

PUBLIC DISCLOSURE

May 20, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Crestar Bank

05512430

P.O. Box 26665

Richmond, Virginia 23261

**Federal Reserve Bank of Richmond
P. O. Box 27622
Richmond, Virginia 23261**

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 Crestar Bank, Richmond, Virginia, prepared by the Federal Reserve Bank of Richmond, 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 May 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 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 that 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 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.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

This institution is rated Outstanding based on the findings presented below.

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.

Conclusion/Support

Outreach is an integral element of the CRA program and ongoing meaningful contact continues to be maintained with a full range of individuals and groups representing local community organizations. Primarily, outreach is conducted through a formal call program involving branch managers and other lending personnel who gather information concerning area credit needs. From January 1995 through March 1996, 53,274 officer calls were performed throughout the local communities, with primary attention directed toward small businesses. All officer calls are documented and submitted to the appropriate regional CRA officer for review.

The types of organizations and individuals contacted by bank personnel include: local public officials, Federal and State Government agencies, community associations, affordable housing organizations, redevelopment and housing authorities, community development corporations, chambers of commerce, schools, churches and affiliated groups, realtors, developers, and civic and social organizations. Contacts made through these organizations appear to represent a wide range of interests and are considered valuable in ascertaining area credit needs and promoting bank services.

The bank also relies on local advisory boards, outside meetings and community forums, and focus groups to aid in the ascertainment of area credit needs. For instance, in the Greater Washington Region, the Crestar Community Reinvestment Advisory Group (CCRAG) meets several times a year to provide a formal forum for exchange between the bank and various community leaders. Membership in CCRAG consists of representatives from affordable housing groups, small business support groups, and consumer credit advocates. In the Capital Region, quarterly meetings are held with local government officials to discuss community credit needs and potential development programs. Additionally, surveys and questionnaires have been utilized by the bank to determine the public's views on community development needs and credit services.

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.

Conclusion/Support

A comprehensive CRA program has been adopted by Crestar Financial Corporation, the bank's parent holding company, and CRA continues to be an integral component of the institution's overall management structure. On the corporate level, the CRA corporate steering committee, composed of executive and senior management from Crestar Bank, Crestar Financial Corporation, and other affiliated institutions, is responsible for developing and implementing overall CRA policies and procedures. The corporate CRA director oversees the administration of the program and provides support to the various regional CRA officers. The CRA director reports regularly to the corporate steering committee, as well as to the Crestar Financial Corporation Audit Committee. The audit committee, which is composed of eight board members, insures technical compliance by approving the annual CRA Statement and CRA policy. Through these reporting mechanisms, the board remains informed of CRA activities throughout the delineated communities.

The regional CRA officers are responsible for the coordination and implementation of the CRA program and are assisted in their endeavors by subcommittees and advisory boards. The regional CRA officers provide quarterly self-assessments to the CRA director for their respective areas which are incorporated into the corporate committee's overall self-evaluation. In addition, an expanded CRA Statement that describes the program structure and performance including various ascertainment efforts and CRA activities has been adopted.

Training and education remain a strong element of the CRA program. Officers and employees receive CRA training commensurate with their job responsibilities. Also, bank personnel routinely attend and/or assist with seminars, programs, and other educational forums that increase or communicate awareness of community reinvestment opportunities. Furthermore, senior management and branch staff provide technical assistance and guidance to various nonprofit community organizations, small businesses, and schools throughout the local communities.

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.

Conclusion/Support

Loan and deposit services are routinely marketed through various media sources designed to reach all segments of the delineated communities. The marketing services department of Crestar Bank, headquartered in Richmond, Virginia, is responsible for the development of advertisements, promotions, and other marketing support for all Crestar subsidiaries.

Conclusion/Support--contd.

Newspapers and radio stations throughout the various regions are used to promote a wide range of bank products including home improvement loans, residential mortgages, affordable housing loans, small business loans,

consumer loans, and various deposit services. Other marketing media include direct mail, brochures, billboards, statement stuffers, television, and telemarketing. Publications that specifically target predominately minority audiences are regularly included in marketing efforts and include: Richmond Afro American, Richmond Voice, The Richmond Free Press, El Eco, Asian Fortune, Washington Afro American, El Pregonero, Pho Nho, Capitol Spotlight, Washington Hispanic, Eagle News, El Tiempo Latino, El Diario de la Nacion, In Syte Magazine, and The New Journal & Guide.

The outreach efforts previously discussed also serve as a valuable marketing tool. In addition, bank and mortgage corporation personnel routinely participate in various housing seminars, trade shows, and workshops. For instance, the bank's "Business Academy" seminars assist small businesses with financial management, marketing, and potential credit needs. Crestar representatives also host public meetings with local government officials and community leaders on a rotating basis among the local delineated communities. The purpose of these meetings is to improve the bank's understanding of area credit needs and increase community development involvement, while promoting bank products and programs.

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.

Conclusion/Support

As identified in the CRA Statement ratified on April 26, 1996, a variety of credit services is offered including loans for home improvement, small business, commercial, consumer, agricultural, and educational purposes. Various residential mortgage products are available through Crestar Mortgage Corporation (CMC), a wholly owned bank subsidiary, including several affordable housing loans. These mortgage products are actively marketed through the media sources mentioned above, as well as through special community outreach mortgage loan officers. Eight such loan originators operate in the four regions of Virginia. These officers call extensively on community groups and realtors that serve predominately low- and moderate-income neighborhoods. The community outreach officers are compensated through a salary structure which helps to eliminate any disincentive to make the smaller loans typically sought by low and moderate-income borrowers.

Conclusion/Support--contd.

Affordable housing products offered by CMC include the Unsecured Loan Program (Down payment Assistance), the HomeSTART Second Mortgage Program, the Affordable Gold Program, the Community Home Buyers Program, and the 2/3 Tier Review Program. These special mortgage programs generally offer some combination of less stringent down payment requirements, more flexible debt income ratios, or lower interest rates. CMC also routinely participates in various loan programs insured, guaranteed, and/or subsidized by the Federal Government. During 1995, the mortgage corporation originated \$106.4 million in various affordable housing loans. Loans originated through these programs are either sold in the secondary market or held in the bank's loan portfolio and serviced by CMC.

The tables below depict Crestar Bank and CMC's volume of residential mortgage lending for 1994 and 1995 within the portions of the Metropolitan Statistical Areas (MSAs) served by the bank.

Residential Mortgage Lending
Crestar Bank and CMC

Charlottesville MSA

	1994		1995	
	#	\$ (000's)	#	\$ (000's)
Home Purchase (Gov't sponsored)	4	\$ 384	3	\$ 454
Home Purchase	32	\$ 3,789	26	\$ 2,977
Refinance	61	\$ 7,129	35	\$ 4,047
Home Improvement	6	\$ 109	11	\$ 118
Total	103	\$ 11,411	75	\$ 7,596

Lynchburg MSA

	1994		1995	
	#	\$ (000's)	#	\$ (000's)
Home Purchase (Gov't sponsored)	66	\$ 4,359	100	\$ 7,109
Home Purchase	102	\$ 9,409	171	\$ 17,066
Refinance	102	\$ 7,168	75	\$ 6,596
Home Improvement	16	\$ 192	73	\$ 411
Total	286	\$ 21,128	419	\$ 31,182

Residential Mortgage Lending
Crestar Bank and CMC --contd.

Norfolk-Virginia Beach MSA

	1994		1995	
	#	\$ (000's)	#	\$ (000's)
Home Purchase (Gov't sponsored)	222	\$ 20,077	341	\$ 29,806
Home Purchase	514	\$ 66,351	402	\$ 44,938
Refinance	777	\$ 72,026	355	\$ 33,197
Home Improvement	435	\$ 2,776	858	\$ 4,836
Total	1,948	\$ 161,230	1,956	\$ 112,777

Richmond-Petersburg MSA

	1994		1995	
	#	\$ (000's)	#	\$ (000's)
Home Purchase (Gov't sponsored)	367	\$ 32,222	446	\$ 41,271
Home Purchase	797	\$ 96,839	771	\$ 88,774
Refinance	750	\$ 66,219	325	\$ 27,842
Home Improvement	248	\$ 1,858	363	\$ 2,078
Total	2,162	\$ 197,138	1,905	\$ 159,965

Roanoke MSA

	1994		1995	
	#	\$ (000's)	#	\$ (000's)
Home Purchase (Gov't sponsored)	31	\$ 2,129	36	\$ 2,301
Home Purchase	83	\$ 7,071	94	\$ 8,588
Refinance	125	\$ 7,339	64	\$ 4,598
Home Improvement	91	\$ 493	120	\$ 630
Total	330	\$ 17,032	314	\$ 16,117

Residential Mortgage Lending
Crestar Bank and CMC --contd.

Washington, D. C. MSA
(Virginia portion only)

	1994		1995	
	#	\$ (000's)	#	\$ (000's)
Home Purchase (Gov't sponsored)	167	\$ 20,901	232	\$ 27,009
Home Purchase	658	\$ 105,291	565	\$ 74,071
Refinance	827	\$ 102,041	478	\$ 47,921
Home Improvement	231	\$ 2,427	243	\$ 2,443
Total	1,883	\$ 230,660	1,518	\$ 151,444

Overall, these figures indicate a slight decrease in lending activity by the mortgage corporation due to the market decline in home refinancings. Total home purchase lending, however, increased slightly from 1994 to 1995, primarily due to a 35% increase in Government sponsored home purchase loans. Home improvement lending, which is only available through the bank experienced a 62% increase from 1994 to 1995.

The bank and CMC actively solicit applications from low- and moderate-income (L/M) individuals. The following chart illustrates applications received from and residential mortgage lending to individuals residing within the delineated portions of the MSAs and with incomes of less than 80% of the median-family incomes for the respective MSAs.

Applications Received from and Lending to L/M Individuals

	BANK		CMC	
	1994	1995	1994	1995
# Applications from L/M	1,184	1,618	1,501	1,436
% of Total Applications	46.5%	43.5%	23.1%	28.5%
# L/M Loans Originated	450	675	1,222	1,171
% L/M Applications	38.0%	41.7%	81.4%	81.5%

As illustrated above, the bank has experienced an increase in the number of applications received from L/M applicants, as well as an increase in the percentage of applications originated. As mentioned previously, the overall decline in the number of applications received by CMC is the result of the market decline in home refinancings. The mortgage corporation has, however, increased the percentage of its total applications received from L/M individuals and consistently extended loans to the majority of these applicants.

The bank continues to make efforts to maintain a strong presence in the small business lending market. Crestar's Business Loan Center (BLC), a division of the Commercial Lending Department, was created to underwrite credit to small businesses with annual revenues of \$2 million and less (except in the Northern Virginia market which uses \$5 million as its threshold). BLC maintains four regional locations which primarily operate through referrals from the retail branch network. During 1995, small business lending totaled \$97.9 million throughout the delineated markets.

Loans for a variety of consumer needs are an integral component of the bank's total lending activities. During the first quarter of 1996, 6,846 consumer loans (excluding credit cards) were extended totaling approximately \$39 million. The loan products offered by the bank and its subsidiary appear to address a significant portion of the communities' credit needs.

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

Conclusion/Support

CMC participates in a variety of Government sponsored loan programs including those available through the Federal Housing Administration (FHA), Veterans Administration (VA), Virginia Housing Development Authority (VHDA), and HUD 203K Program. These special mortgage programs generally involve less stringent credit criteria than conventional financing and may include some combination of the following: more lenient debt ratios, lower or flexible down payment requirements, lower interest rates, and/or income limitation on applicants. Crestar Bank also routinely purchases low-income housing tax credits through equity investments in multifamily housing projects undertaken in Virginia. The following table illustrates CMC's volume of affordable housing loans within the delineated markets during 1995 and the first quarter of 1996. Data for FHA and VA loans was not available for the first quarter of 1996.

Affordable Mortgage Loans

	1995		1996 (1st Quarter)	
	# loans	\$(000's)	# loans	\$(000's)
FHA & VA *	1,147	\$107,044	NA	NA
VHDA	666	\$ 38,174	338	\$ 22,083
2/3 Tier Review	25	\$ 1,896	3	\$ 141
HUD 203K	10	\$ 691	2	\$ 153

* FHA and VA totals are for purchase money mortgage loans originated within the bank's delineated portion of the MSAs only.

Business loans guaranteed by the Small Business Administration (SBA), Rural Housing and Community Development Service (RHCD), and the Economic Development Administration (EDA) are offered by the bank. During 1995 and the first quarter of 1996, 77 loans totaling \$5.9 million were extended under these programs within the Commonwealth of Virginia. The bank also extends credit under the Virginia Asset Financing Authority and the Virginia Small Business Financing Authority.

Government guaranteed student loans are available through the following programs: Stafford, Parental Loans for Undergraduate Students (PLUS), and United Student Aid Funds (USAF). These programs provide market rate and subsidized educational loans with a variety of repayment and deferment options. During 1995, more than 11,000 student loans were originated totaling \$40.7 million.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

Conclusion/Support

The institution has delineated 22 local communities within four regions. They are as follows:

CAPITAL REGION

Richmond-Petersburg Area Local Community - The Cities of Richmond, Colonial Heights, Hopewell, and Petersburg; the Counties of Chesterfield, Hanover, and Henrico; and portions of the Counties of Dinwiddie and Prince George, Virginia.

EASTERN REGION

Upper Peninsula of Hampton Roads Area Local Community - The City of Williamsburg, and the Counties of Gloucester, James City, and York, Virginia.

Eastern Shore of Virginia Area Local Community - The Counties of Accomack and Northampton, Virginia.

Southside of Hampton Roads Area Local Community - The Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk, and Virginia Beach; the County of Southampton; and a portion of the County of Isle of Wight, Virginia.

Lower Peninsula of Hampton Roads Area Local Community - The Cities of Hampton, Newport News, and Poquoson, Virginia.

WESTERN REGION

Winchester Area Local Community - The City of Winchester and portions of the Counties of Clarke and Frederick, Virginia.

Staunton Area Local Community - The Cities of Staunton and Waynesboro and the County of Augusta, Virginia.

South Boston Area Local Community - The City of South Boston and the County of Halifax, Virginia.

Shenandoah Area Local Community - The County of Shenandoah, Virginia.

Roanoke Area Local Community - The Cities of Roanoke and Salem; the County of Roanoke; and a portion of the County of Botetourt, Virginia.

Radford Area Local Community - The City of Radford and portions of the Counties of Montgomery and Pulaski, Virginia.

Orange Area Local Community - The County of Orange, Virginia.

WESTERN REGION--contd.

Martinsville Area Local Community - The City of Martinsville and the Counties

of Henry and Patrick, Virginia.

Lynchburg Area Local Community - The City of Lynchburg and portions of the Counties of Amherst, Appomattox, Bedford, and Campbell, Virginia.

Luray Area Local Community - The County of Page, Virginia.

Lexington Area Local Community - The Cities of Buena Vista and Lexington, and the County of Rockbridge, Virginia.

Harrisonburg Area Local Community - The City of Harrisonburg and the County of Rockingham, Virginia.

Franklin County Area Local Community - The County of Franklin, Virginia.

Front Royal Area Local Community - The County of Warren, Virginia.

Charlottesville Area Local Community - The City of Charlottesville and the County of Albemarle.

GREATER WASHINGTON REGION - NORTHERN VIRGINIA

Rappahannock Area Local Community - The City of Fredericksburg and the Counties of Culpeper, Fauquier, Spotsylvania, and Stafford, Virginia.

Northern Virginia Area Local Community - The Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park; the Counties of Arlington, Fairfax, and Prince William; and a portion of the County of Loudoun, Virginia.

These delineations include several changes made since the previous evaluation including the addition of three new communities and the deletion of three former communities. The delineations appear reasonable, meet the purpose of the regulation, and do not exclude low- and moderate-income neighborhoods.

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

Conclusion/Support

Information is compiled on an annual basis concerning the geographic distribution by census tract of outstanding consumer, commercial, mortgage, and credit card loans, as well as deposit accounts. These data indicated that as of December 1995, 94% of outstanding consumer loans and 93% of outstanding commercial loans were originated within the delineated communities. In addition, 28% of consumer loans and 32% of commercial loans were originated within L/M census tracts. On December 31, 1995, the bank had \$390 million (43,171 loans) in commercial and consumer loans outstanding within L/M neighborhoods.

Conclusion/Support

An annual report that reflects all HMDA related credit applications is also prepared by management and includes information for applications received by Crestar Bank, CMC, and all bank affiliates. The HMDA data is depicted on detailed maps for each community and contains information identifying all L/M and minority census tracts. An analysis of this information is routinely performed by the corporate CRA director to determine loan penetration within the various markets. The results of this analysis are periodically presented to the board for assessing the reasonableness of the delineated communities.

An analysis of the 1994 and 1995 HMDA information submitted by Crestar Bank and CMC was performed to determine the distribution of loans throughout the bank's market. During 1995, Crestar Bank reported applications in 82% of its

delineated census tracts and CMC reported applications in 80% of the same market. Furthermore, 75% and 60% of L/M census tracts had credit activity reported for the bank and mortgage corporation, respectively.

The following charts present comparisons of applications received by the bank and mortgage corporation to the aggregate HMDA activity in L/M census tracts. All figures are presented as a percentage of total applications received by the institution from within the delineated portion of the MSA. The application percentages closely parallels the percentages of loans extended in most instances for the bank and mortgage company. Furthermore, CMC's denial rate was very low for both 1994 and 1995.

HMDA Applications in L/M Census Tracts

Charlottesville MSA

	1994	1995
Home Purchase & Refinance Loan Applications		
CMC	6.0%	2.0%
Aggregate	12.5%	13.1%
Home Improvement Loan Applications		
Crestar Bank	23.8%	27.3%
Aggregate	21.9%	18.4%

HMDA Applications in L/M CENSUS TRACTS--contd.

Lynchburg MSA

	1994	1995
Home Purchase & Refinance Loan Applications		
CMC	4.8%	5.8%
Aggregate	7.7%	8.5%
Home Improvement Loan Applications		
Crestar Bank	44.8%	23.0%
Aggregate	19.0%	16.8%

Norfolk MSA

	1994	1995
Home Purchase & Refinance Loan Applications		
CMC	6.4%	8.8%
Aggregate	11.5%	13.6%
Home Improvement Loan Applications		
Crestar Bank	19.8%	16.7%
Aggregate	14.2%	14.5%

Richmond MSA

	1994	1995
Home Purchase & Refinance Loan Applications		
CMC	8.7%	10.1%
Aggregate	14.1%	16.2%
Home Improvement Loan Applications		
Crestar Bank	28.3%	32.8%
Aggregate	26.2%	25.7%

HMDA Applications in L/M Census Tracts--contd.

Roanoke MSA

	1994	1995
Home Purchase & Refinance Loan Applications		
CMC	8.8%	8.6%
Aggregate	11.9%	13.9%
Home Improvement Loan Applications		
Crestar Bank	24.0%	22.7%
Aggregate	18.1%	19.1%

Washington, D. C. MSA (Northern Virginia Portion)

	1994	1995
Home Purchase & Refinance Loan Applications		
CMC	5.0%	23.8%
Aggregate	11.0%	12.8%
Home Improvement Loan Applications		
Crestar Bank	10.6%	13.5%
Aggregate	12.4%	13.0%

As demonstrated by these tables, CMC's performance in L/M census tracts during 1994 was consistently lower than the aggregate market. The mortgage corporation's penetration into such neighborhoods, however, improved during 1995 with the exception of the Roanoke MSA which remained stable and the Charlottesville MSA which declined. The bank's home improvement performance routinely exceeded the aggregate activity for both years with the exception of the Washington, D. C. MSA for 1994.

The following is a comparison of the bank's and mortgage corporation's market share of mortgage lending activity, according to census tract income level in the MSAs. The market share analysis uses home improvement loans for comparison purposes for the bank and home purchase and refinance loans for CMC.

Market Share Analysis by MSA

Charlottesville MSA

	Crestar Bank		CMC	
	1994	1995	1994	1995
L/M Tracts	2.5%	2.5%	1.2%	.5%
Non L/M Tracts	1.4%	2.6%	3.7%	2.6%

Lynchburg MSA

	Crestar Bank		CMC	
	1994	1995	1994	1995
L/M Tracts	7.8%	20.2%	5.6%	7.7%
Non L/M Tracts	2.5%	12.6%	8.2%	12.2%

Norfolk MSA

	Crestar Bank		CMC	
	1994	1995	1994	1995
L/M Tracts	10.0%	16.6%	2.4%	2.9%
Non L/M Tracts	6.9%	13.3%	4.1%	4.0%

Richmond MSA

	Crestar Bank		CMC	
	1994	1995	1994	1995
L/M Tracts	10.1%	19.4%	6.0%	6.2%
Non L/M Tracts	10.9%	13.0%	8.8%	8.8%

Roanoke MSA

	Crestar Bank		CMC	
	1994	1995	1994	1995
L/M Tracts	17.5%	18.8%	3.5%	2.9%
Non L/M Tracts	12.5%	15.5%	4.7%	4.8%

Market Share Analysis by MSA--contd.

Washington, D. C. (Virginia Portion Only)

	Crestar Bank		CMC	
	1994	1995	1994	1995
L/M Tracts	2.8%	4.1%	1.1%	5.6%
Non L/M Tracts	4.3%	4.3%	2.8%	2.4%

This analysis demonstrates that the bank's market share in L/M census tracts routinely exceeds or parallels its penetration into middle- and upper-income census tracts, with the exception of the Washington, D. C. MSA during 1994. The mortgage corporation, however, displays a lower penetration into L/M neighborhoods than upper-income areas in the majority of MSAs. CMC's market share in lower-income census tracts, however, has improved in several communities during 1995. In particular, CMC's market share in L/M tracts was relatively higher than its market share in non L/M tracts in the Virginia portion of the Washington, D. C. MSA for 1995.

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

Conclusion/Support

The bank's 240 offices are reasonably accessible to all segments of its communities, and the hours of operation are considered convenient (see Appendix). Ninety-two of the branch offices are located in low- and moderate-income census tracts which account for 38% of the institution's total branch system. Many other offices, while not in such tracts or neighborhoods, are accessible to residents of these areas. Additionally, CMC has 19 offices located within the local communities.

Since the previous evaluation, three new branch locations have been opened and thirteen new branches have been acquired through various mergers. In addition, 25 branch locations were closed from January 1995 through April 1996. Many of these branch offices were closed due to the close proximity of other offices and there appears to be no loss of service experienced by bank customers in connection with these offices. A formal policy for branch closings has been adopted as required by the Federal Deposit Insurance Corporation Improvement Act of 1991. The policy also incorporates all aspects that the Board of Governors of the Federal Reserve System considers responsive to the bank's CRA obligations.

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).

Conclusion/Support

Adequate policies and procedures supporting nondiscrimination in all lending and credit activities have been developed and the institution is in compliance with the substantive provisions of antidiscrimination laws and regulations. Applications are solicited from all segments of the delineated communities, including low- and moderate-income neighborhoods.

As previously noted, marketing efforts have included regular calls on minority individuals and businesses and the development of relationships with community development organizations that serve predominantly minority areas. Fair lending efforts undertaken by management include training for all bank employees regarding fair lending laws and regulations and credit counseling for potential mortgage applicants through seminars and housing fairs. Also, a review system has been implemented for denied mortgage loan requests from low- and moderate-income borrowers at CMC. Various self-testing methods are employed to insure the equal application of credit standards. In addition, participation in a multibank review agency in the Greater Washington Region known as the Capital Area Mortgage Partnership (CAMP) provides counseling and a third tier review for persons whose mortgage applications were denied.

A review of the 1994 and 1995 HMDA information revealed that Crestar Bank's percentage of applications from minorities generally exceeds their representation in the populations of the various delineated MSAs, with the exception of the Charlottesville MSA. CMC's data indicated that the percentage of applications from minorities was consistently below that of the representation in the population. The 1995 HMDA information for the mortgage corporation, however, demonstrated an improvement in lending to minorities over the previous year with the exception, again, of the Charlottesville MSA. As previously noted, marketing efforts for the bank and mortgage corporation have included advertising and other marketing and outreach efforts that target minority residents.

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

Conclusion/Support

The table below depicts the number and types of loans reviewed as part of the examination for fair lending. Accepted and denied loan applications from March and April 1996 were compared to determine consistent application of credit criteria. Information on applicant race is generally not available for these loans as the majority are not subject to the collection of Government monitoring information.

Conclusion/Support--contd.

Fair Lending File Review by Loan Type

	Accepted Applications			
	Male	Female	Joint	Total
Instalment	19	11	20	50
Single Payment	10	2	1	13
Real Estate	16	14	40	70
Open End Credit	5	11	9	25
Business	N/A	N/A	N/A	26
Totals	50	38	70	184

	Denied Applications			
	Male	Female	Joint	Total
Instalment	0	0	43	43
Single Payment	0	0	0	0
Real Eestate	7	4	39	50
Open End Credit	24	16	13	53
Business	N/A	N/A	N/A	28
Totals	31	20	95	174

In conjunction with the comparison of these files, a review of credit policies and application procedures was conducted. Twenty-four branch managers were interviewed regarding procedures for taking and processing credit applications. In addition, 89 mortgage loans were reviewed for compliance relating to the bank's pricing policy and procedures. No discriminatory practices were identified; however, violations of the technical aspects of the Home Mortgage Disclosure Act (HMDA) and the Equal Credit Opportunity Act were noted. Corrective procedures for the violations were instituted by management during the examination.

HMDA information for the bank and CMC was used to specifically conduct an analysis of mortgage lending since information regarding race is reported for these loans. Both the bank and the mortgage company evidence denial ratios for minorities that exceed those for white applicants. The denial ratios for minorities as compared to white applicants in 1994 and 1995 are illustrated in the following table:

Conclusion/Support--contd.

	1994	1995
Crestar Bank	1.8 to 1	1.8 to 1
CMC	2.0 to 1	2.2 to 1

While the denial ratio for CMC has increased slightly for 1995, it should be noted that, overall, the mortgage corporation denies relatively few applications. During 1995, 35% and 13% of total applications were received from minorities by the bank and CMC, respectively.

A regression program, an empirically derived statistical analysis, was used to determine whether race was a statistically significant factor in the outcome of credit decisions for the bank for home improvement loans. Using information reported by Crestar Bank on its 1995 Loan Application Register (LAR), the program determined that race was statistically significant when evaluating an applicant's creditworthiness. Additional information, not reported on the LAR, was entered into the regression program relating to income, credit histories, employment stability, and current debt obligations for a random sample of 220 bank files. With this additional information, the program identified and matched minority rejected loan applications with several similarly situated accepted majority applicants. A review of these loan files revealed no evidence of discriminatory practices regarding the credit decisions.

V. COMMUNITY DEVELOPMENT

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

Conclusion/Support

The various communities served by the bank throughout the Commonwealth of Virginia have a diverse range of credit needs. Through its extensive outreach program, management is aware of community development opportunities throughout its delineated markets. Participation in such projects has included investments, direct lending, loans through intermediaries, donations, and technical assistance. The following is a summary of special programs and activities that demonstrate the bank's involvement and commitment to its communities. While the summary is not a complete listing of activities in which the bank is involved, it provides a cross section of key projects for housing and economic development.

CAPITAL REGION

The Interfaith Housing Corporation is a nonprofit affordable housing developer and provider of counseling services. During 1996, this organization received a commitment from the National Equity Fund for the extension of L/M housing development tax credits. Crestar Bank extended financing to the organization for the interim period while awaiting these funds. Interfaith Housing Corporation has also initiated a comprehensive home ownership class; three Crestar employees will assist in conducting these classes.

The Southside Community Development & Housing Corporation (SCDHC) is a nonprofit community development corporation dedicated to the improvement of substandard housing in the City of Richmond. Other SCDHC objectives include special housing programs for the elderly, commercial revitalization, and jobs development. During 1995, Crestar Bank donated a branch office located on Hull Street to SCDHC for office space and provided funding for improvements to the new office location. In addition, two loans were extended to SCDHC for the construction and/or rehabilitation of four single-family residences located in the Old Manchester District of the City of Richmond. These units are part of approximately 20 homes previously completed in this targeted L/M neighborhood.

Inspire is a joint venture between the Richmond Better Housing Coalition and Church Hill Neighborhood, Inc. Inspire primarily focuses on the development and renovation of affordable single-family housing in the Church Hill area of Richmond. Currently, two neighborhoods in the Church Hill area, Fairmont and Jefferson Mews, have been targeted. During the first quarter of 1996, seven construction loans totaling \$282,600 were extended in these low- and moderate-income neighborhoods.

In Touch Ministries is a community development corporation whose primary purpose is to renovate affordable housing. Its current project site is located in Eastern Henrico County, and the bank has provided financing for the rehabilitation of two homes in this area. In addition, a line of credit was extended to the organization for development costs.

The bank continues to be involved in the City of Richmond Bank Participation Loan Program (BPLP) with five other area banks, the City of Richmond, and the Industrial Development Authority. This \$5 million loan pool program was created in 1994 in an effort to increase the availability of small business loans for qualified Richmond businesses. Crestar Bank has committed \$900,000 to the loan pool. During 1995, the BPLP reported 12 loans totaling \$930,940. Crestar extended eight of these loans totaling \$289,440.

CAPITAL REGION--contd.

Crestar Bank serves as a partner in three loan programs in Richmond that have received grants under the Virginia Enterprise Initiative (VEI). These programs include the Virginia Community Development Loan Fund, Northside Richmond Micro Business Development Center, and the Richmond Economic Development Corporation. The Northside Richmond Micro Business Association has recently expanded its commercial and neighborhood development program and its business training program. This organization was awarded a \$70,000 grant from VEI which will be used to provide financing to approximately 25 local entrepreneurs, as well as extensive training for approximately 50 local small businesses. A line of credit has been extended to this organization by the institution. Furthermore, the Richmond Economic Development Corporation was awarded a \$50,000 grant from VEI to cover various administrative costs. Four area banks have committed financing to this organization, including a line of credit from Crestar Bank.

During 1995, Crestar Mortgage Corporation relocated its headquarters to a L/M neighborhood in the City of Richmond. This 120,000-square-foot building was built in cooperation between the City of Richmond and Crestar by the Richmond Redevelopment and Housing Authority. Construction costs totaled \$17.5 million, of which Crestar contributed \$10.8 million.

The Hull Street Business Corridor, which is located in a L/M neighborhood in Southside Richmond, has been targeted by the City of Richmond and the Richmond Redevelopment and Housing Authority for revitalization of small businesses and housing initiatives. Crestar extended a loan to an existing small business located within this area for the renovation of a bookstore and second floor apartment. In addition, a new medical center is being constructed in this targeted neighborhood. Crestar Bank will provide financing to a local female physician for the acquisition and renovation of a previously vacant building. The medical center will provide services to lower-income residents in the community.

"The Business Academy" is a business education program jointly developed and sponsored by Crestar Bank, the Hull Street Merchants Association, the City of Richmond Economic Development Office, and a local accounting firm. The academy was developed as a means to assist small business owners and entrepreneurs develop a sound business plan to successfully operate their business. The curriculum comprises four sessions which focus on developing a business plan, pricing and cash flow, financial management, and marketing.

CAPITAL REGION--contd.

Technical assistance and/or donations of financial resources have also been provided to the following organizations:

Interfaith Housing Corporation
Richmond Minority Business Development Center
Richmond Redevelopment & Housing Authority
Richmond Metro Habitat for Humanity
Petersburg Economic Action Corporation
Church Hill Neighborhoods, Inc.
Housing Opportunities Made Equal
Richmond Better Housing Coalition
Christmas in April
Habitat for Humanity

WESTERN REGION

The Bank Community Development Corporation was developed to increase the availability of affordable housing within the Cities of Staunton and Waynesboro and Augusta County. Crestar Bank has committed \$50,000 in financing to the development corporation which has recently extended a line of credit to the Habitat for Humanity to cover housing construction costs.

The Downtown Redevelopment Loan Pool was established to promote commercial revitalization in the downtown area of the City of Harrisonburg and to enhance the economic and social environment of the Central Business District. Funds from the loan pool are used for facade improvements, commercial rehabilitation projects, and property and equipment purchases. This \$7 million loan pool was developed by a coalition of eight banks in conjunction with the Harrisonburg Redevelopment and Housing Authority. Crestar Bank has committed \$800,000 in financing toward the loan pool and has extended one loan totaling \$77,000 since January 1995.

The Enterprise Zone Loan Pool, South Boston, provides financing for the purchase and/or rehabilitation of real property located in a targeted area of the City of South Boston. Crestar Bank has a \$2 million commitment to this pool and two loans totaling \$178,300 were originated by the bank during 1995 and 1996. Commitments of \$100,000 have also been provided to the Enterprise Zone Loan Pools located in the Cities of Lynchburg and Rocky Mount.

Total Action Against Poverty (TAP) has provided a wide array of educational, housing, employment, economic development, family, and health services to economically disadvantaged persons. In addition, TAP acts as an advisor for over 39 organizations and programs. Crestar Bank, along with several area financial institutions, has funded a \$75,000 Microloan pool which primarily serves the Cities of Roanoke, Clifton Forge, Salem, and Covington, and the Counties of Roanoke, Allegheny, and Botetourt. The organization has approved one loan for \$10,000 since January 1995.

WESTERN REGION--contd.

Crestar continues its support of the Upper Story Housing Low Interest Loan Pool located in Roanoke. This loan pool provides financing for the development of affordable housing in upper story space of commercial

properties in the downtown area of Roanoke. During 1995, nine participating banks increased their commitment to this organization from \$300,000 to \$500,000; Crestar's portion of this commitment is \$83,333. During 1995, one loan totaling \$100,000 was extended through the loan pool.

The Virginia Economic Development Corporation Micro Enterprise Program provides business training and financing to L/M individuals, minorities, and women within the City of Charlottesville and Albemarle County. Crestar Bank has agreed to provide \$25,000 in funding towards the loan program. The organization has approved two loans totaling \$10,000 since January 1995.

Crestar Bank has also participated in a \$6.5 million loan to renovate the Hotel Roanoke located in a L/M neighborhood in downtown Roanoke City. When complete, this project will assist in attracting additional business and convention activity to the area and will create approximately 300 new jobs for local residents.

The bank has also provided funding to the New River Resource Authority totaling \$8.2 million. The loan was used to construct a new landfill in Pulaski County and to purchase new equipment. Crestar is the only lender involved in this project.

A \$1.7 million line of credit was extended to the Patrick Henry Development Council for the construction of a shell building in a local industrial park in Henry County. The Patrick Henry Development Council and State economic development officials will use the new building to attract additional industry to the area. Crestar is the sole lender in this project.

Crestar Bank is the lead bank in an \$800,000 loan participation for the construction of a shell building in an industrial area of Botetourt County. The project is sponsored and managed by Greater Roanoke Valley Development Foundation and represents an effort to attract new business to the market.

Technical assistance and/or donations of financial resources have also been provided to the following organizations:

- City of Charlottesville Minority Loan Program
- Franklin County Micro business Loan Fund
- Harrisonburg Redevelopment Commercial Property Improvement Program
- Historic Home Loan Pool Fund, Lynchburg
- Lexington Downtown Development Association
- Lynchburg Neighborhood Redevelopment
- Madison Housing Corporation
- Main Street Radford
- Martinsville Uptown Revitalization Association
- Roanoke Community Development Corporation
- Waynesboro Downtown Redevelopment Program
- Threshold Loan Pool, Lexington
- Lynchburg Community Development Corporation
- Campbell County Loan Pool

EASTERN REGION

The Portsmouth Community Development Group (PCDG) is a community based nonprofit organization involved in the revitalization of the City of Portsmouth. Crestar Bank has originated five mortgage loans to lower-income homeowners through PCDG totaling \$300,000 since January 1995. In addition, a construction line of credit was provided to PCDG for the purchase and rehabilitation of homes located in a targeted L/M neighborhood of the city. During 1995 and to date in 1996, four homes have been renovated in this area for a total cost of \$210,275. In addition, the bank has extended another line of credit to PCDG for the renovation of an office building in a lower-income area of downtown Portsmouth. This location will offer space for

several small business microloan recipients.

The Norfolk Guardian Loan Fund is a participation program developed by local financial institutions in conjunction with the Norfolk Economic Development Department. This loan program provides financing to businesses located within the Enterprise Zones of downtown Norfolk. A portion of the financing is provided by the City of Norfolk and the remainder of funding is furnished by area banks. Three loans have been extended through the loan pool since January 1995; Crestar has funded two of these loans totaling \$62,400.

The Greater Southeastern Development Corporation (GSDC) is involved in the acquisition and rehabilitation of L/M housing located on the Tidewater peninsula. Crestar has extended a line of credit to GSDC and since January 1995, five homes have been purchased and rehabilitated for a cost of \$116,600.

Friends of the Homeless is a community housing development organization in Newport News that is engaged in the acquisition and rehabilitation of L/M housing. Crestar recently renewed its line of credit to this organization which has been used for the purchase and rehabilitation of four houses during 1995 (\$192,700).

Crestar has also established a relationship with the Olde Huntersville Development Corporation (OHDC). OHDC is an active developer of L/M housing located primarily in the Olde Huntersville section of Norfolk. Since January 1995, Crestar has extended two loans to lower-income individuals totaling \$125,100 for home purchase and lot acquisition.

In Newport News, the bank continues to work with the Newport News Redevelopment and Housing Authority in connection with the organization's efforts to construct new homes in L/M neighborhoods. As a result, the bank has originated 12 loans totaling \$700,000 to lower-income individuals since January 1995.

EASTERN REGION--contd.

Crestar Bank has also originated several loans within the region which promote economic development. Some of the loans recently extended include:

A \$725,000 loan to fund the construction of a new high school in the region.

A \$500,000 construction loan for the rehabilitation of a 56-unit low-income apartment complex located in Newport News.

A \$7 million loan to a hospital located on the Eastern shore for the expansion of the ICU and emergency room.

A \$575,000 loan to the Hampton Roads Planning District for the construction of a new office building.

Financing totaling \$11 million to the Hampton Roads Regional Jail Authority for the construction of a new jail which will be used by the Cities of Portsmouth, Norfolk, Chesapeake, and Virginia Beach.

A \$3 million loan to the City of Hampton to purchase land in an industrial park for a new solid waste facility and future economic development.

A \$5 million loan to the City of Portsmouth to provide interim financing until funding from the sale of bonds is received.

Technical assistance and/or donations of financial resources have also been provided to the following organizations:

Newport News Redevelopment and Housing Authority
Hampton Neighborhood Services
Norfolk Redevelopment and Housing Authority
Virginia Mountain Housing
Norfolk State University
Chesapeake Redevelopment and Housing Authority
Hampton Housing Authority Home Start

GREATER WASHINGTON REGION - VIRGINIA PORTION

In 1996, Crestar Bank agreed to participate in the new Rappahannock Area Bankers Association Loan Pool with 13 other local financial institutions. The loan pool is used to finance the rehabilitation of L/M housing in the Fredericksburg area. Funds are loaned to the Central Virginia Housing Coalition, a nonprofit organization, for the purchase and rehabilitation of the housing units. Crestar Bank has committed \$10,000 to the loan pool and has extended two loans totaling approximately \$5,000 under this program.

GREATER WASHINGTON REGION - VIRGINIA PORTION-contd.

Fredericksburg Area Micro Enterprise Loan Program is a small business micro loan pool serving the Rappahannock community including Stafford and Spotsylvania Counties and the City of Fredericksburg. The pool is managed in conjunction with the Rappahannock Economic Development Corporation and the Rappahannock Area Development Commission. Funds are available to local businesses which do not qualify for traditional bank financing or Government supported programs and are primarily used for start up and expansion purposes. All small business borrowers are required to successfully complete a training program, and annual revenues cannot exceed \$100,000 for eligible companies. Crestar contributed \$10,000 to capitalize the loan fund along with ten other local financial institutions.

Capital Area Mortgage Partnership (CAMP) is a regional effort sponsored by area financial institutions and the Neighborhood Reinvestment Corporation. CAMP offers financing for home purchase loans, technical and financial assistance, and counseling for prospective home buyers. A bank officer serves on the organization's loan review committee.

The Arlington Housing Corporation is a nonprofit housing organization that owns and manages approximately 13 properties and 1,058 housing units in the County of Arlington. Crestar Bank provided financing to this organization for the rehabilitation of 22 lower-income rental units in Arlington.

Crestar Small Business Resource Center was created to better serve the needs of the business community in the Greater Washington Region. The resource center provides counseling, education and training, small business financing workshops, and technical assistance to local businesses and entrepreneurs. During 1995, representatives from the Small Business Resource Center provided 33 presentations/workshops and conducted 428 consultations/meetings for area business owners.

Crestar Bank has also extended several loans within the region which promote economic development. Some of the loans recently extended include:

A \$2.8 million loan to acquire a 90,000-square-foot office building located in the Alexandria. This area is currently undergoing revitalization and serves as a critical commercial corridor.

A \$2.3 million loan to a developer to provide capital improvements to a neighborhood retail strip shopping center in Arlington.

A \$300,000 line of credit to a community based drug rehabilitation and treatment facility in Arlington.

A \$3 million loan to a nonprofit organization whose purpose is to provide assistance for military personnel and their families in the case of serious financial need. Among the services offered are visiting nurses, food, and budget counseling.

A \$490,642 loan to a local developer of retail/office property in the historic district of Old Town Alexandria, an urban revitalization area.

GREATER WASHINGTON REGION - VIRGINIA PORTION-contd.

Technical assistance and/or donations of financial resources have also been provided to the following organizations:

Victory Housing
Northern Virginia Community Development Corporation
Arlington Housing Corporation
Arlington Home Ownership Made Easy (A-HOME)
Wesley Housing Development Corporation
Christmas in April
Virginia Housing Coalition

OTHER COMMUNITY DEVELOPMENT EFFORTS

Crestar is a corporate member of the Virginia Regional Minority Supplier Development Council and the Tidewater Regional Minority Purchasing Council. These organizations support growth and development in the minority business community.

The bank has also participated in the Business Consortium Fund (BCF). BCF is a minority business development company affiliated with the National Minority Supplier Development Council. The fund is capitalized by investments made by corporations, governments, and foundations. The BCF helps certified minority businesses obtain working capital loans and contract financing with local participating banks.

The bank continues its investment in the Virginia Economic Development Corporation (VEDCORP). VEDCORP was established as a private, for-profit, investment organization that uses equity capital raised from investors to provide equity and other forms of flexible financing to small- and medium-sized businesses in the rural areas throughout the Commonwealth of Virginia.

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.

Conclusion/Support

Crestar Bank is a leader in developing specific projects promoting economic revitalization and growth consistent with its size, financial capacity, location, and current economic conditions. The bank operates 240 offices that serve 22 communities throughout the Commonwealth of Virginia. These communities represent a diversity of economies and needs and include portions of six MSAs. The local communities range from urban communities in northern, southeastern, and central Virginia, to rural communities in southwestern and eastern Virginia. The economies of the local communities located in or near the major metropolitan areas are considered generally strong, while the rural areas experience higher unemployment. Many communities continue to evidence the need for affordable housing and economic revitalization. The unemployment rate for the Commonwealth is 4.8%.

OTHER COMMUNITY DEVELOPMENT EFFORTS--contd.

Assessment Factor L - 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.

Conclusion/Support

Community development continues to be supported by charitable contributions and specific products offered by the institution. The bank has made financial donations throughout the Commonwealth to organizations that address housing, job training, education, and human services. Securities held in the bank's investment portfolio have provided funding for numerous community development projects within the delineated communities.

Regression Program Usage Report

(This form should be filled out for each examination conducted involving a HMDA reporter.)

Institution Name: CRESTAR BANK

City, ST: RICHMOND, VIRGINIA

Exam Date: MAY 20, 1996

Number of HMDA LAR records: _____

Year(s) of data considered: 1995

	FHA, VA, & FmHA HOME Purchase		Conventional Home Purchase		Refinancings		Home Improvement	
	Year	Year	Year	Year	Year	Year	Year	Year
White Approvals	7		79		213		1343	
White Denials	0		81		63		549	
Minority Approvals	5		10		36		538	
Minority Denials	2		25		49		592	

Was Step 1 of regression program run? YES

if "N", why not? _____

What grouping(s) of data (i.e, loan type, location, year(s), etc.) were used?

MIN Pr > Chi Square Value

- (1) 1995 - HOME IMPROVEMENT LOANS __**
- (2) _____ _____
- (3) ** STEP 1 WAS RUN BY BOARD OF GOVERNORS _____
- (4) DOCUMENTATION WAS NOT PROVIDED TO _____
- (5) THE RESERVE BANK. _____
- (6) _____ _____

Results from Regression Step 2

(Fill this page out for each grouping on which step 2 was run.)

Standard Variables which were not needed for Step 2:

_____	<u>NONE</u>	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Judgmental Variables which were collected for Step 2:

_____	Cash Available for Closing	_____	Special Loan Program
_____	Refi from Same Lender	_____	Cash Out vs No Cash Out
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Value of MIN Pr > Chi-Square: .1486

Number of Minority Rejections: 55

Number of "Dominant Pairs": 5

Explain which files pair analysis used: ALL DOMINANT AND NEARLY DOMINANT MATCHES FILES WERE REVIEWED THROUGH RANK 9.

What additional factors explained away pairs? COLLATERAL, PREVIOUS CRESTAR RELATIONSHIP, AND BEACON SCORES FROM CREDIT BUREAU. SEE ATTACHED EXPLANATIONS.

Were pairs of loan files given to bank for explanation? YES
Examiner hours spent specifically on regression: 140

Regression Program Usage Report

(This form should be filled out for each examination conducted involving a HMDA reporter.)

Institution Name: CRESTAR MORTGAGE CORP. & CAPITAL MORTGAGE CORP.

City, ST: RICHMOND, VIRGINIA

Exam Date: MAY 20, 1996

Number of HMDA LAR records: _____

Year(s) of data considered: 1995

	FHA, VA, & FmHA HOME Purchase		Conventional Home Purchase		Refinancings		Home Improvement	
	Year	Year	Year	Year	Year	Year	Year	Year
White Approvals	1,283		6,970		3,605		0	
White Denials	50		283		165		0	
Minority Approvals	569		641		320		0	
Minority Denials	54		62		43		0	

Was Step 1 of regression program run? YES

if "N", why not? STEP 1 WAS RUN BY THE BOARD OF GOVERNORS; DOCUMENTATION WAS NOT PROVIDED TO THE RESERVE BANK. BOARD DETERMINED THAT IT WAS NOT NECESSARY TO RUN STEP 2. TWO MORTGAGE ENTITIES WERE COMBINED DUE TO SAME UNDERWRITING CRITERIA AND PRODUCT OFFERINGS.

What grouping(s) of data (i.e, loan type, location, year(s), etc.) were used?

MIN Pr > Chi Square Value

- (1) _____ **
- (2) _____
- (3) ** STEP 1 WAS RUN BY BOARD OF GOVERNORS _____
- (4) DOCUMENTATION WAS NOT PROVIDED TO _____
- (5) THE RESERVE BANK. _____
- (6) _____

Results from Regression Step 2

(Fill this page out for each grouping on which step 2 was run.)

Standard Variables which were not needed for Step 2:

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Judgmental Variables which were collected for Step 2:

_____	Cash Available for Closing	_____	Special Loan Program
_____	Refi from Same Lender	_____	Cash Out vs No Cash Out
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Value of MIN Pr > Chi-Square: _____

Number of Minority Rejections: _____

Number of "Dominant Pairs": _____

Explain which files pair analysis used: _____

What additional factors explained away pairs? _____

Were pairs of loan files given to bank for explanation? Y N

Examiner hours spent specifically on regression: _____