than whole counties.

Metropolitan Statistical Area (MSA): One or more metropolitan areas that have economic and social ties.

Primary Metropolitan Statistical Area (PMSA): A large urbanized county or cluster of counties that demonstrate very strong internal economic and social links, in addition to close ties to other portions of the larger area. If an area qualifies as an MA and has more than one million persons, PMSAs may be defined within it.

Consolidated Metropolitan Statistical Area (CMSA): The larger area of which PMSAs are component parts.

Non-Metropolitan Area: All areas outside of metropolitan areas. The definition of non-metropolitan area is not consistent with the definition of rural areas. Urban and rural

classifications cut across the other hierarchies; for example, there is generally both urban and rural territory within both metropolitan and non-metropolitan areas.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in: places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin) but excluding the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Rural Area: Territories, populations and housing units that are not classified as urban.

HOUSING TERMS

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).

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.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

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.

INCOME TERMS

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide non-metropolitan median family income, if a person or geography is located outside an MSA.

Family Income: Includes the income of all members of a family that are age 15 and older.

Household Income: Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households consist of only one person, median household income is usually less than median family income.

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.

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 and less than 80 percent in the case of a geography.

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 and less than 120 percent in the case of a geography.

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

HUD Adjusted Income Data: The U.S. Department of Housing and Urban Development (HUD) issues annual estimates which update median family income from the metropolitan and non-metropolitan areas. HUD starts with the most recent U.S. Census data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

OTHER TERMS

Home Mortgage Disclosure Loan Application Register (HMDA LAR): The HMDA LARs record all applications received for residential purchase, refinance, home improvement and temporary-to-permanent construction loans.

Small Business Loan: A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

APPENDIX B - INVESTMENT DEFINITIONS

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. The equity investments are subject to limits specified by the bank's regulator. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community as well as to the financial and marketing needs of the bank. A CDC may purchase, own, rehabilitate, construct, manage and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization. Any real estate ownership should generally be temporary, with ownership reverting to members or organizations in the community.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. They procure loans and investments that conventional financial institutions are unable to invest in, and they link financing to other developmental activities. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. CDFIs share a common mission and can be chartered as a credit union or bank. CDFIs can also be unregulated nonprofit institutions that gather private capital from a range of social investors for community development lending or investing. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, microenterprise funds, and community development venture capital funds. A certified CDFI must meet eligibility requirements, which include: having a primary mission of promoting community development; serving an investment area or target population; providing development services; maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means; and not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Low Income Housing Tax Credits: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended, which is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department, through the Internal Revenue Service, distributes low-income housing tax credits to housing credit agencies. The housing agencies allocate tax credits on a competitive basis. Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits or sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains in place throughout the compliance period, usually 30 years.

Qualified Investments: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development to support the following endeavors: 1) affordable housing; 2) community services targeting low- and moderate-income individuals; 3) activities that promote economic development by financing small farms and small businesses; and 4) activities that revitalize or stabilize low- and moderate-income geographies.