

PUBLIC DISCLOSURE

FEBRUARY 26, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

FIRST UNITED BANK
BOCA RATON, FLORIDA

Federal Reserve Bank of Atlanta
104 Marietta Street, N.W.
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 the 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 First United Bank, Boca Raton, Florida, by the Federal Reserve Bank of Atlanta, the institution's supervisory agency.

This evaluation represents the agency's current assessment and rating of the institution's CRA performance based on an examination conducted as of February 26, 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 its 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 the record of performance into account when deciding whether to approve an 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 on a review of 12 assessment factors, which are grouped together under 5 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.

Institution's Rating:

This institution is rated Satisfactory, based on the findings presented in the following discussion of the institution's performance.

DISCUSSION OF INSTITUTION'S PERFORMANCE

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

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.

First United Bank continues to be committed to ascertaining the credit needs of its community and to communicating the credit services it offers to all segments of this community. Through its formal officer call program, the bank maintains regular contacts with existing and potential customers; city, county, and state government leaders; housing and community development agencies; and civic and religious leaders. To a large extent, management has retained officers of the acquired banks who have established relationships in their delineated communities.

Bank officers and directors participate as members, officers, trustees, or directors of numerous housing, business, credit-related, or community organizations. These organizations include the local chambers of commerce; the Robert Morris Associates Group Chief Executive Officer (CEO) Panel; the Economic Council of Palm Beach County; the Boca Senate; the Northwood Business Alternative Financing Program; the Downtown Support Group, Inc. (West Palm Beach); the Central Palm Beach County Association of Realtors; Jupiter-Tequesta-Hobe Sound Association of Realtors, Inc.; the Center for Family Services; and the South Florida Small Business Administration (SBA) Lenders Group. Management also has direct ties to members of the city council and the mayor of Boca Raton. The bank has been proactive in forming and maintaining relationships with these organizations.

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 bank's board of directors takes an active role in overseeing the bank's CRA program. In addition to their ascertainment efforts through participation in numerous civic, professional, charitable, religious, and educational organizations, the directors are kept informed of the bank's CRA efforts and activities through periodic reports presented by the CRA officer. Three of the bank's directors, along with six officers of

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS (CONTINUED)

the bank including the CRA/compliance officer and the SBA coordinator, make up the bank's CRA committee. The purpose of the committee, which meets quarterly, is to guide and review the bank's CRA-related efforts. The CRA committee reports directly to the board of directors and has developed formal goals and objectives to guide the bank's CRA activities. These policies and objectives were formally approved by the board of directors.

First United Bank's directors have made effective efforts to ensure compliance with the technical requirements of CRA. In April 1995, the board approved the bank's CRA Statement. Each year, the directors review and adopt the CRA Statement. The bank maintains a public comment file and has responded to requests for copies of its CRA Statement.

Management requires mandatory training for each employee of the bank in the requirements and intent of CRA. Management provides continuous CRA training for the bank's staff through videos, discussions, regular meetings, and training sessions. The most recent training sessions were conducted at four locations during November and December 1995. At the end of the sessions, each employee was tested on what was learned about CRA. In addition, the CRA officer uses memoranda to keep employees updated on new developments in CRA. Ongoing training is also provided to branch managers and loan officers at their monthly meetings. All new employees are given a basic orientation to CRA by the CRA officer. Employees are instructed about the intent of CRA, the bank's commitment to CRA, and the location of the CRA Statement and public file.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

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.

First United Bank has expanded its marketing efforts since the last examination. In 1995, the bank spent over 3.5 times the amount budgeted for advertising. The majority of the bank's marketing efforts are geared toward promoting its very active participation in SBA lending. The bank is a preferred SBA lender, which means that it can approve SBA-guaranteed loans without sending the applications to the SBA for approval. The bank employs the services of an advertising agency in West Palm Beach to produce its print, radio, and television advertising. The bank has utilized paid print media advertising in several widely circulated publications including the Palm Beach Post, the Sun-Sentinel, and the South Florida Business Journal.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED (CONTINUED)

The bank has broadened its marketing activities to include television and radio in addition to print media. The bank has a 26-week contract as the exclusive sponsor of "South Florida Report," a Sunday morning television program on the NBC network. The bank airs three 30-second commercials on each program. All of the commercials feature testimonials from local customers who have received SBA financing from the bank. In addition, the bank's SBA coordinator and an SBA loan officer have appeared on another Sunday morning program, "The South Florida Business Report," to discuss what SBA loans are and how a person may apply for one.

The bank ran 19 radio commercials during December 1995 on WRLX (92.1 FM). Five different commercials were produced: one dealing with SBA loans, one created for Brevard County, and three generic commercials discussing First United as a "community bank."

The bank provides brochures in the branch lobbies and includes promotional materials with customer statements. The bank's officer call program is also an effective marketing tool to make the community aware of the financial products and services available. Each branch has its own small marketing budget for such things as advertisements in high school sports programs and in civic or religious newsletters.

The bank's participation in community events is another way of stimulating awareness of the bank and its services. In 1995, the bank participated in "Downtown West Palm Beach," a street fair held to promote small businesses in West Palm Beach. The bank has also exhibited at a number of business expositions sponsored by the local chambers of commerce. In addition, the bank's name now lights up the West Palm Beach skyline atop the First United Bank building on Flagler Drive in West Palm Beach.

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 offers a variety of consumer and business loans, including secured and unsecured commercial and personal loans, SBA-guaranteed loans, home equity and home improvement loans, business loans, commercial mortgage loans, construction loans, and new and used automobile loans. The present loan demand is primarily for small business loans.

The December 31, 1995 Consolidated Reports of Condition and Income show that First United Bank had loans totaling \$235.6 million and a loan-to-deposit ratio of 87.1 percent. This ratio has increased since the previous examination when the loan-to-deposit ratio was 74.6 percent.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED (CONTINUED)

The bank's December 31, 1995 Consolidated Reports of Condition and Income revealed the following distribution of outstanding loans:

Loan Type	Outstanding (000s)	% of Portfolio
Construction and Land Development	\$ 13,756	5.8
Home Equity Lines of Credit	4,284	1.8
Secured by 1st Lien on 1-4 Family Property	37,542	15.9
Secured by Jr. Lien on 1-4 Family Property	6,331	2.7
Secured by Multifamily Residential Property	6,198	2.6
Secured by Commercial Property	127,338	54.1
Commercial and Industrial Loans	34,588	14.7
Consumer Loans	4,353	1.9
All Other Loans	1,170	0.5
TOTAL	\$235,560	100.0

As shown above, the bank offers and extends credit consistent with its CRA Statement. The majority of the bank's loan portfolio is made up of loans secured by commercial property. The bank's residential loan portfolio consists of liens on personal residences taken as collateral for business loans. The bank has concentrated its lending activities on loans to small and medium-sized businesses. It has carved a niche for itself in this market, and a substantial majority of its loans are in this category.

First United Bank has been highly responsive to the credit needs of its community as demonstrated by the extension and renewal of loans to small businesses, minority entrepreneurs, and commercial businesses that provide employment to low-income individuals. Each loan officer maintains a list, which is updated periodically, of those loans whose purpose is CRA-related. This information assists management in developing and implementing the bank's CRA strategy and lending goals. Since the previous examination, the bank has made 49 loans to businesses whose gross annual revenues were less than \$1 million. The total amount of these loans is approximately \$4.9 million. This figure does not include loans made to small businesses through the SBA-guaranteed loan program. In addition to these loans, the bank has

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED (CONTINUED)

already closed five loans, totaling \$288,350, to homebuyers at Limestone Creek, a low-income housing development in Jupiter, Florida. The bank has also funded loans totaling \$3.4 million to Gazebo Landscape Design, a company whose employment base consists of 200 migrant workers.

Although First United Bank does not offer conventional home mortgages, it has recently signed an agreement with Leader Mortgage Company in Boca Raton, Florida, to accept mortgage applications. Leader will pay the bank a referral fee if the bank performs a number of services for the customer. The customer must sign an acknowledgement and consent form that First United has provided these services or no fee is earned.

The institution's participation in governmentally insured, guaranteed, or subsidized loan programs for housing, small businesses, or small farms.

First United Bank's commitment to be a leader in lending to small and minority-owned businesses within its delineated community is further demonstrated by the extent of its lending through the SBA. In October 1995, the bank was given "preferred lender" status by the SBA. Under the preferred lender program, the bank is able to make a credit decision without the approval of the SBA. The bank can also service the loan with greater flexibility. The SBA allows the bank to use computer-generated forms to prepare all the loan documentation rather than having to wait for these forms from the SBA. In addition to the standard SBA loan programs, the bank has been approved to extend import/export lines of credit and seasonal lines of credit secured by current assets (asset-based lending). The bank also offers the SBA "Low Documentation" program to its customers. In 1995, the bank originated nearly \$9 million in new SBA loans and was named the number one SBA lender among medium-sized banks. As of the date of this examination, the bank has 118 SBA loans in its portfolio, with nearly \$23 million outstanding.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

The bank's present delineated communities meet the purpose of CRA and do not arbitrarily exclude any low- and moderate-income neighborhoods. First United Bank's offices serve several communities in Palm Beach, Martin, and Brevard Counties. In addition, in February 1994, the bank took over an office of New River Bank located in Lighthouse Point in Broward County. The Boca Raton market is bordered by Yamato Road to the north, the Palm Beach/Broward County line to the south, the Atlantic Ocean to the east, and the Florida Turnpike to the west. The West Palm Beach/Lake Worth/Hypoluxo community is bordered by Okeechobee Road extended east to Palm Beach Lakes Boulevard extended northeast to the Atlantic Ocean to the north, Lantana Road east to Congress Avenue then south to N.W. 22 Avenue and east through the Boynton Inlet to the south, the Atlantic Ocean to the east, and U.S. Highway 441 to the west.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES (CONTINUED)

In Martin County, the Stuart community is bordered by the St. Lucie River across the northern boundary of the town of Sewell's Point and extended across Jensen Beach Boulevard to the Ocean to the north, Indian Street extended east through the St. Lucie Inlet and extended west to the south fork of the St. Lucie River to the south, the Atlantic Ocean to the east, and the south fork of the St. Lucie River to the west. The Hobe Sound community is bordered by the northern boundary of the Gomez Grant to the north, the northern boundary of Jonathan Dickenson State Park extended east to the Atlantic Ocean to the south, the Atlantic Ocean to the east, and the western boundary of Gomez Grant to the west. The Lighthouse Point office is bordered by the Palm Beach/Broward County line to the north, Copans Road extended east to the Hillsboro Inlet on the south, the Atlantic Ocean on the east, and Interstate I-95 on the west.

The Jupiter Tequesta office, which was acquired in April 1995, is bordered by the Martin County line to the north, Donald Ross Road to the south, the Atlantic Ocean to the east, and the Florida Turnpike to the west. The delineation for the 16 offices acquired from The American Bank of the South in January 1996 encompasses all of Brevard County, Florida.

The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

The bank has hired a company to perform the geocoding of its loan originations and denials. Last year, this company prepared a breakdown of the bank's total loan portfolio as of August 24, 1995, differentiated by metropolitan statistical area (MSA) and census tract. According to this report, of the 2,059 loans that could be geocoded, 55.9 percent were within the bank's delineated community and 44.1 percent were outside the delineation. Although the report indicated 121 census tracts, the bank had 127 census tracts in its delineation, 31 (24.4 percent) of which are classified as low- to moderate-income tracts. The report also showed that the bank had 56 loan denials and 2 withdrawals during the period January 1 - August 24, 1995, that were not identified by census tract. Of the 1,151 loans made within the bank's delineated community, 158 (13.7 percent) were in low- to moderate-income census tracts; 585 (50.8 percent) were in middle-income tracts; and 408 (35.5 percent) were in upper-income tracts.

Because the bank had not analyzed the applications, originations, and denials since the previous examination, an analysis was performed during the examination using a listing provided by management of new loans by zip code. Using this information, it was determined that, of the 536 new loans, 385

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES (CONTINUED)

(71.8 percent) are within the bank's delineated community. However, the number of loans and denials in low- to moderate-income census tracts could not be determined. The acquisition of 16 branches from The American Bank of the South in January 1996 added 89 census tracts to the delineated community, 26 of which are low- to moderate-income tracts. This brings the total number of census tracts in the bank's delineation to 216 compared with 48 census tracts at the previous examination.

In 1994, the bank had 25 Home Mortgage Disclosure Act (HMDA) reportable loans, most of which were originated by the banks acquired by First United Bank. These loans represented approximately 1 percent of the bank's total loan portfolio at year-end 1994. The bank now offers only adjustable rate mortgage loans, primarily as an accommodation to its customers. It refers applicants for conventional, fixed-rate loans to Leader Mortgage Company. Of the 25 approved loans, 19 were for home purchase, three were for home improvement, and three were refinances. Seven of the loans were in the bank's delineation and 18 were outside. Two of the loans within the delineation were in low- to moderate-income census tracts. The bank denied nine HMDA applications in 1994; six were for home purchase loans, and three were for refinancing.

The institution's record of opening and closing offices and providing services at offices.

The bank's offices seem readily accessible to all segments of the community, and business hours and services are tailored to the convenience and needs of the community. Management has developed a written policy on the opening and closing of branch offices. The policy contains the provision that adequate notice be provided to the community, requires analysis of the impact of opening or closing offices on the local community, and states the efforts to be made to minimize any adverse effects of a branch closing.

In June 1995, the bank closed its small branch location in Glades Plaza in Boca Raton. This office was located less than one mile from the large facility that serves as the bank's main office. The branch was closed in accordance with the bank's branch closing policy. Customers were notified 90 days before the closing and directed to the other branch location.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement.

First United Bank solicits applications from all segments of its local community, including low- and moderate-income neighborhoods. An analysis of the bank's accepted and rejected loan applications revealed no discriminatory practices against any protected class of applicants. The bank's policies and internal control procedures are adequate to ensure that the evaluation of credit applications is based solely on financial and economic considerations. The bank is in compliance with the substantive provisions of antidiscrimination laws and regulations. None of the current practices have the intent or the effect of discouraging applications.

Credit policies and procedures are reviewed periodically by management to ensure that they are not discriminatory toward any protected class. Management has instituted a second review of all denied applications to determine if the applicant would qualify for an alternative program or if an exception to policy is consistent with safe and sound lending practices.

Evidence of prohibited discriminatory or other illegal credit practices.

The examination did not reveal evidence of any discrimination or other illegal credit practices.

V. COMMUNITY DEVELOPMENT

The institution's participation, including investments, in local community development and redevelopment projects or programs.

First United Bank has continued to demonstrate its commitment to community development projects and activities. The bank plays an important role in supporting specific projects promoting economic revitalization and growth. Management has established productive working relationships with government and private sector representatives to identify opportunities for the institution's involvement in addressing community development needs.

One of the projects in which the bank is actively involved is Limestone Creek, a low-income housing development built by a minority contractor in Jupiter, Florida. The bank is providing the financing for these homes, including the construction and the permanent portions. To date, the bank has closed five loans totaling approximately \$288,000. Each loan has averaged around \$58,000. The bank has committed \$1 million to this project.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

V. COMMUNITY DEVELOPMENT (CONTINUED)

The bank is also a lending partner in the Mayor's Renaissance Fund Program (MRF) in the city of West Palm Beach, Florida. The MRF program is a partnership with local lending institutions established for the purpose of providing reduced-rate mortgage loans to first-time homebuyers for construction and acquisition of new homes and for acquisition and rehabilitation of existing homes. Eligible properties include single-family homes, town homes, condominiums, or other housing units permitting fee simple ownership. The goal of the MRF program is to increase home ownership opportunities, improve the condition of existing housing units, and contribute to the city's overall neighborhood improvement efforts. The intent of the program is for the private lender to provide as much of a mortgage loan as the applicant can afford and for the city to subsidize the remainder of the purchase price with funds available through a variety of housing assistance programs. The bank has funded three of these loans to date, totaling \$150,000.

Another organization in which the bank has become involved is the Northwood Business Development Corporation, also in West Palm Beach. This group is a consortium started specifically to assist small businesses with financing needs. At present, the bank has made one loan under this program in the amount of \$20,000.

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.

First United Bank was chartered on December 17, 1987. The bank had \$304.3 million in assets as of December 31, 1995, and has offices serving Palm Beach, Martin, Broward, and Brevard counties. In June 1995, the bank closed its Glades Plaza branch in Palm Beach County. Since the previous examination, First United has acquired three other banks and grown from seven offices to 27 offices. In June 1994, the bank purchased Suburban Bank, with assets of approximately \$150 million and four office locations: two in West Palm Beach and two in Lake Worth. In April 1995, the bank acquired Jupiter Tequesta National Bank, a one-office national bank headquartered in Tequesta, Florida, with assets of approximately \$57 million. On January 5, 1996, First United acquired The American Bank of the South with approximately \$160 million in assets and 16 offices throughout Brevard County, Florida. For purposes of this examination, The American Bank of the South's activities are excluded from any discussion of First United's CRA activities as the acquisition occurred only one month ago.

In addition to the above, the bank has one office in Broward County (Lighthouse Point), two offices in Boca Raton (including the main office on North Federal Highway), one office in Hypoluxo, and two offices in Martin County (Stuart and Hobe Sound).

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

V. COMMUNITY DEVELOPMENT (CONTINUED)

Boca Raton is the 21st most populous city in Florida and the southernmost city in Palm Beach County. During the past 10 years, substantial employment growth has occurred in the West Palm Beach/Boca Raton MSA. As evidenced by the major employers in Boca Raton such as IBM, Siemens, Sony Professional Products, W. R. Grace & Co., and Unisys, employment is dominated by manufacturing and government. Boca Raton is less dependent on the construction and tourist industries than the rest of the MSA, and therefore is less prone to the cyclical unemployment prevalent in these industries.

The city's population grew 19 percent from 58,163 residents in 1985 to 69,402 in 1990. Another 77,329 residents live in the unincorporated area. Population demographics were 94 percent white, 5.6 percent Hispanic (including Hispanic whites), 2.9 percent black, and 1.9 percent Asian. Nearly 30 percent of the city's population is between the ages of 25 to 44 years, and another 21.5 percent is over the age of 65 years. The city's 1990 median household income was \$46,867, which is higher than the county's median household income of \$32,524, and one-quarter of the households have annual incomes in excess of \$75,000.

The average cost of housing in Boca Raton was \$144,000 as of 1989. In 1990, the city identified 1,334 households that could be classified as low-income and another 1,195 as moderate-income households. According to the U.S. Census Bureau, the population in 1990 for Palm Beach County was 863,518 residents. This level represents an increase of 66.7 percent from 1980 to 1990. The county is the 53rd largest metropolitan area in the nation.

Martin County is located on the east coast of Florida between St. Lucie and Palm Beach counties. The county contains four small municipalities of which the city of Stuart is the largest. The 1990 U.S. Census Bureau data place Martin County's population at 251,071. Population growth has continued to slow since 1990. Part of the reason for the slowing growth is the anti-growth political atmosphere in the county. Governmental concerns over rapid and haphazard growth have resulted in well-conceived, planned developments and strict growth controls. The racial composition of the area is 83.3 percent white, 12 percent black, 3.9 percent Hispanic, and .8 percent other races. 28 percent of the county's population is over 65 years of age.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

V. COMMUNITY DEVELOPMENT (CONTINUED)

Martin County's median household income is \$29,417. The county's employment is distributed, by industry, into retail trade (28.7 percent), services (25.3 percent), government (12 percent), construction (10.5 percent), manufacturing (9.0 percent), agriculture (4.6 percent), finance and real estate (5.7 percent), and other (4.2 percent). The county's largest employer is Martin Memorial Hospital, and the second largest employer is the Martin County School System.

According to the 1990 Census, the county had 128,042 housing units; 101,196 (79 percent) were occupied, and 26,846 (21 percent) were vacant primarily because of seasonal use. The existing housing inventory consists of 67.5 percent one- to four-family homes, 16.7 percent multifamily dwellings, and 15.1 percent mobile homes. The median value of an owner-occupied home is \$83,156. The median contract rent of renter-occupied housing is \$517 per month.

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

The bank makes regular contributions to various charitable and civic organizations, including a \$5,000 donation to a fundraiser for a children's museum in West Palm Beach. The bank donated \$1,500 to Junior Achievement to sponsor two classes in elementary schools, one in Lake Worth and the other in Martin County. The bank sent two officers to the schools to teach the students about banking and the world of business. Total bank donations for 1995 were \$27,635. The bank also has a \$5,000 stock investment in the Black Business Investment Corporation. In addition, bank personnel have been active in other community organizations, volunteering both personal time and other resources. The bank also offers free checking to any Habitat for Humanity homeowner or applicant. It also provides a "Little Savers" account for children and a special senior citizens account.

TO THE INSTITUTION EXAMINED:

THIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION WAS PREPARED BY THE FEDERAL RESERVE BANK OF ATLANTA. THE FOLLOWING ACTIONS MUST BE TAKEN TO FULFILL THE CRA'S REQUIREMENTS.

- C AT A MINIMUM, PLACE THE EVALUATION IN YOUR CRA PUBLIC FILE LOCATED AT YOUR HEAD OFFICE (AND A DESIGNATED OFFICE IN EACH OF YOUR LOCAL COMMUNITIES) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THE EVALUATION.
- C PROVIDE A COPY OF THE EVALUATION TO THE PUBLIC UPON REQUEST (YOU ARE PERMITTED TO CHARGE A FEE NOT TO EXCEED THE COST OF REPRODUCTION AND MAILING IF APPLICABLE) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THIS LETTER.

FEDERAL RESERVE BANK OF ATLANTA

ASSISTANT VICE PRESIDENT

(Date)

CYNTHIA C. GOODWIN

(Title)

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

19

TO THE FEDERAL RESERVE BANK OF ATLANTA

A COPY OF THE COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION PREPARED AS OF THE CLOSE OF BUSINESS FEBRUARY 26, 1996, BY AN EXAMINER FOR THE FEDERAL RESERVE BANK OF ATLANTA HAS BEEN RECEIVED AND WILL BE MADE AVAILABLE TO THE PUBLIC IN THE MANNER STATED IN THE LETTER WHICH ACCOMPANIED THE EVALUATION.

(Signature of Authorized Officer)

(Title)

FIRST UNITED BANK

(Name of Bank)

BOCA RATON, FLORIDA

(Location)

FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin
ASSISTANT VICE PRESIDENT

Board of Directors
First United Bank
980 N. Federal Highway
Boca Raton, Florida 33432

Dear Board Members:

Enclosed is the bank's Community Reinvestment Act Performance Evaluation prepared by Federal Reserve Examiner Lucy Lebel using the guidelines established by the Federal Financial Institutions Examination Council. This evaluation was prepared in accordance with the Community Reinvestment Act (CRA), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and must be made available to the public. The following actions must be taken to fulfill the CRA's requirements.

- C At a minimum, place the evaluation in your CRA public file located at your head office (and a designated office in each of your local communities) no later than 30 business days after receiving this letter.
- C Provide a copy of the evaluation to the public upon request (you are permitted to charge a fee not to exceed the cost of reproduction and mailing if applicable) no later than 30 business days after receiving this letter.

Please acknowledge receipt of this evaluation by signing and returning the attached blue form. The format and content of the evaluation should not be altered or abridged in any manner. You may wish to comment on this information detailing actions the bank has taken since the examination to meet its obligations under the CRA. Any written comments concerning the evaluation placed in the public file should also be forwarded to this office. If you believe any of the information included in the public evaluation is proprietary, please contact this Reserve Bank so that the appropriate action can be taken.

Our Community Affairs staff is available to assist you in determining and responding to community credit needs. Please feel free to contact Mr. Courtney Dufries at (404) 589-7226. If you have any questions concerning this report or any other compliance matter, contact Ms. Gale Williams at (404) 589-7223.

Very truly yours,

Cynthia C. Goodwin

Enclosures

PUBLIC DISCLOSURE

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Name of Bank: FIRST UNITED BANK

City and State: BOCA RATON, FLORIDA

Date of Examination: FEBRUARY 26, 1996