

# **PUBLIC DISCLOSURE**

**April 15, 2013**

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**First Community Bank  
Certificate Number: 57903**

**438 First Street  
Santa Rosa, California 95404**

**Federal Deposit Insurance Corporation  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, California 94105**

**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.**

## INSTITUTION RATING

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

**The Lending Test is rated Satisfactory.**

**The Community Development (CD) Test is rated Satisfactory.**

FCB's overall CRA performance is satisfactory. The bank's overall performance demonstrates an adequate responsiveness to the credit and CD needs of its assessment area (AA) in a manner consistent with its product lines, resources, and capabilities. The following items support this rating:

### **Lending Test**

- The bank's net average loan-to-deposit (LTD) ratio demonstrates a more than reasonable responsiveness to credit needs of the bank's AA, given the institution's size, business model, financial capacity, and competition;
- A majority of the bank's small business (SB) loans and loans applicable to the reporting requirements of the Home Mortgage Disclosure Act (HMDA) were originated inside its delineated AA;
- The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among businesses of different revenue sizes and individuals of different income levels;
- The geographic distribution of SB and HMDA loans reflects a reasonable dispersion throughout the AA;
- There were no CRA-related complaints identified during the review period; and
- There was no evidence of discriminatory or other illegal credit practices that was inconsistent in helping to meet community credit needs.

### **Community Development Test**

- The institution's CD performance demonstrates adequate responsiveness to CD needs in its AA through CD loans, qualified investments and donations, and excellent CD services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for CD in the institution's AA.

<b>Table 12 – Community Development Investments</b>										
<b>Year</b>	<b>Total</b>		<b>Affordable Housing</b>		<b>Community Development Services</b>		<b>Economic Development</b>		<b>Revitalization or Stabilization</b>	
	<b>#</b>	<b>\$ (000)</b>	<b>#</b>	<b>\$(000)</b>	<b>#</b>	<b>\$(000)</b>	<b>#</b>	<b>\$(000)</b>	<b>#</b>	<b>\$(000)</b>
2010	1	99			1	99				
2011	2	499			2	499				
2012	5	1,245			5	1,245				
2013	2	498			2	498				
<b>Total</b>	<b>10</b>	<b>2,341</b>			<b>10</b>	<b>2,341</b>				

*Source: Bank Records*

During the review period, FCB made two types of investments, described below:

- FCB invested \$250,000 in March 2011 in a senior housing crime prevention foundation that supports nursing homes for veterans in the AA and nationwide. According to a letter from the foundation, FCB's participation in the veterans initiative helped produce an incident reduction of 90.1 percent throughout the nation's sponsored nursing homes for veterans.
- FCB also purchased 9 certificates of deposit in minority- or women-owned financial institutions and low-income credit unions totaling \$2.1 million. These investments helped meet the credit needs of local communities in which the institutions are located. Of the total investment, 64 percent benefited cities in California, including San Francisco, Los Angeles, San Gabriel, and Cerritos.

### **Grants and Donations**

FCB exhibited excellent responsiveness with the number and dollar amount of grants and donations in the AA during the review period. The bank's CD donations totaled \$420,000 during the review period and primarily benefited recipients inside the bank's AA. Table 11 shows FCB's CD donations by year and type:

<b>Table 13 – Community Development Donations</b>										
<b>Year</b>	<b>Total</b>		<b>Affordable Housing</b>		<b>Community Development Services</b>		<b>Economic Development</b>		<b>Revitalization or Stabilization</b>	
	<b>#</b>	<b>\$ (000)</b>	<b>#</b>	<b>\$(000)</b>	<b>#</b>	<b>\$(000)</b>	<b>#</b>	<b>\$(000)</b>	<b>#</b>	<b>\$(000)</b>
2010	82	126	3	2	75	122	4	2		
2011	78	121	5	1	71	118	2	2		
2012	86	146	3	2	79	140	3	3	1	1
2013	32	27	1	1	30	25			1	1
<b>Total</b>	<b>278</b>	<b>420</b>	<b>12</b>	<b>6</b>	<b>255</b>	<b>405</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>2</b>

*Source: Bank Records*