



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

November 20, 1996

SunTrust Bank, Nashville, N. A.
Charter Number 13103
201 Fourth Avenue North
Nashville, Tennessee 37219

by

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



General Information

This document is an evaluation of the Community Reinvestment Act (CRA) performance of *SunTrust Bank, Nashville, N.A.* prepared by the Office of the Comptroller of the Currency, the institution's supervisory agency.

The evaluation represents the agency's current assessment and rating of the institution's CRA performance based on an examination conducted as of *November 20, 1996*. It does not reflect any CRA related activities that may have been initiated or discontinued by the institution after the completion of the examination.

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

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

Basis for the Rating

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



Assignment of Rating

Identification of Ratings

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

Outstanding record of meeting community credit needs.

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

Satisfactory record of meeting community credit needs.

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

Needs to improve record of meeting community credit needs.

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

Substantial noncompliance in meeting community credit needs.

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



BANK PROFILE

SunTrust Bank, Nashville, N.A. (SunTrust-Nashville), headquartered in Nashville, Tennessee, had total assets of \$3.6 billion as of September 30, 1996. Total loans of \$2.7 billion were distributed among commercial loans representing 65% of the loan portfolio, residential mortgage loans 18%, and retail loans 17%.

Including its main office in Nashville, SunTrust-Nashville operates 44 offices in Davidson, Rutherford, Wilson, Sumner and Williamson Counties. In addition to its branch network, the bank has 19 off premise Automated Teller Machines (ATMs) located throughout its community. The bank has approximately 18% of the deposit market share in its five county market area, or the third largest. SunTrust-Nashville is well capitalized by regulatory standards, and there are no financial or legal impediments that would impair its CRA performance.

CORPORATE PROFILE

SunTrust-Nashville is a subsidiary of SunTrust Banks, Inc. (STI), a \$50 billion multi-bank holding company as of September 30, 1996. STI is headquartered in Atlanta, Georgia and owns 31 state and national banks in Alabama, Florida, Tennessee, and Georgia. Its primary businesses include traditional deposit and lending operations as well as trust and investment services.

COMMUNITY PROFILE

SunTrust-Nashville's delineated community comprises Davidson, Rutherford, and Wilson Counties, and portions of Sumner and Williamson Counties. The delineated community is part of the Nashville Metropolitan Statistical Area (MSA) which includes a total of eight counties. The bank's delineated community has the distinct characteristics of the large metropolitan city of Nashville in Davidson County, and the smaller (but fast growing) cities of Murfreesboro, Franklin, Lebanon and Hendersonville which are located in the four adjacent counties.

According to the 1990 census, the bank's five county market area had a population of 881,000, and the entire MSA's population is approximately one million persons. The Nashville-Davidson County area represents more than 50% of the MSA population. In 1990, the median family income (MFI) for the bank's market area was \$34,432, but by 1996 had risen to \$43,200. Thirty-seven percent of all families were low- and moderate-income (with incomes below 80% of MFI) based on 1990 census. The five county market area includes 184 census tracts with 56, or 30%, designated as low- and moderate-income. The low- and moderate-income tracts are largely concentrated in the inner city of Nashville and the northwest quadrant of Davidson County. Forty percent, or 44 out of 111 census tracts in Davidson County are low- and moderate-income.

The Nashville Region's economy is diverse. The area has benefitted from low unemployment and consistent job growth. Unemployment levels in the Nashville MSA have remained well below the national average for the past 10 years. The current unemployment rate is 3.3%. Governments (local, federal and state) and a variety of service industries dominate the local



economy. Nashville is a leader in publishing, printing, insurance, health care, music and entertainment.



Discussion of Institution's Performance

Institution Rating:

Based upon the findings presented below, this institution's record of meeting its community's credit needs is rated "***Satisfactory Record of Meeting Community Credit Needs.***" The evaluation period is July 1994 (date of the last public evaluation) through September 1996. However, certain loan information for full year 1994 was used for comparison purposes.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

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

- **Management has effectively determined the credit needs of the delineated community and has satisfactorily responded to those needs. SunTrust-Nashville offers credit products with flexible terms which are specifically designed for low- and moderate-income individuals.**

SunTrust-Nashville's directors, officers, and employees maintain ongoing and meaningful contact with a full range of community groups and individuals to ascertain the area's credit and banking needs. These groups and organizations include the following: government, small and minority businesses, community development organizations, social and religious groups, and educational organizations. The bank also ascertains credit needs through an ongoing officer call program, speaking engagements, and periodic luncheons sponsored by the bank.

Through these efforts, the bank has identified several credit needs: affordable housing loans, home improvement loans, small business loans, student loans, consumer lending and financing for community development and revitalization projects. SunTrust-Nashville has also identified a variety of service related needs: credit counseling for first time home buyers, home buying seminars, and credit education for small business owners.

The bank's Board of Directors and senior management have responded to identified needs through a full range of traditional lending products offered by the bank. SunTrust-Nashville also offers an affordable mortgage loan product, the **Partnership Mortgage**. This product, which was introduced in 1989, is designed for low- and moderate-income first time home buyers. It offers innovative and flexible underwriting guidelines including 100% financing, a fixed interest rate, and quick processing.

Other efforts to address identified banking and service related needs are as follows:

Community Home Buyers Program - This program consists of a series of bank-sponsored educational seminars to teach existing or potential homeowners about budgeting, obtaining a mortgage loan, and closing a mortgage loan. This program is directed to low- and moderate-



income individuals and is a prerequisite for first time home buyers to participate in the **Partnership Mortgage** loan program.

ACCESS Loan Program - Through this program, the bank participates with the Chamber of Commerce and several other local banks to counsel minority business owners on how to write a business plan and qualify for business credit.

Speaker's Bureau - SunTrust-Nashville initiated this program to ascertain credit needs and to educate community groups and prospective home buyers about products and services offered by the bank.

Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act (CRA).

- **The Board of Directors (“Board”) and senior management are actively involved in CRA programs and processes. CRA goals and objectives are an integral part of the bank’s planning process.**

SunTrust-Nashville has three separate board and/or management committees which exercise policy oversight and conduct an ongoing review of CRA activities. The six member Board CRA/Compliance Committee includes four outside directors and two members of senior bank management. The CRA Management Committee consists of ten members of bank management. The External Advisory Council consists of twelve local business, political and community leaders and five members of bank management. The Council was established to assist the bank in ascertaining credit and other community needs on a regular basis. Each of these committees meets quarterly and reports findings and recommendations to the Board.

Bank management and board members actively participate in numerous organizations that assist in ascertaining community credit needs. Some examples of these organizations include the following: *The Nashville Area Chamber of Commerce, The Metropolitan Development and Housing Authority, The Nashville Enterprise Community, Affordable Housing of Nashville, Inc., and the Low Income Housing Forum.* Involvement in these and other organizations has resulted in the bank identifying specific credit needs, such as affordable housing and small business lending.

The Board actively supports CRA training for all personnel to ensure that CRA regulatory requirements are met. SunTrust-Nashville’s current CRA policy and expanded CRA Statement were approved and adopted at the January 1, 1996 CRA/Compliance Committee meeting. The CRA policy and expanded CRA Statement adequately describe credit programs offered and summarize the bank’s CRA performance.



II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

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

- **SunTrust-Nashville has implemented sound marketing and advertising programs which have been approved by the Board. These programs informed all segments of the community of available products and services, including those developed to meet identified credit needs.**

The bank's marketing strategy is designed to inform all segments of the community about products and services offered, including low- and moderate-income areas. SunTrust-Nashville uses various forms of advertising including: local and area newspapers, radio, television, billboards, statement stuffers, and direct mailings.

Specific advertising campaigns have also been developed that directly benefit low- and moderate-income individuals. These campaigns include the **Community Home Buyers Program**, the **Partnership Mortgage**, the **Speaker's Bureau**, and the Nashville Chamber of Commerce's **ACCESS program**. Refer to **Assessment Factor A** for further details.

SunTrust-Nashville's marketing efforts primarily focus on radio and print advertising, which is approximately 71% of the total budgeted advertising dollars for 1996. The bank uses a combination of product specific and image oriented advertisements. Specific product campaigns in 1995 and 1996 included **Mortgage Step One** (which promotes the bank's **Shortcut Mortgage** product) and **Smart Choice** (which promotes low fee checking account services). The bank maintains adequate documentation of its advertisements, which are reviewed by management to ensure compliance with applicable laws and regulations.

SunTrust-Nashville also conducts outreach meetings and seminars with area churches, schools and community groups. These meetings and seminars are held to ascertain community credit needs, educate consumers, provide credit counseling services, and give individuals general banking information. Through these meetings, the bank also provides information about products and services specifically designed for low- and moderate-income individuals. Additionally, seminars are held to provide information on small business and student lending opportunities.

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

- **The bank's lending levels are considered to be reasonable and reflect a general responsiveness to the community's identified credit needs.**

SunTrust-Nashville has undertaken efforts to address local credit needs through origination of the types of loans listed above. However, the demographics of the bank's communities do not



lend themselves to a significant amount of agricultural lending. As of September 30, 1996, loans to finance one- to four-family residential properties totaled \$491 million. The volume of residential mortgage loans has increased from 14% of total loans at year-end 1994, to 16% at year-end 1995, and to 18% at September 30, 1996. This increase reflects the bank's continued emphasis on mortgage lending. In comparison, the bank's national peer group averaged 23% of total loans in one- to four-family residential mortgages as of September 30, 1996. As of this same date, SunTrust-Nashville's net loan to deposit ratio was 98% compared with the national peer group average of 91%.

SunTrust-Nashville continued to increase its dollar volume of residential mortgage loans. During 1995, the bank originated 1,866 residential related mortgage loans (home purchase and refinance, home improvement, and multifamily) totaling \$201 million compared to 1,963 loans totaling \$182 million in 1994. This dollar volume has continued to increase in 1996. Refer to the table below. In addition, a significant volume (more than 90%) of the bank's residential mortgage loans was made to borrowers within the delineated community during 1994, 1995, and year-to-date 1996.

Since January 1, 1994, the bank originated 129 **Partnership Mortgage** loans totaling \$7.3 million. Total loans outstanding under this program were \$13 million as of September 30, 1996. While the **Partnership Mortgage** product is the bank's primary affordable mortgage product, government-insured and guaranteed mortgage products are also offered which provide flexible rates and terms to low- and moderate-income borrowers. See comments under **Assessment Factor J** for activities related to government-insured loan programs.

SunTrust-Nashville is an active lender to small businesses. Since January 1, 1994, the bank has extended 6,732 small business loans totaling \$799 million (refer to the table below). During 1994 and 1995, 94% of all small business loans extended were within the bank's delineated community.

LOAN ORIGINATIONS

LOAN TYPE	1994		1995		YTD 1996	
	#	\$(000)	#	\$(000)	#	\$(000)
RESIDENTIAL	1,963	182,059	1,866	200,634	1,694 (1)	205,880
SMALL BUSINESS (3)	2,815	302,003	2,615	274,444	1,302 (2)	222,865

(1) As of September 30, 1996

(2) As of June 30, 1996

(3) "Small Business" loan is defined as a loan less than \$1 million to a company with less than

\$1 million in annual revenues.



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

- **When identified credit needs exist, SunTrust-Nashville generally takes steps to meet those needs pertaining to government-insured, guaranteed, or subsidized loan programs consistent with its size and resources. The bank's participation in governmentally guaranteed or subsidized loan programs is reasonable.**

The bank participates in government-insured loan programs such as Federal Housing Administration (FHA), Veterans Administration (VA), Small Business Administration (SBA), Tennessee Housing Development Association (THDA) loans, and three guaranteed student loan programs. These loan programs are suitable for low- and moderate-income borrowers or for small businesses. The THDA loans are funded by tax-free bonds issued by the State of Tennessee for low- and moderate-income housing. SunTrust-Nashville originates and closes the loans for THDA. Loan originations under these programs are as follows:

GOVERNMENT-INSURED AND GUARANTEED LOANS

LOAN TYPE	1994		1995		Year to date 1996 (AS OF 9/30/96)	
	#	\$(000)	#	\$(000)	#	\$(000)
FHA/VA	232	17,365	224	17,905	172	14,540
SBA	30	5,600	33	6,500	27	4,800
THDA	47	2,503	25	1,311	7	434
STUDENT LOANS	11,387	38,806	12,440	41,692	9,872	35,444

As the table above indicates, SunTrust-Nashville has been very successful in extending credit for educational purposes. The bank extends student loans under the following programs: the subsidized **Stafford Loan**, the **Federal Supplemental Loans for Students**, and the **Federal PLUS** loan program. These programs make financing college expenses easier for low- and moderate-income people. As of September 30, 1996, the bank had outstanding student loans totaling \$127 million.



III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

- **The bank's delineated community meets the purpose of the CRA and does not exclude any low- and moderate-income areas.**

The bank's delineated community consists of Davidson, Rutherford and Wilson Counties, and portions of Williamson and Sumner Counties. The delineation is based upon the counties where SunTrust-Nashville's branches are located and where a substantial portion lending occurs. This community delineation is reasonable and does not arbitrarily exclude any low- and moderate-income census tracts.

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

- **SunTrust-Nashville's geographic distribution of loans demonstrates a reasonable penetration in all segments of the bank's community, including low- and moderate-income areas.**

The bank's CRA program includes an annual analysis of the geographic distribution of extensions of credit, applications, and denials for all retail related loans (residential mortgage loans and consumer loans). This information is reviewed by senior management and the Board CRA/Compliance Committee and is used to determine if the bank is effectively reaching all segments of its local community.

Geographic analyses performed by bank personnel for 1994 and 1995 reflect reasonable penetration in all income segments of the community. However, some tracts were identified as areas of needed improvement in loan penetration. For instance, the 1995 residential real estate lending analysis identified thirteen low- and moderate-income census tracts in Davidson County where no residential mortgage loans were made. Management's analysis showed that ten of these tracts are located in high rental areas and in downtown commercial areas which limits residential lending opportunities. Management's analysis indicated that three tracts represented possible lending opportunities.

Steps taken to improve loan penetration in low- and moderate-income areas, and to low- and moderate-income borrowers included the following:

- ▶ An additional mortgage loan originator was added to focus on low- and moderate-income areas.
- ▶ The maximum loan amount under the **Partnership Mortgage** was increased to \$70 thousand.
- ▶ Community Home Buyer classes were conducted in partnership with churches in low- and moderate income areas.
- ▶ Marketing and outreach efforts were increased in low loan penetration areas.



Management monitors the results of these initiatives on an ongoing basis.

The bank's level of residential mortgage lending is reasonable based on the demographic characteristics of the delineated community and local competitive factors. SunTrust-Nashville competes for customers with numerous other financial institutions with offices in the bank's market area. By deposit market share, the bank ranks third in its five county market area.

As discussed previously, low- and moderate-income families represent 37% of all families within the bank's market area, and 30% of the census tracts are low- and moderate-income. By number of loans, SunTrust-Nashville's market share of residential loans in low- and moderate-income **census tracts** in 1995 was 4.51%, which was the fifth highest of all Home Mortgage Data Application (HMDA) reporters in the market area. For residential loans to low- and moderate-income **borrowers**, the bank ranked third in 1995 among all HMDA reporters with a 5.16% market share. This ranking is similar to the bank's overall market share of residential mortgage loans in 1995, the third highest of all HMDA reporters at 6.31%.

In 1995, 24.3% of the total number of residential mortgage loans extended by all lenders in the market were to low- and moderate-income families. By comparison, 20% of SunTrust-Nashville's residential loans were to low- and moderate-income borrowers. By geography, 11.6% of the total residential mortgage loans extended in 1995 by all lenders in the bank's five county market area were in low- and moderate income census tracts. Again by comparison, 8.3% of SunTrust-Nashville's residential loans were extended in low- and moderate-income tracts. In 1995, SunTrust-Nashville's lending levels for low and moderate-income borrowers and tracts were slightly below the aggregate for the market, and remained stable for the nine-months in 1996.



The following table illustrates the bank's residential loan originations by borrower income level for 1994, 1995, and year-to-date 1996.

HMDA LOANS EXTENDED BY APPLICANT INCOME LEVEL

INCOME LEVEL	1994			1995			Year to date 9/30/96		
	#	\$ (000)	% of #	#	\$ (000)	% of #	#	\$ (000)	% of #
Low-to-Moderate Income	461	18,188	26%	348	13,342	20%	331	15,880	20%
Middle Income	363	20,018	21%	155	8,789	10%	183	11,792	11%
Upper Income	945	128,866	53%	119 7	161,143	70%	115 5	175,581	69%
Total	176 9	167,072	100 %	170 0	183,274	100 %	166 9	203,253	100%

Residential lending to both low- and moderate-income and middle income borrowers declined from 1994 to 1995. The upper income borrower category increased from 53% of total residential loans in 1994 to 70% in 1995. Based on the bank's internal analyses, the proportional decline in residential lending to low- and moderate borrowers was due to a decrease in demand for residential mortgage loans from low- and moderate-income borrowers and an increase in competition for loans from this segment of the market. As discussed previously, the bank has taken several initiatives to improve its loan penetration in low- and moderate-income areas and to low- and moderate-income borrowers.

The geographic distribution of the bank's small business loans is also considered to be reasonable. During 1995 and the first six months of 1996, approximately 23% of the number of small business loans were made to borrowers located in low- and moderate-income census tracts.

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

- **The bank's offices and services are readily accessible to all segments of its delineated community, including low- and moderate-income areas.**



SunTrust-Nashville operates 44 full service branches and 53 Automatic Teller Machines (ATMs) throughout its five county market. Seventeen branches, or 40%, are located within low- or moderate-income areas. Eight of the 19 free-standing ATMs, or 42%, are located within low- or moderate-income census tracts. Business hours and services are tailored to meet the needs of the delineated community. Most branches have extended bank lobby hours at least one day a week, and Saturday banking hours are available at various locations throughout the community.

Two branches were closed in 1995, and one in January 1996. One branch located in a middle income census tract was closed due to the loss of the lease on the building. The other two branches were closed due to business related reasons. These branches were not located in low- or moderate-income areas and did not significantly impact the bank's level of services to the community. Additionally, two branches located in middle income census tracts were relocated during 1994. All branch closings were in compliance with bank and regulatory guidelines.

Three new branches were opened during 1994. The new branches are located in middle or upper income areas.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

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

- **The bank solicits credit applications from all segments of its local community, including low- and moderate-income areas. The Board of Directors has approved adequate policies, procedures, and training programs which support non-discriminatory lending practices.**

In order to ensure all applicants receive fair and equal treatment, the bank performs an annual underwriter review of HMDA and non-HMDA loans for disparate treatment. This process compares minority applicants who are denied for credit to non-minority applicants who are approved for credit. The objective of this process is to ensure credit decisions are the same for similarly qualified applicants, regardless of race. Further, management reviews a sample of prohibited basis group approved loans to test for instances where loan rates and terms may have been less favorable than loan terms granted to comparable control group applicants.

Bank management also conducts second reviews of denied mortgage loan applications. The primary objective of this process is to ensure loan policies and underwriting standards are consistently applied and all relevant factors or credit alternatives are considered before denying a loan request. Additionally, a Fair Lending Review Committee monitors fair lending activities and the Compliance Department performs an independent sampling of approximately 40-50% of all consumer loan denials on a monthly basis.

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



- **We did not detect any violations of the anti-discrimination laws and regulations.**

In January 1996, our Agency conducted a centralized review for discrimination by reviewing home purchase and home improvement applications taken by the bank between April 1, 1994 and March 31, 1995. The race of the applicant was selected as the prohibited basis in these loan products.

We compared 20, or 100%, of the denied loans to black applicants during this time period to 73 approved loans to white applicants. Additionally, we reviewed 24 approved home improvement loans to white applicants and six denied home improvement loans to black applicants. Based on our comparative analysis, we did not detect any disparate treatment in the underwriting for these products.

V. COMMUNITY DEVELOPMENT

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

- **SunTrust-Nashville has maintained a satisfactory level of involvement in community development and redevelopment programs within its community.**

The bank has established a good working relationship with government and private sector representatives to identify opportunities for community development activities. Since the date of the last public evaluation, the bank has been involved in several projects that contributed to the economic development and redevelopment of its delineated community. Participation in these projects has been in the form of direct loans, commitments, grants and contributions and totals more than \$28 million. Several examples of SunTrust-Nashville's involvement in community development projects follow:

Affordable Housing

- In 1995, the bank extended a \$7.6 million loan commitment for construction of a 168 unit multi-family apartment complex to be 100% leased under the Low Income Housing Tax Credit regulation. In March 1996, this commitment was increased to \$8.9 million.
- *River Meadows Project.* In November 1995, the bank extended a \$249 thousand development loan commitment for this project which is located in a low- and moderate-income area. Homes are priced in the low seventy thousand dollar range and are targeted at first time home buyers. In June 1996, the bank closed a \$325 thousand loan commitment for construction of homes in this project. Five construction loans for presold houses have closed under the line. SunTrust-Nashville is also providing the permanent financing for home buyers.



- In the third quarter 1996, the bank made a \$325 thousand loan to a church located in West Nashville to help rehabilitate a 13 unit housing complex which will be occupied by low income tenants. The property is located in a low- and moderate-income neighborhood.
- In 1995, SunTrust-Nashville extended a \$6.4 million Letter of Credit guaranty on a 131 unit low- and moderate-income multifamily apartment complex. Property is located in a low- and moderate-income area.
- *CCS Housing Systems, Inc.* This organization is a nonprofit developer of housing for people with special needs. In 1991, a consortium of local banks extended a \$1.4 million loan to CCS Housing Systems to develop a 172-unit complex for single homeless adults. The credit facility was renewed in March 1996. SunTrust-Nashville's provided the largest share of the loan, \$250 thousand. A letter in the bank's public file dated May 8, 1996 from CCS Housing Systems stated that SunTrust-Nashville has given their initiatives great support over the past five years.
- *Nashville Housing Fund (NHF).* This fund is administered by the Nashville Housing Fund, Inc., a nonprofit subsidiary of the Metropolitan Development and Housing Agency, and was created to facilitate home ownership for low- and moderate-income individuals. SunTrust-Nashville has extended a \$250 thousand loan to the NHF which will be used for affordable housing purposes.
- *Habitat for Humanity.* In August 1996, SunTrust-Nashville donated \$40 thousand to this nonprofit housing organization. The proceeds were used to build a house in a low income area. The bank also established a \$250 thousand line of credit for gap financing to facilitate the purchase of residential lots by Habitat. Purchasing lots in groups helps Habitat contain the cost of land.

Economic, Community and Small Business Development

- *Nashville Enterprise Community.* The Nashville Enterprise Community was organized to develop goals and objectives for improving economic conditions in South Nashville. SunTrust-Nashville has provided a \$50 thousand commitment as part of a participation for the building of an economic development center that offers employment services and entrepreneurial training for residents of the community. The commitment will be funded over a five-year period.
- SunTrust-Nashville extended two loans totaling \$640 thousand for the purchase and/or construction of two child care centers which are located in low- and moderate-income areas.
- In 1995, the bank extended a \$3 million working capital line of credit to Meharry Medical School. Meharry is a state subsidized hospital which provides medical services to low- and moderate-income individuals. Meharry Medical School also provides free tuition for students who commit to establish a medical practice in a low income area. This credit



facility will allow Meharry to bridge expense demands until tuition and promised grant revenues are received.

SunTrust-Nashville has also made loans and grants to other nonprofit organizations including the *Nashville Business Incubation Center*, *Buddies of Nashville*, *Samaritan House*, *Disaster Relief Fund*, *Aid Placement and Empathy of Nashville*, and the *Alcohol and Drug Council*. In addition, the bank identified \$690 thousand in municipal securities where proceeds were used to fund public housing projects within its delineated community.

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

- **There are no significant economic or financial factors that exist that deter the bank from meeting the credit needs of its delineated community. SunTrust-Nashville supports community development and revitalization projects consistent with its size and resources.**

Refer to the **Bank and Community Profile** sections for a more detailed discussion of the bank and its delineated community.

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

- **The bank engages in other meaningful activities which contribute to its efforts to help meet the community's credit needs. Examples of these activities are detailed below.**
- In 1995 and year-to-date 1996, SunTrust Nashville made \$258 thousand in charitable contributions to various economic development and civic organizations which benefitted low- and moderate-income people and areas. Examples of these organizations include *Nashville Community Foundations*, *Community Resource Center*, *Society to Prevent Child Abuse*, *Urban League*, and *Family Institute of Tennessee*.
- In 1996, the bank introduced its Workplace Banking program. This program allows employees of local businesses to conduct banking transactions at their place of work, and offers low fee or no fee transaction accounts. Workplace Banking relationships have been established with 20 businesses located in low- and moderate-income areas.
- SunTrust-Nashville provides a free government check cashing service for non-customers throughout its branch system.
- SunTrust-Nashville has provided both financial and volunteer support to Christmas in April, a nonprofit housing rehabilitation program for low income homeowners who are



elderly and disabled. The bank made a \$2,500 contribution to this organization in April 1996.

- Management and employees of SunTrust-Nashville also dedicate their time, efforts, as well as financial support to many housing and community development organizations in the bank's community. Examples include the following: bank officers are involved with the *Nashville Low Income Housing Forum* which analyzes housing problems in low income areas; a senior vice president of the bank serves on the Board of the *Mortgage Bankers Association of Nashville*; the Chairman of the bank's CRA Management Committee is on the Board of *Affordable Housing of Nashville, Inc.*; and a senior vice president of the bank serves on the Board of the *Tennessee Housing Development Agency*.

ADDITIONAL INFORMATION

None.