

PUBLIC DISCLOSURE

March 2, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Community Bank
Certificate Number: 19143**

**4626 Highway 1
Raceland, Louisiana 70394**

**Federal Deposit Insurance Corporation
Division of Supervision and Consumer Protection
Dallas Region/Memphis Area Office
5100 Poplar Avenue, Suite 1900
Memphis, Tennessee 38137**

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.

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 **Community Bank, Raceland, Louisiana** prepared by the **Federal Deposit Insurance Corporation**, the institution's supervisory agency, as of **March 2, 2009**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.*

INSTITUTION RATING

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

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

Community Bank received a Community Reinvestment Act (CRA) rating of Satisfactory based on Small Bank performance criteria at its previous Federal Deposit Insurance Corporation's (FDIC) evaluation dated February 25, 2004.

For this evaluation, examiners reviewed those tests and performance factors applicable to Intermediate Small Bank Evaluation Procedures for this nine-office, \$340 million bank headquartered in Raceland, Louisiana. This institution operates in three assessment areas, two located in a metropolitan statistical area (MSA) (Houma-Bayou Cane-Thibodaux, Louisiana and St. John the Baptist Parish, New Orleans-Metairie-Kenner, Louisiana) and one located in a nonmetropolitan statistical area (Non-MSA) (Assumption Parish, Louisiana).

The FDIC evaluates Intermediate Small Banks under the Lending and Community Development Tests. Regulators weigh both tests equally when arriving at the overall rating. Individual ratings for the Lending and the Community Development Tests are summarized below. Performance under each test is detailed elsewhere.

Lending Test

Community Bank demonstrated a satisfactory record regarding the Lending Test. Once the bank performed at least adequately regarding its average net loan-to-deposit ratio and its lending percentages inside the assessment areas, examiners then focused on the bank's records regarding the loan dispersion based on the borrower profiles and the geographic distribution of loans.

Examiners placed more weight on the bank's records regarding small business loans when arriving at conclusions. The bank exhibited the following records regarding the performance criteria used to evaluate this test.

- Community Bank originated a total of \$1,059,013 in loans to multiple borrowers in Grand Isle, Louisiana following Hurricane Katrina. While this area is not included in the bank's designated assessment area, loan proceeds to repair small business properties greatly benefit the communities within the bank's three assessment areas.
- Community Bank originated a total of \$512,890 in loans which benefited low- to moderate-income borrowers in the bank's assessment areas through Habitat for Humanity, the U.S. Department of Housing and Urban Development's (HUD) Section 8 Rental Housing Voucher Program. One additional loan provided housing to low-income individuals. Habitat for Humanity initiatives involved providing four loans (totaling approximately \$175,000) with zero percent interest financing for low- or moderate-income borrowers. Rental assistance provided by HUD represented three loans (\$292,890). Additionally, one other loan (\$45,000) contributed to this total and was originated to provide housing for low-income restaurant workers.

Community Development Investments

Community Bank's number and dollar volume of qualified investments reflect an adequate level of responsiveness to the area's needs. The bank's security portfolio is approximately \$48 million, comprising 14 percent of total assets. There is a community development investment of \$750,000 (\$250,000 per year for years 2007, 2008, and 2009). This investment is geared to the Senior Housing Crime Prevention Foundation, Inc., and amounts to 0.31 percent of average total assets. This organization provides support to low- and moderate- income seniors residing in Lafourche Home for the Aged, located in Lafourche Parish, Louisiana. These yearly investments are providing secure, crime free homes to 72 elderly residents who are primarily low- and moderate-income individuals in a Federally-declared disaster area.

Community Development Services

Community Development Services are required to meet the definition of "Community Development" as provided in the regulation, as well as to meet the "Provision of Financial Services." According to the January 6, 2009 Interagency Questions and Answers Regarding Community Reinvestment, providing financial services means providing services of the type generally provided by the financial services industry. This document further clarifies that providing financial services often involves informing community members about how to get or use credit or otherwise providing credit services or information to the community. Examples given under this section include providing technical assistance about financial services to community-based groups, local or tribal government agencies, or intermediaries that help to meet the credit needs of low- and moderate-income individuals or small businesses and farms.

A review of the bank's public file and other documents indicates the bank has engaged limited community development services, and the bank's performance warrants improvement. The services include the following:

- The bank provided check cashing services for members of the local communities who were not bank customers during Hurricane Katrina.
- The bank waived all automated teller machine (ATM) fees in the wake of Hurricane Katrina.
- Given the location of the bank's branches and ATMs locations, the bank has demonstrated a willingness to serve its community through the provision of retail banking services.