

PUBLIC DISCLOSURE

January 28, 1998

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Williamsburg First National Bank
Charter # 15589
200 West Main Street
Kingstree, South Carolina 29556**

**Office of the Comptroller of the Currency
Southeastern District, Atlanta Georgia
Marquis One Tower, Suite 600
245 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303**

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.

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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 the **Williamsburg First National Bank** prepared by **The Office of the Comptroller of the Currency**, as of January 28, 1998. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

The bank's performance was reviewed for the period of December 31, 1995 to September 30, 1997. The institution's average loan-to-deposit ratio is reasonable. A substantial majority of the bank's loans and lending activities are within the bank's assessment areas. The distribution of borrowers reflects reasonable penetration among individuals of different income levels, including low-and moderate-income, and businesses of different sizes.

The following table indicates the performance level of Williamsburg First National Bank with respect to each of the five performance criteria.

SMALL INSTITUTION ASSESSMENT CRITERIA	WILLIAMSBURG FIRST NATIONAL BANK PERFORMANCE LEVELS		
	Exceeds Standards for Satisfactory Performance	Meets Standards for Satisfactory Performance	Does not meet Standards for Satisfactory Performance
Loan to Deposit Ratio		X	
Lending in Assessment Area	X		
Lending to Borrowers of Different Incomes and to Businesses of Different sizes	X		
Geographic Distribution of Loans		X	
Response to Complaints	No complaints were received.		

DESCRIPTION OF INSTITUTION

Williamsburg First National Bank is a three office institution headquartered in Kingstree, South Carolina. The bank has two offices in Kingstree and one office in Hemmingway, South Carolina. The bank began operations in 1958. As of September 30, 1997, the bank had total assets of \$57,476,000. The bank's primary focus is small business and consumer lending.

DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area consists of all of Williamsburg County, census tracts 19, 20, 22.01, 22.02 of Florence County, and census tract 9802 in Georgetown County.

Williamsburg County is primarily rural and had a population of 36,815 per the 1990 census. Population declined 7% from 1980 to 1990, and grew 3.7% from 1990 to 1994. For many years, Williamsburg County has had the highest unemployment rate in the state of South Carolina. As of November 1997, Williamsburg County's unemployment rate continued to improve but still was the second highest in the state at 10.4%. Significant employers in the county include Nanya Plastics, Tupperware Plastics and Kingstree Knits, Inc.

We contacted two community representatives in Kingstree to obtain information concerning community credit needs. They both stated that the most pressing community credit needs were housing and affordable housing. They also stated that government guaranteed housing loans were also a pressing need.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

Loan-to-Deposit Ratio

The average loan-to-deposit ratio for the period of December 31, 1995 to September 30, 1997 was 61.94%. In light of the bank's performance context, this ratio is reasonable. Also, at September 30, 1997, the bank's loan-to-deposit ratio was 65.37%. This is compared to the September 30, 1997 average for all banks in in South Carolina less than \$100 Million in assets of 74%. In addition, local competitor banks had the following loan-to-deposit ratios at September 30, 1997: Exchange Bank - 67.45%, Bank of Greeleyville - 83.68%, and Citizen's Bank - 69.08%.

Lending in the Assessment Area

The bank has a strong record of lending in its assessment area. In order to determine the bank's level of lending in the assessment area, we sampled 59 consumer loans originated

during 1996 and the first nine months of 1997. Of these loans, 91.5% of the loans in number were originated within the bank's assessment area. Also, 89.3% of these loans in dollars were originated within the assessment area. In addition, we also sampled 12 business loans originated during 1997. Of these loans, 75% of these loans in number were originated in the assessment area.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

The institution has a solid record of lending to borrowers of different incomes and businesses of different sizes. Of the above mentioned consumer loan sample, 30 of the loans had income data. Of these 30 loans, 67% were to either low or moderate-income borrowers. This level compares favorably to the assessment area's level of low and moderate-income families of 49%.

In addition to consumer loans, we also sampled 12 business loans originated during 1997. Our results as indicated below demonstrated that the bank originates most of its loans to small businesses of varying revenue levels:

Size of Loan	# of Loans
Revenues less than 100,000	1
Revenues between \$100,000 and \$500,000	8
Revenues between \$500,000 and \$1,000,000	1
Revenues over \$1,000,000	2

Geographic Distribution of Loans

The bank's lending patterns within its assessment area are satisfactory. Using the aforementioned 59 loan consumer sample, the bank originated consumer loans in nine of the thirteen census tracts that comprise its assessment area. In addition, the business loan sample indicated a reasonable penetration of the bank's assessment area.

Review of Complaints

The bank has received no CRA complaints since the previous examination.

Other

Our fair lending review disclosed no violations of the substantive provisions of anti-discrimination laws and regulations.